

**APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY
AND SAN DIEGO GAS & ELECTRIC COMPANY
FOR AUTHORITY TO REVISE THEIR NATURAL GAS RATES
EFFECTIVE JANUARY 1, 2017 IN THEIR
TRIENNIAL COST ALLOCATION PROCEEDING - PHASE 2**

(A.15-07-014)

**(9TH DATA REQUEST FROM SOUTHERN CALIFORNIA GENERATION COALITION –
REVISED RESPONSE DATED MARCH 3, 2016)**

QUESTION 9.1:

9.1 Considering the description of the CPVA in SoCalGas' Preliminary Statement Part VI, which states: "In connection with SoCalGas' Cost Allocation Proceeding, SoCalGas provides the CVPA balance and a plan to refund accumulated charges for curtailment violations. Upon Commission approval, SoCalGas will refund the balance to applicable customers via a one-time bill credit."

9.1.1. Would Mr. Ahmed's recommendations regarding Curtailment Event 4 change if the penalty amount were larger?

9.1.2 If the answer to the previous question is "yes," how much larger would the penalty amount have to be before Mr. Ahmed would recommend bill credits for curtailed customers in the localized area?

9.1.3 Considering the language of the CPVA as quoted above, who were the "applicable" customers in Curtailment Events 2 & 3?

9.1.4 Please identify the number of "applicable" core and noncore customers.

9.1.5 Was Mr. Ahmed's recommendation to apply the penalty amounts to the CFCA and NFCA based on the number of customers or some other factor? Please explain.

9.1.6 If the curtailment penalty amount were changed so that it included a fixed amount plus the daily balancing standby rate defined in Schedule No. G-IMB, would this change Mr. Ahmed's recommendation for a one-time bill credit in a situation similar to Curtailment Event 1?

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RESPONSE 9.1:

9.1.1 Curtailment Event 4 refers to a localized partial curtailment on interruptible noncore customers in order to facilitate Pipeline Safety Enhancement work which resulted in SoCalGas collecting \$24 in curtailment charges from one noncore customer due to noncompliance. Rather than go through the detailed and time-consuming procedure to provide a bill credit to the 29 noncore customers who complied with the curtailment order which would probably result in a refund of pennies to some of these noncore customers, SoCalGas proposes to simply refund this very small amount by transferring the amount to its NFCA for amortization in noncore transportation rates.

SoCalGas does not have a policy for refunding accumulated charges for curtailment violations based on a dollar amount threshold (e.g., refund to applicable customers if accumulated charges exceed \$1,000). However, generally speaking, if the accumulated charges were large enough, SoCalGas would propose bill credits.

9.1.2 See response 9.1.1.

9.1.3 For Curtailment Events 2 and 3, SoCalGas notified customers that it would be curtailing Standby Procurement Service necessitated by the inadequate quantities of gas being delivered into the SoCalGas system. These two events were system-wide, potentially affecting all core and noncore customers.

9.1.4 See response 9.1.3.

9.1.5 As described in Mr. Ahmed's testimony, SoCalGas proposes to allocate the curtailment charges for Curtailment Events 2 and 3 to the CFCA and NFCA based on customer usage that occurred in December 2012 and February 2013 for those CAT customers and noncore customers who were asked to curtail and complied with the curtailment order, respectively.

9.1.6 Under the current disposition, no. However, in the event the methodology for the disposition of the CVPA was to change, SoCalGas would comply with the new requirement.

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**(9TH DATA REQUEST FROM SOUTHERN CALIFORNIA GENERATION COALITION –
REVISED RESPONSE DATED MARCH 3, 2016)**

QUESTION 9.2:

- 9.2 Considering the description of the CPFA in SDG&E's Preliminary Statement Part VI, which states: "The utility shall propose, in its Cost Allocation Proceeding, a manner by which the accumulated balance in the CPFA shall be allocated to noncore customers."
- 9.2.1 If SDG&E had a curtailment event similar to the one described in Mr. Ahmed's Curtailment Event 1, would Ms. Nierderle recommend refunding the penalty amount through the application of a one-time bill credit to customers who had curtailed during the event in compliance with SDG&E's order?
- 9.2.2 Please explain the basis for the answer to the previous question.
- 9.2.3 If the curtailment penalty amount were changed so that it included a fixed amount plus the daily balancing standby rate defined in Schedule No. G-IMB, would this change Ms. Nierderle's answer to Q.8.2.1?
- 9.2.4 Please explain the basis for the answer to the previous question.

RESPONSE 9.2:

- 9.2.1 In the event SDG&E had to address an event similar to Curtailment Event 1, under the currently authorized disposition of the CPFA, SDG&E would have proposed that the balance of the CPFA be refunded as a bill credit to those noncore customers who curtailed.
- 9.2.2 This manner is similar to both what SoCalGas proposed for Curtailment Event 1 and what SDG&E proposed in the previous Cost Allocation Proceeding, which was approved in D.14-06-007.
- 9.2.3 Under the current disposition, no. However, in the event the methodology for the disposition of the CPFA was to change, SDG&E would comply with the new requirement.
- 9.2.4 See Response 9.2.3.