

TRANSPORTATION OF CUSTOMER-OWNED GAS

The general terms and conditions applicable whenever the Utility System Operator transports customer-owned gas, including wholesale customers, the Utility Gas Procurement Department, other end-use customers, aggregators, marketers and storage customers (referred to herein as "customers") over its system are described herein.

A. General

1. Subject to the terms, limitations and conditions of this rule and any applicable CPUC authorized tariff schedule, directive, or rule, the customer will deliver or cause to be delivered to the Utility and accept on redelivery quantities of gas which shall not exceed the Utility's capability to receive or redeliver such quantities. The Utility will accept such quantities of gas from the customer or its designee and redeliver to the customer on a reasonably concurrent basis an equivalent quantity, on a term basis, to the quantity accepted.
2. The customer warrants to the Utility that the customer has the right to deliver the gas provided for in the customer's applicable service agreement or contract (hereinafter "service agreement") and that the gas is free from all liens and adverse claims of every kind. The customer will indemnify, defend and hold the Utility harmless against any costs and expenses on account of royalties, payments or other charges applicable before or upon delivery to the Utility of the gas under such service agreement.
3. The point(s) where the Utility will receive the gas into its intrastate system (point(s) of receipt, as defined in Rule No. 1) and the point(s) where the Utility will deliver the gas from its intrastate system to the customer (point(s) of delivery, as defined in Rule No. 1) will be set forth in the customer's applicable service agreement. Other points of receipt and delivery may be added by written amendment thereof by mutual agreement. The appropriate delivery pressure at the point(s) of delivery to the customer shall be that existing at such point(s) within the Utility's system or as specified in the service agreement.

B. Quantities

1. The Utility shall as nearly as practicable each day redeliver to customer and customer shall accept, a like quantity of gas as is delivered by the customer to the Utility on such day. It is the intention of both the Utility and the customer that the daily deliveries of gas by the customer for transportation hereunder shall approximately equal the quantity of gas which the customer shall receive at the point(s) of delivery. However, it is recognized that due to operating conditions either (1) in the fields of production, (2) in the delivery facilities of third parties, or (3) in the Utility's system, deliveries into and redeliveries from the Utility's system may not balance on a day-to-day basis. The Utility and the customer will use all due diligence to assure proper load balancing in a timely manner.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4240
DECISION NO. 11-04-032

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 6, 2011
EFFECTIVE Jun 5, 2011
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

B. Quantities (Continued)

2. The gas to be transported hereunder shall be delivered and redelivered as nearly as practicable at uniform hourly and daily rates of flow. The Utility may refuse to accept fluctuations in excess of ten percent (10%) of the previous day's deliveries, from day to day, if in the Utility's opinion receipt of such gas would jeopardize other operations. Customers may make arrangements acceptable to the Utility to waive this requirement.
3. The Utility does not undertake to redeliver to the customer any of the identical gas accepted by the Utility for transportation, and all redelivery of gas to the customer will be accomplished by substitution on a therm-for-therm basis.
4. Transportation customers, including the Utility Gas Procurement Department, wholesale customers, contracted marketers, and Core Transport Agents (CTAs) will be provided monthly balancing services in accordance with the provisions of Schedule No. G-IMB.

C. Electronic Bulletin Board

1. The Utility prefers and encourages customers, including the Utility Gas Procurement Department, to use Electronic Bulletin Board (EBB) as defined in Rule No. 1 to submit their transportation nominations to the Utility. Imbalance trades are to be submitted through EBB or by means of the Imbalance Trading Agreement Form (Form 6544). Use of EBB is not mandatory for transportation only customers.
2. Transportation nominations may be submitted manually or through EBB.

D. Operational Requirements

1. Customer Representation

The customer must provide to the Utility the name(s) of any agents ("Agent") used by the customer for delivery of gas to the Utility for transportation service hereunder and their authority to represent customer.

A customer may choose only one of the following gas supply arrangements: 1) one Contracted Marketer, 2) one or multiple Agents (in addition to a Contracted Marketer if desired), or 3) itself for purposes of nominating to its end-use account (OCC).

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4842
DECISION NO.

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED Jul 31, 2015
EFFECTIVE Apr 1, 2016
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

2. Receipt Points

Utility accepts nominations from transportation customers or their representatives at the following Receipt Points into the SoCalGas system, as referenced in Schedule No. G-BTS*:

- El Paso Pipeline at Blythe (Southern Transmission Zone)
- North Baja Pipeline at Blythe (Southern Transmission Zone)
- Transportadora de Gas Natural de Baja California at Otay Mesa (Southern Transmission Zone)
- Kern River Pipeline and Mojave Pipeline (Wheeler Transmission Zone)
- PG&E at Kern River Station (Wheeler Transmission Zone)
- Occidental of Elk Hills at Gosford (Wheeler Transmission Zone)
- Transwestern Pipeline at North Needles (Northern Transmission Zone)
- Transwestern Pipeline at Topock (Northern Transmission Zone)
- El Paso Pipeline at Topock (Northern Transmission Zone)
- Kern River Pipeline and Mojave Pipeline at Kramer Junction (Northern Transmission Zone)
- Line 85 (California Supply)
- North Coastal (California Supply)
- Other (California Supply)
- Storage

* Additional Receipt Points will be added as they are established in the future.

3. Backbone Transmission Capacity

Each day, Receipt Point and Backbone Transmission Zone capacities will be set at their physical operating maximums under the operating conditions for that day. The Utility will schedule nominations for each Receipt Point and Backbone Transmission Zone to the maximum operating capacity of that individual Receipt Point or Backbone Transmission Zone. The maximum operating capacity is defined as the facility design or contractual limitation to deliver gas into the Utility's system adjusted for operational constraints (i.e. maintenance, localized restrictions, and upstream delivery pressures) as determined each day.

The NAESB elapsed pro rata rules require that the portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination be confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected. As such, the scheduled quantities for each shipper are subject to change in the Intraday 1 Cycle, the Intraday 2 Cycle, and the Intraday Cycle 3. However, each shipper's resulting scheduled quantity for the Gas Day will be no less than the elapsed prorated scheduled quantity for that shipper.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5493
DECISION NO.

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED Jul 10, 2019
EFFECTIVE Aug 9, 2019
RESOLUTION NO. _____

D

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

3. Backbone Transmission Capacity (Continued)

Each day, the Utility will use the following rules to confirm nominations to the Receipt Point and Backbone Transmission Zone maximum operating capacities. The Utility will also use the following rules to confirm nominations to the system capacity limitation as defined in Section F for OFO events during the Intraday 1 and Intraday 2 cycles; and during the Intraday 2 cycle when an OFO event is not called and nominations exceed system capacity.

