

**SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY
APPLICATION UPDATING FIRM ACCESS RIGHTS SERVICE AND RATES
(A.10-03-028)**

TURN's Response to 1st Data Request From SOCALGAS & SDG&E

1. (a) Does TURN believe that some noncore end-use customers and distribution system customers are currently being served directly off SoCalGas/ SDG&E's backbone pipelines? If the answer is no, please explain.

ANSWER: Yes

(b) If the answer to 1(a) is yes; by functional definition, does that mean that some portions of backbone pipelines are performing the function of a local pipeline which transports gas from a backbone pipeline to noncore end-use customers and/or distribution system customers? If the answer is no, please explain.

ANSWER: No. The suggested functional definition is circular in nature. By the same logic, if one were to define Local Transmission as a pipeline that moves gas from the backbone system to noncore end-use customers and/or low-pressure distribution system customers, then the lines that SoCalGas/SDG&E classify as "high-pressure distribution" would, by definition, become local transmission lines, and the backbone system would be delivering only to local transmission lines and a few direct-connect customers. Such an approach would be largely consistent with the definitions that the CPUC has adopted for the PG&E gas system since it was unbundled in the original Gas Accord proceeding.

(c) If the answer to 1(b) is yes, is it accurate to allocate some portion of backbone transmission costs to the local transmission function? If the answer is no, please explain.

ANSWER: Not applicable.

(d) What percentage of backbone transmission costs is allocated to local transmission by TURN? What is the rationale supporting your position? Please explain.

ANSWER: TURN does not allocate any backbone transmission costs to local transmission, and does not believe that it is appropriate to do so. If the lines are classified as backbone they should be treated as such. On the PG&E system, the CPUC has not allocated any backbone transmission costs to local transmission, even though PG&E's backbone facilities also make deliveries to certain end-use customers and to high-pressure distribution lines.