

**SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY**

**APPLICATION FOR AUTHORITY TO
REVISE THEIR CURTAILMENT PROCEDURES**

(A.15-06-020)

(10TH DATA REQUEST FROM SOUTHERN CALIFORNIA GENERATION COALITION)

QUESTION 1:

At pages 8-9 of his prepared direct testimony, Mr. Watson proposes to delete the provision for curtailment of interruptible storage withdrawal in the current Rule 23.C.1(4) and to delete the provision for curtailment of firm storage withdrawal in the current Rule 23.C.1(7). Would the deletion of those provisions allow a noncore customer that contracted for unbundled storage service to withdraw gas from storage and burn the gas so as to exceed the curtailment usage level established for the customer in Steps 1-4? Please explain the rationale for your answer.

RESPONSE 1:

No, customers would not be able to offset any curtailment volume with storage withdrawal, for several reasons.

First, not all curtailments are the result of low deliverability of supplies to a local service zone; there may be limitations within the local service zone preventing supplies from reaching customers, in which case storage supplies delivered to other portions of the affected zone will not prevent or alleviate the curtailment.

Second, the System Operator already utilizes storage withdrawal to maintain system pressures when there is a shortage of supply or deliverability to the local service zone. As a result, customer nominations from storage accounts will do nothing to help prevent or alleviate a curtailment.

Finally, storage gas cannot reach every zone, so storage withdrawal cannot physically offset a problem in a zone such as the Southern System – South of Moreno, simply because the gas cannot physically get to the system.

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QUESTION 2:

In his testimony for Southern California Edison Company, Mr. Grimm proposes that the current Rule C.1(7) be retained with some rewording as, presumably, a new Step 5 in the curtailment order proposed by Mr. Watson. Would the retention of Rule 23.1(7) with some rewording as proposed by Mr. Grimm allow a noncore customer that contracted for firm unbundled storage service to withdraw gas from storage and burn the gas so as to exceed the curtailment usage level established for the customer in Steps 1-4?

Please explain the rationale for your answer.

RESPONSE 2:

No, for the reasons discussed in Response 1, customers should not be able to offset any curtailment volume with storage withdrawal, even when located within the same local service zone as a storage field.

In addition, this would be pathing the system, a practice which cannot be effectively implemented on a highly interconnected system such as that of SoCalGas and SDG&E. The System Operator already utilizes storage withdrawal to maintain system pressures when there is a shortage of supply or deliverability to the local service zone.

Customer-owned gas is not stored in any particular field, but rather storage is an aggregate of all storage fields. Customers cannot elect to withdraw or inject at any particular storage field, and having a rule that reflects field-specific withdrawals or injections would diminish the System Operator's ability to maximize injection and withdrawal capabilities for the system by utilizing all storage fields.