Confirmation Order:

- Nominations using Firm Primary backbone transportation rights will be first; pro-rated if over-nominated*.
- Nominations using Firm Alternate backbone transportation rights within the associated transmission zone will be second (“Firm Alternate Within-the-Zone”); pro-rated if over-nominated.
- Nominations using Firm Alternate backbone transportation rights outside the associated transmission zone will be third (“Firm Alternate Outside-the-Zone”); pro-rated if over-nominated.
- Nominations using Interruptible backbone transportation rights will be fourth, pro-rated if over-nominated.
- Southern Transmission Receipt Points will not be reduced in any cycle below 110% of the Southern System minimum flowing supply requirement established by the Gas Control Department.

Bumping Rules:

- Firm Primary rights can “bump” any Firm Alternate scheduled quantities through the Evening Cycle.
- Firm Alternate Within-the-Zone rights can “bump” Firm Alternate Outside-the-Zone scheduled quantities through the Evening Cycle.
- Firm Primary and any Firm Alternate can “bump” interruptible scheduled quantities through the Intraday 2 Cycle subject to the NAESB elapsed pro-rata rules.
- Bumping will not be allowed in the Intraday 3 Cycle.

* If the available firm capacity at a particular receipt point or within a particular transmission zone is less than the firm capacity figures stated in Schedule No. G-BTS, scheduling of firm backbone transportation capacity nominations will be pro rata within each scheduling cycle. Any nominations of firm backbone transportation rights acquired through the addition of Displacement Backbone Transmission Capacity facilities will be reduced pro rata to zero at the applicable receipt point or within the applicable transmission zone prior to other firm backbone transportation rights nominations being reduced.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 4842
DECISION NO.

4C13

ISSUED BY

Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Jul 31, 2015
EFFECTIVE Apr 1, 2016

RESOLUTION NO. _____

T
T

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

3. Backbone Transmission Capacity (Continued)

Priority Rules:

- a. Firm primary scheduled quantities in the Evening Cycle will have priority over a new firm primary nomination made in the Intraday 1 Cycle.
- b. Firm Alternate Inside-the-Zone scheduled quantities in the Evening Cycle will have priority over a new Firm Alternate Inside-the-Zone nomination made in the Intraday 1 Cycle.
- c. Firm Alternate Outside-the-Zone scheduled quantities in the Evening Cycle will have priority over a new Firm Alternate Outside-the-Zone nomination made in the Intraday 1 Cycle.
- d. Interruptible scheduled quantities in the Evening Cycle will have priority over a new Interruptible nomination made in the Intraday 1 Cycle.
- e. This same structure will be applied in going from Intraday 1 Cycle (Cycle 3) to Intraday 2 Cycle (Cycle 4) to Intraday 3 Cycle (Cycle 5). However, this hierarchy will not affect Intraday 4 Cycle (Cycle 6) nominations or the elapsed pro-rata rule.

4. Storage Service Capacity

Each day, storage injection and withdrawal capacities will be set at their physical operating maximums under the operating conditions for that day and posted on the Utility's EBB. These capacities will take into account offsetting injection or withdrawal activity that effectively increase withdrawal or injection capacities. *Injection nominations will be held to the injection capacity specified in the Operational Flow Order (OFO) calculation on the EBB in every flowing cycle regardless of OFO status.** The Utility will use the following rules to limit the nominations to the storage maximums.

As necessary, withdrawal or injection allocated to the daily balancing function will be set aside and given first priority every day.

- Nominations using Firm storage rights will have the next priority, pro-rated, if necessary to the available storage capacity.
- All other nominations using Interruptible storage rights will have the lowest priority, pro-rated if over-nominated based on the daily volumetric price paid.
- On low OFO days the volume of interruptible withdrawal will be cut in half relative to the calculation on a non-OFO day. If interruptible nominations immediately prior to the low OFO were above this level, then they will be held constant through the low OFO.
- Firm storage rights can "bump" interruptible scheduled storage quantities through the Intraday 3 cycle.

Notice to bumped parties will be provided via the Transactions module in EBB. Bumping is subject to the NAESB elapsed prorata rules.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4996
 DECISION NO. 16-06-039

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jul 25, 2016
 EFFECTIVE Sep 1, 2016
 RESOLUTION NO. _____

N
|
N

N
N

N,D
N,D

N
|
N

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

5. Off-System Delivery (OSD) Service

For each flow date, the Utility will determine the quantity of capacity available for off-system deliveries. The quantity will include that available via physical redelivery from the Utility system along with displacement of forward haul flowing supplies. For each nomination cycle, the Utility customers who have contracted with the Utility for off-system delivery service may submit a nomination for such service pursuant to Schedule No. G-OSD and Section D.6. "Nominations" below, for deliveries to the PG&E system and to the Utility Transmission system's interconnection points with all interstate and international pipelines, but excluding California-produced gas supply lines.

The following rules will be used in scheduling of Off-System Delivery Services:

- Nominations using Firm OSD rights will have first priority; pro-rated if over-nominated.
- Nominations using Interruptible OSD rights will have second priority; pro-rated if over-nominated.
- Firm OSD rights can "bump" Interruptible OSD scheduled quantities through the Intraday 2 Cycle, subject to the NAESB elapsed pro-rata rules.
- Bumping of Interruptible OSD rights by Firm OSD rights will not be allowed in the Intraday 3 Cycle.
- Both Firm and Interruptible OSD rights, at any Delivery Point, can be reduced in any cycle, including during curtailment events, (subject to the NAESB elapsed pro rata rules) if, in the sole judgment of the Utility, the discontinuation or reduction of OSD service at that Delivery Point would diminish the need for the Utility to bring additional gas into the Utility's system at an additional cost or reduce the level of curtailment to any Utility customer.
- Reduction of Interruptible OSD nominations at any Delivery Point will be prorated at that particular Delivery Point.
- Reduction of Firm OSD nominations at any Delivery Point will be prorated at that particular Delivery Point.

D
N
D,N
D,N
N
N
D
D

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5050
 DECISION NO. 16-07-008

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Oct 25, 2016
 EFFECTIVE Nov 1, 2016
 RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

6. Nominations

The customer shall be responsible for submitting gas service nominations to the Utility no later than the deadlines specified below.

Each nomination shall include all information required by the Utility's nomination procedures. Nominations received by the Utility will be subject to the conditions specified in the service agreements with the Utility. The Utility may reject any nomination not conforming to the requirements in these rules or in applicable service agreements. The customer shall be responsible for making all corresponding upstream nomination/confirmation arrangements with the interconnecting pipeline(s) and/or operator(s).

Evening and Intraday nominations may be used to request an increase or decrease to scheduled volumes or a change to receipt or delivery points.

Intraday nominations do not roll from day to day.

Nominations submitted in any cycle will automatically roll to subsequent cycles for the specified flow date and from day-to-day through the end date or until the end date is modified by the nominating entity.

