Interruptible Storage Service

Effective April 1, 2009
Interruptible Storage Service

All storage contracts come with zero-priced interruptible injection and withdrawal.

New rules allow for negotiated interruptible storage injection and withdrawal services.

Interruptible injections may now be available when an OFO is declared.

Interruptible withdrawal availability will still be limited during winter balancing periods.
Interruptible Storage Services Auction

A new internet-based Storage Auction System will be located at https://capacity.socalgas.com/auctions and linked to the Envoy web site.

Customers with a current storage contract may bid – Must have:
- Master Services Contract
- Schedule I, Transaction Based Storage Agreement
- Credit established with SoCalGas

Users complete a Logon Request form to obtain ID and password – separate from Envoy
Storage Auction System

(AAll quantities on this site are in Dth)
Bidder: Patrick McDonald
Company: Proficio Technologies

Auction Support Line (213) 244-3824

Authorized Bidder Login

LogonID:  
Password:  
Submit

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## Interruptible Transport Queue (ITQ) Auctions:

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ITQ - Injection</td>
<td>ITQ - Injection</td>
</tr>
<tr>
<td>ITQ - Withdrawal</td>
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</tr>
</tbody>
</table>

## Current Firm Auctions:

<table>
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<tr>
<th>Name</th>
<th>Description</th>
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<tbody>
<tr>
<td>Firm Injection</td>
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Interruptible Storage Services Auction

System will be open for bidding March 31 or sooner for flow day April 1

Bids will be for “Next Day” gas as traded on the ICE trading platform. (i.e. Sat – Mon bid deadline is Friday)

Bidding ends at 6:10am PCT. Bidding will be extended for one minute if a bid is entered with less than one minute remaining. Hard close will be 6:20am PCT.

Bids are subject to sufficient credit and inventory rights.
Interruptible Storage Services Auction

Anonymous bid volumes and prices will be displayed during the bidding process.

Bidders may enter multiple bids at different prices.

Bids cannot be cancelled or reduced – may be increased only. The maximum bid is $2.00 / dth per tariff.
Interruptible Storage Services Auction

Types of Bid: Simple Bid; Auto Bid; Auto Bid with Target Volume
  Simple = Bid price and volume – placed in queue according to bid price
  Auto = Bid, volume, and max bid – placed in highest tier up to max bid
  Auto with Target Volume = placed in highest tier lower than Target Volume

Accepted bids will be prioritized in price order to form a price queue. The final price queue for each flow day will be retained in the Auction system for viewing and posted on the SoCalGas web site.
Interruptible Price Queue

An interruptible injection price queue will be used to confirm interruptible injection nominations on OFO days, utilizing unused storage injection capacity.

An interruptible withdrawal price queue will be used to confirm interruptible withdrawal nominations any time that total withdrawals exceed capacity.

Interruptible withdrawals still do not count toward the Winter Balancing minimum delivery requirement. They do count toward monthly deliveries.
**Interruptible Price Queue**

Gas Scheduling will schedule interruptible storage to the capacity available for each cycle in accordance with the price queue.

Interruptible nominations in excess of bids are considered zero-priced – lowest priority.

Price queue will remain the same throughout the flow day – available capacity may change each cycle.

Highest priced bids will be scheduled first, and bidders will pay for only the volume that is scheduled.
Examples

Example 1 – 100,000 dth available injection capacity for IT service

<table>
<thead>
<tr>
<th>Interruptible Injection Queue:</th>
<th>Bid</th>
<th>Nom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A</td>
<td>$.10/dth</td>
<td>50,000 dth</td>
</tr>
<tr>
<td>Company B</td>
<td>$.09/dth</td>
<td>25,000 dth</td>
</tr>
<tr>
<td>Company C</td>
<td>$.05/dth</td>
<td>10,000 dth</td>
</tr>
<tr>
<td>No bid (zero-priced)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Result: All priced noms are confirmed plus an additional 15,000 dth of zero-price noms.
Examples

Example 2 – 40,000 dth available injection capacity for IT service

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<tr>
<td>No bid (zero-priced)</td>
<td></td>
<td>25,000 dth</td>
</tr>
</tbody>
</table>

Result: 40,000 dth is confirmed for Company A and all other noms are confirmed zero.
Operational Hub

In effect since July, 2008
Operational Hub

G-PAL tariff schedule

Any creditworthy party may participate

Schedule O, Operations Park and Loan Service Agreement

Temporary, interruptible parking and loaning service

Hub positions posted weekly on SoCalGas web site

www.socalgas.com/business/informationalpostings
Storage Services

Storage Products Group

Gwoon Tom – Storage Products Manager  

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213-244-3692

Jimmy Yen – Account Manager  

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213-244-5466

Dale Borhaug – Sr. Storage Product Advisor  

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213-244-2824

Terry Ross – Storage Product Advisor  

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