

**SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY
PIPELINE SAFETY & RELIABILITY PROJECT (PSRP)
(A.15-09-013)
(DATA REQUEST ORA-57)**

**Date Requested: December 16, 2016
Date Responded: January 9, 2017**

PRELIMINARY STATEMENT

1. These responses and objections are made without prejudice to, and are not a waiver of, SDG&E and SoCalGas' right to rely on other facts or documents in these proceedings.
2. By making the accompanying responses and objections to these requests for data, SDG&E and SoCalGas does not waive, and hereby expressly reserves, its right to assert any and all objections as to the admissibility of such responses into evidence in this action, or in any other proceedings, on any and all grounds including, but not limited to, competency, relevancy, materiality, and privilege. Further, SDG&E and SoCalGas makes the responses and objections herein without in any way implying that it considers the requests, and responses to the requests, to be relevant or material to the subject matter of this action.
3. SDG&E and SoCalGas will produce responses only to the extent that such response is based upon personal knowledge or documents in the possession, custody, or control of SDG&E and SoCalGas. SDG&E and SoCalGas possession, custody, or control does not include any constructive possession that may be conferred by SDG&E or SoCalGas' right or power to compel the production of documents or information from third parties or to request their production from other divisions of the Commission.
4. A response stating an objection shall not be deemed or construed that there are, in fact, responsive information or documents which may be applicable to the data request, or that SDG&E and SoCalGas acquiesces in the characterization of the premise, conduct or activities contained in the data request, or definitions and/or instructions applicable to the data request.
5. SDG&E and SoCalGas objects to the production of documents or information protected by the attorney-client communication privilege or the attorney work product doctrine.
6. SDG&E and SoCalGas expressly reserve the right to supplement, clarify, revise, or correct any or all of the responses and objections herein, and to assert additional objections or privileges, in one or more subsequent supplemental response(s).
7. SDG&E and SoCalGas will make available for inspection at their offices any responsive documents. Alternatively, SDG&E and SoCalGas will produce copies of the documents. SDG&E and SoCalGas will Bates-number such documents only if SDG&E and SoCalGas deem it necessary to ensure proper identification of the source of such documents.
8. Publicly available information and documents including, but not limited to, newspaper clippings, court papers, and materials available on the Internet, will not be produced.

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9. SDG&E and SoCalGas object to any assertion that the data requests are continuing in nature and will respond only upon the information and documents available after a reasonably diligent search on the date of its responses. However, SDG&E and SoCalGas will supplement its answers to include information acquired after serving its responses to the Data Requests if it obtains information upon the basis of which it learns that its response was incorrect or incomplete when made.
10. In accordance with the CPUC's Discovery: Custom And Practice Guidelines, SDG&E and SoCalGas will endeavor to respond to ORA's data requests by the identified response date or within 10 business days. If it cannot do so, it will so inform ORA.
11. SDG&E and SoCalGas object to any ORA contact of SDG&E and SoCalGas officers or employees, who are represented by counsel. ORA may seek to contact such persons only through counsel.
12. SDG&E and SoCalGas objects to ORA's instruction to send copies of responses to entities other than ORA.

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QUESTION 1:

ORA-11 Question 9 asked:

Does SoCalGas/SDG&E have any agreements or contracts in place that provide for making additional gas supplies available via other systems in the advent of an emergency or force majeure? If so, please identify and provide all such agreements, and explain

In Response to ORA-11 Question 9, SCG/SDG&E stated:

“SDG&E and SoCalGas do have one agreement that could possibly provide for additional gas supplies via another system in the case of an emergency or force majeure. SoCalGas and Pacific Gas and Electric Company entered into an agreement dated 1988 which provided that either utility could request of the other gas volumes in any amount sufficient to make up the deficiency in its own gas supplies for its P-1/P-2A customers’ requirements.

- 1a. What does P-1/P-2A stand for? Does this represent Priority 1/Priority 2 under Rule 23 of the Tariff Rules?
- 1b. Since the agreement between PG&E and SCG/SDG&E has been in place, has the agreement ever been used? If so, describe circumstances under which its use was triggered.
- 1c. Have the terms of this agreement ever been revisited considering the Applicants’ perceived need to address the probability of outages either on Line 3010 or the loss of all compression on Moreno, or both. Why or why not? If the agreement could not help SoCalGas/SDG&E receive gas in the Southern System, state why it cannot.

RESPONSE 1:

- a. In approving Advice Letter 1513-G filed 12/14/1988 by PG&E and Advice Letter 1837 filed 12/16/1988 by SoCalGas, which sought authorization for the joint Mutual Assistance Agreement for gas service under conditions of curtailment (“Emergency Assistance Agreement”), the CPUC provided in its Resolution No. G-2849 dated January 27, 1989 the following descriptions of Priority 1 and 2A in paragraph 3 in the Discussion section of the Resolution:

“3. In general, Priority 1 (P-1) includes all residential customers. It also includes other customers with a peak day use of less than 100,000 cubic feet (100 Mcf). Priority 2A (P-2A) customers are those who use gas as a

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feedstock or have other nonresidential uses exceeding 100 Mcf per day, where the use of a feasible non-gaseous alternative fuel is not possible. P-2A also includes uses with specific Commission approval and electric utilities' start-up and igniter fuel. Customers in lower priorities, such as P2B, P-3, etc. generally have alternative fuel capability or have been excused from such alternative fuel capability by Commission action."
(page 3)

Since that time, the definitions evolved to the core definitions now provided in SoCalGas' Rule 23 as follows:

"Priority 1 All residential usage regardless of size. All nonresidential usage less than 20,800 therms per active month*, excluding usage reclassified to noncore service pursuant to customer request. All electric generation, refinery and enhanced oil recovery (EOR) usage less than 20,800 therms per active month* electing core service.

Priority 2A All nonresidential usage of 20,800 therms or greater per active month* eligible for core service, not electing noncore service.

* A customer shall be considered to meet the size criteria of 20,800 therms or greater per active month when on an annualized basis, for any period of 12 contiguous months within the most recent 24-month period, the customer's active month consumption averages 20,800 therms or greater. An active month is one in which consumption exceeds 1,000 therms." (Sheet 1)

- b. PG&E was billed for inter-utility service related to the storage of gas under the terms of the Emergency Assistance Agreement. Per these terms, PG&E had transported a total of 1,021,496 MMBtu into SoCalGas' system for storage in anticipation of a potential core curtailment on PG&E's system. PG&E was billed at an agreed upon rate of \$0.155 per MMBtu for a total of \$158,331.88.
- c. No. An Emergency Assistance Agreement with PG&E would not be of assistance because PG&E has no interconnection with the SoCalGas and SDG&E system that could deliver gas in lieu of a capacity loss due to a Moreno Compressor outage or a Line 3010 outage.