Nominations may be made in the following manner:

<u>FROM</u>	<u>TO</u>
Pipeline/CA Producer	Backbone Transportation Service Contract
Backbone Transportation Service Contract	End User, Contracted Marketer, CTA
Backbone Transportation Service Contract	Citygate Pool Account
Backbone Transportation Service Contract	Storage Account
Citygate Pool Account	End User, Contracted Marketer, CTA
Citygate Pool Account	Citygate Pool Account
Storage Account	End User, Contracted Marketer, CTA
Citygate Pool Account	Storage Account
Storage Account	Citygate Pool Account
Storage Account	Storage Account
Storage Account	Off-System Delivery Contract
Citygate Pool Account	Off-System Delivery Contract
End User, Contracted Marketer, CTA	Storage Account

L
|
|
|
|
L

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4842
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jul 31, 2015
 EFFECTIVE Apr 1, 2016
 RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

6. Nominations (Continued)

FROM

TO (Continued)

Off-System Delivery Contract	PG&E Pipeline (at Kern River Station)
Off-System Delivery Contract	Mojave Pipeline (at Wheeler Ridge)
Off-System Delivery Contract	Mojave Pipeline (at Kramer Junction)
Off-System Delivery Contract	Kern River Pipeline (at Wheeler Ridge)
Off-System Delivery Contract	Kern River Pipeline (at Kramer Junction)
Off-System Delivery Contract	Transwestern Pipeline (at North Needles)
Off-System Delivery Contract	Transwestern Pipeline (at Topock)
Off-System Delivery Contract	El Paso Pipeline (at Topock)
Off-System Delivery Contract	El Paso Pipeline (at Blythe)
Off-System Delivery Contract	North Baja Pipeline (at Blythe)
Off-System Delivery Contract	Transportadora de Gas Natural de Baja California (at Otay Mesa)
Receipt Point Pool Account	Receipt Point Pool Account
Receipt Point Pool Account	Backbone Transportation Contract

7. Timing

All times referred to below are in Pacific Clock Time. Requests for deadline extensions may be granted for 15 minutes only if request is made prior to the deadlines shown below.

Timely Cycle

Transportation nominations submitted via EBB for the Timely Nomination cycle must be received by the Utility by 11:00 a.m. one day prior to the flow date. Nominations submitted via fax must be received by the Utility by 10:00 a.m. one day prior to the flow date. Timely nominations will be effective at 7:00 a.m. on the flow date.

Evening Cycle

Nominations submitted via EBB for the Evening Nomination cycle must be received by the Utility by 4:00 p.m. one day prior to the flow date. Nominations submitted via fax must be received by the Utility by 3:00 p.m. one day prior to the flow date. Evening nominations will be effective at 7:00 a.m. on the flow date.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5493
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Jul 10, 2019
 EFFECTIVE Aug 9, 2019
 RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

7. Timing (Continued)

Intraday 1 Cycle

Nominations submitted via EBB for the Intraday 1 Nomination cycle must be received by the Utility by 8:00 a.m. on the flow date. Nominations submitted via fax must be received by the Utility by 7:00 a.m. on the flow date. Intraday 1 nominations will be effective at 12:00 p.m. the same day.

Intraday 2 Cycle

Nominations submitted via EBB for the Intraday 2 Nomination cycle must be received by the Utility by 12:30 p.m. on the flow date. Nominations submitted via fax must be received by the Utility by 11:30 a.m. on the flow date. Intraday 2 nominations will be effective at 4:00 p.m. the same day.

Intraday 3 Cycle

Nominations submitted via EBB for Intraday 3 Nomination cycle must be received by the Utility by 5:00 p.m. on the flow date. Nominations submitted via fax must be received by the Utility by 4:00 p.m. on the flow date. Intraday 3 nominations will be effective at 8:00 p.m. the same day.

Intraday 4 Cycle

Nominations submitted via EBB for the Intraday 4 Nomination cycle must be received by the Utility by 9:00 p.m. Pacific Clock Time on the flow date. Nominations submitted via fax must be received by the Utility by 8:00 p.m. Pacific Clock Time on the flow date.

*Temporary provisions regarding the trading of scheduled quantities and daily imbalances are provided in Section N.**

Intraday 4 nominations are available only for firm nominations relating to the injection of existing flowing supplies into a storage account or for firm nominations relating to the withdrawal of gas in storage to meet an identified customer's usage. A customer may make Intraday 4 nominations from a third-party storage provider that is directly connected to the Utility's system or from the Utility's storage, subject to the storage provider or the Utility being able to deliver or accept the daily quantity nominated for Intraday 4 within the remaining hours of the flow day and the Utility's having the ability to deliver or accept the required hourly equivalent flow rate during the remaining hours of the flow day. Third-party storage providers will be treated on a comparable basis with the Utility's storage facilities to the extent that it can provide the equivalent service and operations.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5064
DECISION NO.

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED Dec 1, 2016
EFFECTIVE Dec 1, 2016
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. Operational Requirements (Continued)

8. Confirmation and Ranking Process

A ranking must be received by the Utility at the time the nomination or the confirmation is submitted. The nominating party will rank its supplies and the confirming party will rank its markets. The Utility will then balance the pipeline system using the "lesser of" rule and the rankings submitted.

The ranking will automatically roll from cycle-to-cycle and day-to-day until the nomination end date, unless modified by the nominating entity.

If no ranking is submitted at the time the nomination is submitted, the Utility will assign the lowest ranking to the nomination.

The Utility will compare the nominations received for each transaction and the corresponding confirmation. If the two quantities do not agree, the "lesser of" the two quantities will be the quantity scheduled by the Utility. Subject to the Utility receiving notification of confirmed transportation from the applicable upstream pipeline(s) and/or operator(s), the Utility will provide scheduled quantities on EBB.

9. As between the customer and the Utility, the customer shall be deemed to be in control and possession of the gas to be delivered hereunder and responsible for any damage or injury caused thereby until the gas has been delivered at the point(s) of receipt. The Utility shall thereafter be deemed to be in control and possession of the gas after delivery to the Utility at the point(s) of receipt and shall be responsible for any damage or injury caused thereby until the same shall have been redelivered at the point(s) of delivery, unless the damage or injury has been caused by the quality of gas originally delivered to the Utility, for which the customer shall remain responsible.

10. Any penalties or charges incurred by the Utility under an interstate or intrastate supplier contract as a result of accommodating transportation service shall be paid by the responsible customer.

11. Customers receiving service from the Utility for the transportation of customer-owned gas shall pay any costs incurred by the Utility because of any failure by third parties to perform their obligations related to providing such service.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4258
DECISION NO. 11-03-029

ISSUED BY
Lee Schavrien
Senior Vice President

(TO BE INSERTED BY CAL. PUC)
DATE FILED Jul 15, 2011
EFFECTIVE Oct 1, 2012
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

E. Interruption of Service

1. The customer's transportation service priority shall be established in accordance with the definitions of Core and Noncore service, as set forth in Rule No. 1, and the provisions of Rule No. 23, Continuity of Service and Interruption of Delivery. If the customer's gas use is classified in more than one service priority, it is the customer's responsibility to inform the Utility of such priorities applicable to the customer's service. Once established, such priorities cannot be changed during a curtailment period.
2. The Utility shall have the right, without liability, to interrupt the acceptance or redelivery of gas whenever it becomes necessary to test, alter, modify, enlarge or repair any facility or property comprising the Utility's system or otherwise related to its operation. When doing so, the Utility will try to cause a minimum of inconvenience to the customer. Except in cases of unforeseen emergency, the Utility shall give a minimum of ten (10) days advance written notice of such activity.

F. Nominations in Excess of System Capacity

1. In the event customers fail to adequately reduce their transportation nominations, the Utility shall reduce the confirmed receipt point access nominations as defined in Section D.

D
D
T
D

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5297
DECISION NO. 16-06-039, 16-12-015

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED May 22, 2018
EFFECTIVE Jun 1, 2018
RESOLUTION NO. _____

Rule No. 30

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

G. Operational Flow Orders and Emergency Flow Orders

1. Operational Flow Order (OFO)

- a. The Utility System Operator’s protocol for declaring an Operational Flow Order (OFO) is described in Rule No. 41. All OFO declarations will be identified by stage that will specify a Daily Imbalance Tolerance and Noncompliance Charge per the table below. The daily balancing standby rate is not applicable to High OFOs. Pursuant to D.19-05-030, this OFO Noncompliance Charge structure shall remain in effect until October 31, 2021, unless modified by a subsequent Commission decision.

Effective June 1 – September 30

Stage	Daily Imbalance Tolerance	Noncompliance Charge (\$/therm)
1	Up to +/-25%	0.025
2	Up to +/-20%	0.10
3	Up to +/-15%	0.50
4	Up to +/-5%	0.50
5	Up to +/-5%	0.50 plus Rate Schedule G-IMB daily balancing standby rate
EFO	Zero	5.00 plus Rate Schedule G-IMB daily balancing standby rate

D

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5499-A
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Sep 19, 2019
 EFFECTIVE Oct 19, 2019
 RESOLUTION NO. _____

Rule No. 30

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

G. Operational Flow Orders and Emergency Flow Orders (Continued)

1. Operational Flow Order (OFO) (Continued)

a. (Continued)

Effective October 1 – May 31

Stage	Daily Imbalance Tolerance ¹	Noncompliance Charge (\$/therm)
1	Up to +/-25%	0.025
2	Up to +/-20%	0.10
3	Up to +/-15%	0.50
3.1	Up to +/-15%	1.00
3.2	Up to +/-15%	1.50
3.3	Up to +/-15%	2.00
4	Up to +/-10%	2.50
5	Up to +/-5%	2.50 plus Rate Schedule G-IMB daily balancing standby rate
EFO	Zero	5.00 plus Rate Schedule G-IMB daily balancing standby rate

¹ Negative daily imbalance tolerances for all stages are capped at up to -5% until Aliso Canyon's withdrawal capacity is available without constraint to the System Operator for load balancing.

- b. The OFO shall apply to all customers financially responsible for managing and clearing transportation imbalances (Balancing Agents), including wholesale customers, Contracted Marketers, core aggregators, California Gas Producers and the Utility Gas Procurement Department.
- c. The OFO period shall begin on the flow date(s) indicated by the Utility Gas Control Department. Generally an initial OFO event will start at Stage 1; however an OFO event may begin at any stage as deemed appropriate by the Utility Gas Control Department with the corresponding noncompliance charge.
- d. An OFO will normally be ordered with at least twelve (12) hours notice prior to the beginning of the gas day, or as necessary as dictated by operating conditions. Charges for the first day of the OFO event will not be imposed if notice is given after 8:00 p.m.* Pacific Time the day prior to the start of the OFO event.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5471
 DECISION NO. 19-05-030

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED May 31, 2019
 EFFECTIVE May 31, 2019
 RESOLUTION NO. _____

N
—
L
—
L
—
L
—
L

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

G. Operational Flow Orders and Emergency Flow Orders (Continued)

1. Operational Flow Order (OFO) (Continued)

- e. OFO and EFO compliance and charges will be based on the following for determination of daily usage quantities:
 - i. For a Noncore End-Use Customer equipped with automated meter reading device (AMR) and SDG&E's Electric & Gas Fuel Procurement Department, compliance during an OFO will be based on actual daily metered usage, and the calculation after the OFO event of any applicable noncompliance charge will be based on actual daily metered usage.
 - ii. For a Noncore End-Use Customer with non-functioning AMR meters, compliance during an OFO or EFO will be based on the Customer's actual daily metered usage; or the estimated daily usage in accordance with Section C of SoCalGas Rule 14 will be substituted for the actual daily metered usage when actual metered usage is not available.
 - iii. For a Noncore End-Use Customer without AMR capability compliance during an OFO or EFO will be based on the Customer's MinDQ.
 - iv. For the Utility Gas Procurement Department, the Daily Forecast Quantity will be used as a proxy for daily usage.
 - v. For core aggregators, their Daily Contract Quantity will be used as a proxy for daily usage.
 - vi. For a California Producer with an effective California Producer Operational Balancing Agreement, Form 6452, compliance with an OFO and EFO and calculation of any noncompliance charges will be based on the difference between scheduled receipts and measured receipts for each day of an event. OFO and EFO compliance for a California Producer with an existing non-California Producer Operational Balancing Agreement, Form 6452 access agreement will be treated consistent with the terms of that access agreement.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5471
DECISION NO. 19-05-030

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED May 31, 2019
EFFECTIVE May 31, 2019
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

I. Gas Delivery Specifications (Continued)

2. Gas delivered into the Utility's system for the account of a customer for which there is no existing contract between the delivering pipeline and the Utility shall be at a pressure such that the gas can be integrated into the Utility's system at the point(s) of receipt.
3. Gas delivered, except as defined in I.1 above, shall conform to the following quality specifications at the time of delivery:
 - a. Heating Value: The minimum heating value is nine hundred and seventy (970) Btu (gross) per standard cubic foot on a dry basis. The maximum heating value is one thousand one hundred fifty (1150) Btu (gross) per standard cubic foot on a dry basis.
 - b. Moisture Content or Water Content: For gas delivered at or below a pressure of eight hundred (800) psig, the gas shall have a water content not in excess of seven (7) pounds per million standard cubic feet. For gas delivered at a pressure exceeding of eight hundred (800) psig, the gas shall have a water dew point not exceeding 20 degrees F at delivery pressure.
 - c. Hydrogen Sulfide: The gas shall not contain more than twenty-five hundredths (0.25) of one (1) grain of hydrogen sulfide, measured as hydrogen sulfide, per one hundred (100) standard cubic feet (4 ppm). The gas shall not contain any entrained hydrogen sulfide treatment chemical (solvent) or its by-products in the gas stream.
 - d. Mercaptan Sulfur: The gas shall not contain more than three tenths (0.3) grains of mercaptan sulfur, measured as sulfur, per hundred standard cubic feet (5 ppm).
 - e. Total Sulfur: The gas shall not contain more than seventy-five hundredths (0.75) of a grain of total sulfur compounds, measured as sulfur, per one hundred (100) standard cubic feet (12.6 ppm). This includes COS and CS₂, hydrogen sulfide, mercaptans and mono, di and poly sulfides.
 - f. Carbon Dioxide: The gas shall not have a total carbon dioxide content in excess of three percent (3%) by volume.
 - g. Oxygen: The gas shall not have an oxygen content in excess of two-tenths of one percent (0.2%) by volume, and customer will make every reasonable effort to keep the gas free of oxygen.
 - h. Inerts: The gas shall not contain in excess of four percent (4%) total inerts (the total combined carbon dioxide, nitrogen, oxygen and any other inert compound) by volume.

T,R

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5477
DECISION NO. 19-05-018

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED Jun 7, 2019
EFFECTIVE Jul 7, 2019
RESOLUTION NO. _____

Rule No. 30

Sheet 20

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

I. Gas Delivery Specifications (Continued)

3. (Continued)

- i. Hydrocarbons: For gas delivered at a pressure of 800 psig or less, the gas hydrocarbon dew point is not to exceed 45 degrees F at 400 psig or at the delivery pressure if the delivery pressure is below 400 psig. For gas delivered at a pressure higher than 800 psig, the gas hydrocarbon dew point is not to exceed 20 degrees F measured at a pressure of 400 psig.
- j. Merchantability: The gas shall not contain dust, sand, dirt, gums, oils and other substances at levels that would be injurious to Utility facilities or that would cause gas to be unmarketable.
- k. Hazardous Substances: The gas must not contain hazardous substances (including but not limited to toxic and/or carcinogenic substances and/or reproductive toxins) at concentrations which would prevent or restrict the normal marketing of gas, be injurious to pipeline facilities, or which would present a health and/or safety hazard to Utility employees and/or the general public.
- l. Delivery Temperature: The gas delivery temperature is not to be below 50 degrees F or above 105 degrees F.
- m. Interchangeability: The gas shall have a minimum Wobbe Number of 1279 and shall not have a maximum Wobbe Number greater than 1385. The gas shall meet American Gas Association's Lifting Index, Flashback Index and Yellow Tip Index interchangeability indices for high methane gas relative to a typical composition of gas in the Utility system serving the area.

Acceptable specification ranges are:

- * Lifting Index (IL)
IL <= 1.06
- * Flashback Index (IF)
IF <= 1.2
- * Yellow Tip Index (IY)
IY >= 0.8

- n. Liquids: The gas shall contain no liquids at or immediately downstream of the receipt point.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5471
DECISION NO. 19-05-030

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED May 31, 2019
EFFECTIVE May 31, 2019
RESOLUTION NO. _____

L
L
L

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

I. Gas Delivery Specifications (Continued)

4. The Utility, at its option, may refuse to accept any gas tendered for transportation by the customer or on his behalf if such gas does not meet the specifications at the time of delivery as set out in I. 2, I. 3, and J.5, as applicable.
5. The Utility will grant specific deviations to California production from the gas quality specifications defined in Paragraph I.3 above, if such gas will not have a negative impact on system operations. Any such deviation will be required to be filed through Advice Letter for approval prior to gas actually flowing in the Utility system.
6. The Utility will post on its EBB and/or general website information regarding the available real-time Wobbe Number of gas at identified operational locations on its system.
7. Gas monitoring and enforcement hardware and software including, but not limited to, a gas chromatograph and all related equipment, communications facilities and software, identified in Exhibit A to Schedule No. G-CPS, are required, and shall be installed at each interconnection meter site where a California Producer delivers natural gas into the Utility's gas transportation system. The gas chromatograph shall monitor non-hydrogen sulfide constituents in the gas delivered, and deny access to gas that does not comply with the gas specifications set forth in the Gas Delivery Specifications, Section I.1 or I.3 above. Compliance shall be assessed using the 4- to 8-minute monitoring interval adopted in D.07-08-029 and D.10-09-001.
8. The gas chromatograph and all related equipment and software, identified in Exhibit A to Schedule No. G-CPS, shall monitor and enforce the gas quality specifications, using the 4- to 8-minute monitoring interval adopted in D.07-08-029 and D.10-09-001. Access shall be denied by the Utility on a non-latching basis after a second consecutive monitoring interval results in an alarm for gas which exceeds the non-hydrogen sulfide specifications. The gas chromatograph and all related equipment and software shall also enable the Utility to remotely gather and retain gas quality and alarm data. Where additional measures are necessary to promote or enhance safety, SoCalGas may request a deviation from the aforementioned monitoring interval requirements established by the CPUC.
9. For California Producers currently delivering gas into the Utility's transportation system without a gas chromatograph and all related equipment and software in place, as required in Rule No. 39, non-hydrogen sulfide constituents of gas will, on an interim basis, continue to be monitored and access denied under the methods currently in place, until such time as a gas chromatograph and all related equipment and software are installed and operational, subject to Rule No. 39 conditions.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5471
DECISION NO. 19-05-030

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED May 31, 2019
EFFECTIVE May 31, 2019
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications

1. Biogas refers to untreated gas produced through the anaerobic digestion of organic waste material. Biomethane refers to biogas that has been treated to comply with this Rule No. 30.
2. Biomethane delivered, except as defined in Section I.1, must meet the gas quality specifications set out in Section I and the biomethane-specific specifications set out in this Section J. The terms and conditions contained in Section J apply solely to suppliers of biomethane and are incremental to Section I gas quality requirements.
3. Biomethane must not contain constituents at concentrations which would prevent or restrict the normal marketing of biomethane, be at levels that would be injurious to pipeline facilities, or be at levels that would present a health and/or safety hazard to Utility employees and/or the general public.
 - a. Health Protective Constituents are constituents that may impact human health and include carcinogenic constituents (“Carcinogenic Constituents”) and non-carcinogenic constituents (“Non-Carcinogenic Constituents”).
 - b. Pipeline Integrity Protective Constituents are constituents that may impact pipeline system integrity.
4. The party interconnected to the Utility pipeline system for purposes of delivering biomethane (“Biomethane Interconnector”) shall be responsible for costs associated with periodic biomethane testing requirements contained in this Section J, but shall not be responsible for the Utility’s discretionary biomethane testing or monitoring.
5. Biomethane Quality Specifications: Biomethane to be accepted and transported in the Utility pipeline system shall be subject to periodic testing and monitoring based on the biogas source. The Trigger Level is the level where additional periodic testing and analysis of the constituent is required. The Lower Action Level, where applicable, is used to screen biomethane during the initial biomethane quality review and as an ongoing screening level during the periodic testing. The Upper Action Level, where applicable, establishes the point at which the immediate shut-off of the biomethane supply occurs.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5471
DECISION NO. 19-05-030

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED May 31, 2019
EFFECTIVE May 31, 2019
RESOLUTION NO. _____

Rule No. 30

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications (Continued)

5. Biomethane Quality Specifications: (Continued)

Constituent	Trigger Level mg/m ³ (ppm _v) ⁱ	Lower Action Level mg/m ³ (ppm _v)	Upper Action Level mg/m ³ (ppm _v)
<i>Health Protective Constituent Levels</i>			
<u>Carcinogenic Constituents</u>			
Arsenic	0.019 (0.006)	0.19 (0.06)	0.48 (0.15)
p-Dichlorobenzenes	5.7 (0.95)	57 (9.5)	140 (24)
Ethylbenzene	26 (6.0)	260 (60)	650 (150)
n-Nitroso-di-n-propylamine	0.033 (0.006)	0.33 (0.06)	0.81 (0.15)
Vinyl Chloride	0.84 (0.33)	8.4 (3.3)	21 (8.3)
<u>Non-Carcinogenic Constituents</u>			
Antimony	0.60 (0.12)	6.0 (1.2)	30 (6.1)
Copper	0.060 (0.02)	0.6 (0.23)	3 (1.2)
Hydrogen Sulfide	30 (22)	300 (216)	1500 (1080)
Lead	0.075 (0.009)	0.75 (0.09)	3.8 (0.44)
Methacrolein	1.1 (0.37)	11 (3.7)	53 (18)
Toluene	904 (240)	9000 (2400)	45000 (12000)
Alkyl Thiols (mercaptans)	(12)	(120)	(610)
<i>Pipeline Integrity Protective Constituent Levelsⁱⁱ</i>			
Siloxanes	0.01 mg Si/m ³	0.1 mg Si/m ³	-
Ammonia	0.001 vol%	-	-
Hydrogen	0.1 vol%	-	-
Mercury	0.08 mg/m ³	-	-
Biologicals	4 x 10 ⁴ /scf (qPCR per APB, SRB, IOB ⁱⁱⁱ group) and commercially free of bacteria of >0.2 microns	-	-

Notes: i) The first number in this table are in milligrams per cubic meter of gas (mg/m³), while the second number () is in parts per million by volume (ppm_v). ii) The Pipeline Integrity Protective Constituent Lower and Upper Action Limits not provided above will be established in the Commission's next AB1900 update proceeding. Until that time, Biomethane supplies that contain Pipeline Integrity Protective Constituents exceeding the Trigger Level, but lacking a Lower or Upper Action Level, will be analyzed and addressed on a case-by-case basis based on the biomethane's potential impact on pipeline system integrity. iii) APB – Acid producing Bacteria; SRB – Sulfate-reducing Bacteria; IOB – Iron-oxidizing Bacteria

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5499-A
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Sep 19, 2019
 EFFECTIVE Oct 19, 2019
 RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications (Continued)

6. Biomethane Constituent Testing shall be based on the biomethane source:

- a. Biomethane from landfills shall be tested for all Health Protective Constituents and the Pipeline Integrity Protective Constituents.
- b. Biomethane from dairies shall be tested for Ethylbenzene, Hydrogen Sulfide, n-Nitroso-di-n-propylamine, Mercaptans, Toluene, and the Pipeline Integrity Protective Constituents.
- c. Other organic waste sources, including biomethane from publicly owned treatment works (i.e., water treatment and sewage treatment plants) shall be tested for p-Dichlorobenzene, Ethylbenzene, Hydrogen Sulfide, Mercaptans, Toluene, Vinyl Chloride, and the Pipeline Integrity Protective Constituents.
- d. Biomethane Interconnectors that certify that their biogas is sourced only from dairy, animal manure, agricultural waste, forest residues, and/or commercial food processing waste, and that products containing siloxanes are not included in the biogas and not used at their facilities in any way that allows siloxane to enter the biomethane, shall have reduced siloxane testing requirements, as described in Section J.8.e. If the certifications identified above are no longer true, then the Biomethane Interconnector must notify the Utility and the full siloxane testing requirement shall apply.

7. Collective Health Risk

- a. Group 1 Compounds are Constituents with a concentration below the test detection level or below the Trigger Level.
- b. Group 2 Compounds are Constituents with a concentration at or above the Trigger Level.
- c. For Health Protective Group 2 Compounds, the collective cancer and non-cancer risk from Carcinogenic and Non-carcinogenic Constituents must be calculated by summing the Group 2 Compounds' risk.
 - i. Cancer Risk: The potential cancer risk for Group 2 compounds can be estimated by summing the individual potential cancer risk for each carcinogenic constituent of concern. Specifically, the cancer risk can be calculated using the ratio of the concentration of the constituent in the biomethane to the health protective ("trigger") concentration value corresponding to one in a million cancer risk for that specific constituent and then summing the risk for all the Group 2 constituents. (For reference, see CARB/OEHHA Report submitted in R.13-02-008, p. 67.)

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5477
DECISION NO. 19-05-018

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED Jun 7, 2019
EFFECTIVE Jul 7, 2019
RESOLUTION NO. _____

N
|
|
|
|
|
|
N

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications (Continued)

7. Collective Health Risk (Continued)

c. (Continued)

- ii. Non-Cancer Risk: The non-cancer risk can be calculated using the ratio of the concentration of the constituent in biomethane to the health protective concentration value corresponding to a hazard quotient of 0.1 for that specific non-carcinogenic constituent, then multiplying the ratio by 0.1, and then summing the non-cancer chronic risk for these Group 2 Compounds. (For reference, see CARB/OEHHA Report submitted in R.13-02-008 p. 67.)

Collective from Carcinogenic and non-Carcinogenic Constituents			
Risk Management Levels	Potential Risk from Carcinogenic Constituents (chances in a million)	Hazard Index from Non-Carcinogenic Constituents	Action
Trigger Level ¹	≥ 1.0	≥ 0.1	Periodic Testing Required
Lower Action Level ²	≥ 10.0	≥ 1.0	Supply shut-in after three exceedances in 12-month period in which deliveries occur
Upper Action Level	≥ 25.0	≥ 5.0	Immediate supply shut-in

1. For any Health Protective Constituent.
 2. Sum of the Health Protective Constituents exceeding the trigger level.

8. Biomethane Pre-Injection Testing:

- a. Prior to the injection of biomethane, the Biomethane Interconnector shall conduct two tests over a two- to four-week period for the constituents identified for that biomethane source (see Section J.6).
- b. Pre-injection testing will be performed by the Biomethane Interconnector using independent certified third party laboratories (Environmental Laboratory Accreditation Program (ELAP) certified, where applicable). The Utility shall be notified of the biomethane sampling and tests and have the option to observe the samples being taken. Test results will be shared with the Utility within five calendar days of the test results being received by the Biomethane Interconnector.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5499-A
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Sep 19, 2019
 EFFECTIVE Oct 19, 2019
 RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications (Continued)

8. Biomethane Pre-Injection Testing: (Continued)

- c. During pre-injection testing, the biomethane's collective potential cancer risk and non-cancer risk is calculated by summing the individual risk for each Health Protective Group 2 Compound. If the collective potential cancer risk or non-cancer risk is at or above the Lower Action Level (the cancer risk Lower Action Level is > 10 in a million and the non-cancer risk Lower Action Level is a Hazard Index of > 1), the biomethane cannot be accepted or transported by the Utility's pipeline system. The Biomethane Interconnector shall make necessary modifications to lower the collective potential cancer risk or non-cancer risk below the Lower Action Level and restart pre-injection testing. If the Health Protective Constituents are found to be below the Trigger Level or the collective cancer or non-cancer risk from the Health Protective Group 2 Compounds is below the Lower Action Level in both pre-injection tests, then the biomethane may be injected subject to compliance with the periodic testing requirements specified below.
- d. If during the pre-injection testing, any Pipeline Integrity Protective Constituents are found to be above the Lower Action Level, if applicable, the biomethane cannot be accepted or transported by the Utility's pipeline system. The Biomethane Interconnector shall make necessary modifications to lower the Pipeline Integrity Protective Constituents below the Lower Action Level and restart pre-injection testing. If the Pipeline Integrity Protective Constituents are found to be below the Lower Action Level in both pre-injection tests, then the biomethane may be injected subject to compliance with the periodic testing requirements specified below.
- e. Per Section J.6.d, biomethane certified for reduced siloxane testing will be as follows:
 - i. If the pre-injection testing siloxane levels are below or at the Trigger Level of 0.01 mg Si/m^3 , then no periodic siloxane testing is required under Section J.9.d.
 - ii. If the pre-injection testing siloxanes level exceed the Trigger Level of 0.01 mg Si/m^3 , then quarterly testing is required for one year, and if none of those samples are above the Lower Action Level of 0.1 mg Si/m^3 , then no periodic siloxane testing is required under Section J.9.d.
 - iii. If the siloxanes are above the Lower Action Level of 0.1 mg Si/m^3 , then the Section J.6.d biomethane certification for reduced testing is no longer applicable and the Biomethane Interconnector will be required to comply with the periodic testing requirements for siloxane under Section J.9.d.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5499-A
DECISION NO.

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED Sep 19, 2019
EFFECTIVE Oct 19, 2019
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications (Continued)

9. Biomethane Periodic Testing:

a. Group 1 Constituent Testing

- i. A Group 1 Compound shall be tested once every 12-month period in which deliveries occur. Thereafter, if the Group 1 Compound is found below the Trigger Level during two consecutive annual periodic tests, the Group 1 Compound may be tested once every two year-period in which deliveries occur.
- ii. A Group 1 Compound will become a Group 2 Compound if testing indicates a concentration at or above the Trigger Level.

b. Group 2 Compound Testing

- i. A Group 2 Compound shall be tested quarterly (at least once every three- month period in which deliveries occur).
- ii. A Group 2 Compound will become a Group 1 Compound if testing indicates a concentration below the Trigger Level during four consecutive tests.

c. Collective Risk from Carcinogenic and Non-carcinogenic Constituents:

- i. If four consecutive quarterly tests demonstrate that the Health Protective Group 2 Compound's collective cancer and non-cancer risk is below the Lower Action Level, monitoring can be reduced to once every 12-month period in which deliveries occur.
- ii. If annual testing demonstrates that the Health Protective Group 2 Compound's collective cancer or non-cancer risk is at or above the Lower Action Level, then testing will revert to quarterly.

d. Pipeline Integrity Protective Constituents

- i. Constituents shall be tested once every 12-month period in which deliveries occur. Thereafter, constituents found below the Trigger Level during two consecutive annual periodic tests, the constituent may be tested once every two year-period in which deliveries occur.
- ii. If the constituent was tested above the Trigger Level, then it will be tested quarterly.
- iii. If there are four consecutive quarterly tests below the Lower Action Level, then it will be reduced to once every 12-month period in which deliveries occur.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5477
DECISION NO. 19-05-018

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED Jun 7, 2019
EFFECTIVE Jul 7, 2019
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications (Continued)

10. Biomethane Shut-Off and Restart Procedures: The Biomethane Interconnector may be shut-off when the following occurs:

- a. The CPUC determines that a change in the biogas source at the facility or the upgrading equipment will potentially increase the level of any constituent over the previously measured baseline levels.
- b. Testing indicates constituents are exceeding allowable concentration levels:
 - i. The collective cancer or non-cancer risk from Health Protective Group 2 Compounds is found at or above the Lower Action Level three times in a 12-month period in which deliveries occur.
 - ii. The collective cancer or non-cancer risk from Health Protective Group 2 Compounds is found at or above the Upper Action Level.
 - iii. If applicable, a Pipeline Integrity Protective Constituent is found at or above the Lower Action Level three times in a 12-month period in which deliveries occur.
 - iv. The biomethane contains constituents at concentrations which prevent or restrict the normal marketing of biomethane, are at levels that are injurious to pipeline facilities, or are at levels that present a health and/or safety hazard to Utility employees and/or the general public.
- c. In order to restart injection after a Biomethane Interconnector has been shut-off, the Biomethane Interconnector shall test the biomethane using independent certified third party laboratories (ELAP certified where applicable). Deliveries can then resume, subject to the periodic testing requirements in Section J.9, if the test indicates: (1) the biomethane complies with the gas quality specifications contained in Section I of this Rule; (2) the collective cancer and non-cancer risk of Health Protective Group 2 Compounds is below the Lower Action Level; and, if applicable, (3) the Pipeline Integrity Protective Constituents are below the Lower Action Level. Thereafter, constituents shall be reevaluated by the Utility for eligibility for less frequent testing.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5471
DECISION NO. 19-05-030

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED May 31, 2019
EFFECTIVE May 31, 2019
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

J. Biomethane Delivery Specifications (Continued)

11. Testing Procedures: The Utility shall collect samples at the receipt point utility meter. The Biomethane Interconnector shall collect samples upstream of the utility meter. Samples will be analyzed by independent certified third party laboratories (ELAP certified where applicable). Testing for Health Protective Constituents shall be by the methods specified in Table V-4 of CARB/OEHHA Report submitted in R.13-02-008 and adopted in D.14-01-034. Testing for Pipeline Integrity Protective Constituents shall be by the methods approved in D.14-01-034. Retesting shall be allowed to verify and validate the results. The cost of retesting shall be borne by the entity requesting the retest.
12. Continuous Monitoring of Upgrading Process Integrity: Absent an agreement otherwise, the Biomethane Interconnector's compliance with the Utility's continuously monitored Section I gas quality specifications shall be used as an indicator that the upgrading system is effectively conditioning and upgrading the biomethane. If the indicator(s) used to continuously monitor biomethane constituent levels indicates the biomethane has not been sufficiently conditioned and upgraded, the Utility may accelerate the biomethane periodic testing schedule and initiate testing. Accelerated periodic testing shall count toward the recommended periodic testing requirements described in Section J.9.
13. Recordkeeping and Reporting Requirements will be as prescribed in Commission D.14-01-034 and as specified in the CARB/OEHHA Report submitted in R.13-02-008.
14. Prohibition of Biomethane from Hazardous Waste Landfills: Hazardous waste landfills ("Hazardous Waste Landfills") include all contiguous land and structures, and other appurtenances and improvements, on the land used for the treatment, transfer, storage, resource recovery, disposal, or recycling of hazardous waste. The facility may consist of one or more treatment, transfer, storage, resource recovery, disposal, or recycling hazardous waste management units, or combinations of these units. Biomethane from Hazardous Waste Landfills, including landfills permitted by the Department of Toxic Substances Control, will not be purchased, accepted or transported. Before a Biomethane Interconnector can interconnect with the Utility's system, the Biomethane Interconnector must demonstrate and certify to the Utility's satisfaction that the biogas was not collected from a Hazardous Waste Landfill.
15. The biomethane rules in this section are intended to implement D.14-01-034 and D.19-05-018, including rules regarding constituent concentration standards, monitoring and testing requirements, and reporting and recordkeeping requirements.

N

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5477
DECISION NO. 19-05-018

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED Jun 7, 2019
EFFECTIVE Jul 7, 2019
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

K. Termination or Modification

1. If the customer breaches any terms and conditions of service of the customer's service agreement or the applicable tariff schedules and does not correct the situation within thirty (30) days of notice, the Utility shall have the right to cease service and immediately terminate the customer's applicable service agreement.
2. If the contract is terminated, either party has the right to collect any quantities of gas or money due them for transportation service provided prior to the termination.

L. Regulatory Requirements

1. Any gas transported by the Utility for the customer which was first transported outside the State of California shall have first been authorized under Federal Energy Regulatory Commission (FERC) regulations, as amended. Both parties recognize that such regulations only apply to pipelines subject to FERC jurisdiction, and do not apply to the Utility. The customer shall not take any action which would subject the Utility to the jurisdiction of the FERC, the Economic Regulatory Administration or any succeeding agency. Any such action shall be cause for immediate termination of the service arrangement between the customer and the Utility.
2. Transportation service shall not begin until both parties have received and accepted any and all regulatory authorizations necessary for such service.

M. Warranty and Indemnification

1. The customer warrants to the Utility that the customer has the right to deliver gas hereunder and that such gas is free from all liens and adverse claims of every kind. Customer will indemnify, defend and save the Utility harmless against all loss, damage, injury, liability and expense of any character where such loss, damage, injury, liability or expense arises directly or indirectly out of any demand, claim, action, cause of action or suit brought by any person, association or entity asserting ownership of or any interest in the gas tendered for transportation hereunder, or on account of royalties, payments or other charges applicable before or upon delivery of gas hereunder.
2. The customer shall indemnify, defend and save harmless the Utility, its officers, agents, and employees from and against any and all loss, costs (including reasonable attorneys' fees), damage, injury, liability, and claims for injury or death of persons (including any employee of the customer or the Utility), or for loss or damage to property (including the property of the customer or the Utility), which occurs or is based upon an act or acts which occur while the gas is deemed to be in the customer's control and possession or which results directly or indirectly from the customer's performance of its obligations arising pursuant to the provisions of its service agreement and the Utility's applicable tariff schedules, or occurs based on the customer-owned gas not meeting the specifications of Sections I or J of this rule.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5471
DECISION NO. 19-05-030

ISSUED BY
Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED May 31, 2019
EFFECTIVE May 31, 2019
RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

N. OFO Trading*

1. *Trading Scheduled Quantities**

- a. *Customers may arrange to trade scheduled quantities. The trades are to be arranged outside of the EBB and communicated to the Utility via a trade form.*
- b. *Customers may trade scheduled quantities between End Use contracts only by adjusting scheduled quantities after Cycle 6 has been processed.*
- c. *Trades will only be available for OFO days.*
- d. *Trades must be submitted to the Utility's scheduling department via email or fax by 9 PM Pacific Clock Time one business day following the Gas Day for which the OFO was declared.*
- e. *The Utility may file an expedited Tier 2 Advice Letter to suspend this tariff provision if curtailments are more severe or more frequent due to the offering of this service. Protests and responses to any such Advice Letter would be due within 5 business days, and the Utility's reply would be due within 2 business days from the end of the protest period.*

2. *Trading Daily Imbalances**

- a. *California Producer cash-outs on OFO days will be delayed until 9:00 p.m. Pacific Clock Time one business day following the Gas Day pending submittal of the imbalance trade. If the imbalance is not traded, it will be cashed out.*
- b. *California Producers may arrange to trade daily OFO imbalances with other California Producers. The trades are to be arranged outside of the EBB and communicated to the Utility via a trade form after Cycle 6 has been processed.*
- c. *Trades will only be available for OFO days.*
- d. *Trades must be submitted to the Utility's scheduling department via email or fax by 9 PM Pacific Clock Time one business day following the Gas Day for which the OFO was declared.*
- e. *The Utility may file an expedited Tier 2 Advice Letter to suspend this tariff provision if curtailments are more severe or more frequent due to the offering of this service. Protests and responses to any such Advice Letter would be due within 5 business days, and the Utility's reply would be due within 2 business days from the end of the protest period.*

O. Temporary Settlement Term

1. The Sections of this Rule italicized and followed by an asterisk (*) are temporary and will end upon the expiration of the term in the settlement approved by D.16-12-015 and modified by D.18-11-009. Specifically, that settlement term will conclude upon the earlier of: (1) any superseding decision or order by the Commission, (2) return of Aliso Canyon to at least 450 MMcfd of injection capacity and 1,395 MMcfd of withdrawal capacity, or (3) the implementation date of a final decision in A.18-07-024, SoCalGas' 2020 Triennial Cost Allocation Proceeding.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 5471
DECISION NO. 19-05-030

31C12

ISSUED BY

Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

SUBMITTED May 31, 2019
EFFECTIVE May 31, 2019

RESOLUTION NO. _____