SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY

APPLICATION FOR AUTHORITY TO
REVISE THEIR CURTAILMENT PROCEDURES

(A.15-06-020)

(7TH DATA REQUEST FROM THE INDICATED SHIPPERS)

QUESTION 07-01:

Please identify all other measures, solutions, actions or tools considered by Sempra as possible alternatives to or complementary measures with the proposed 5% daily balancing requirement to address concerns arising from restrictions on the use of Aliso Canyon.

RESPONSE 07-01:

Tools already available to manage the system include High Operational Flow Orders (OFO), Low OFO, Emergency Flow Orders (EFO) and SoCalGas Tariff Rule 23 Curtailment Procedures. SoCalGas and SDG&E believe a predictable daily balancing procedure will be less disruptive and easier to implement operationally than the repeated use of these referenced procedures. In addition the 5% daily balancing procedures will provide for a tighter tolerance on the high side (oversupply) than the current high OFO procedures.

SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY

APPLICATION FOR AUTHORITY TO
REVISE THEIR CURTAILMENT PROCEDURES

(A.15-06-020)

(7TH DATA REQUEST FROM THE INDICATED SHIPPERS)

QUESTION 07-02:

Please explain the basis for Sempra's selection of a 5% daily balancing requirement, rather than a requirement set at another level. Did Sempra consider a 10% requirement or a 15% requirement? Provide all Workpapers, documents, reports, analyses or other communications supporting this conclusion.

RESPONSE 07-02:

SoCalGas and SDG&E object to this question to the extent that it requests information protected by the Attorney/Client Privilege or the Attorney Work Product doctrine. No information protected by such privilege and doctrine will be knowingly disclosed. Without waiving these objections, and subject thereto, SoCalGas and SDG&E respond as follows:

SoCalGas and SDG&E chose a 5% daily balancing requirement because we believed it represents a reasonable compromise between our operational needs until Aliso Canyon is once again available and the general desire of our customers to have more relaxed balancing requirements. SoCalGas and SDG&E do not have any studies or analyses to support the choice of 5% versus a tighter or more relaxed daily balancing requirement. However, it is our belief that a more relaxed daily balancing requirement will likely lead to more curtailments. Moreover, the Aliso Canyon outage reduces the SoCalGas system's injection and withdrawal capacity by over 50%. 50% of the 10% daily over-delivery maximum for the existing High OFO procedure is approximately 5% on a daily basis.

QUESTION 07-03:

Will the proposed 5% daily balancing requirement apply equally to the core and noncore classes? If not, please explain why not.

RESPONSE 07-03:

Yes.

QUESTION 07-04:

How will the daily imbalance for the core class be determined under the 5% balancing proposal? Will the core imbalance be the difference between the core's forecast burn for the day and its actual deliveries on that day? Please explain the methodology for calculating imbalances for the core class in detail.

RESPONSE 07-04:

The daily imbalance for core Balancing Agents will be determined in the same manner that Low OFO imbalances are calculated.

The daily imbalance calculation for Gas Acquisition is based on the difference between the Daily Forecast Quantity and scheduled deliveries. The daily imbalance calculation for Core Transportation Agents (CTAs) is based on the difference between their Daily Contract Quantity (DCQ) and scheduled deliveries.

Daily Forecast Quantity is defined in SoCalGas Rule 1 and is presented below for your convenience:

> Daily Forecast Quantity: A forecast of core customer daily usage as provided by the Utility's Demand Forecasting Group (in the Regulatory Affairs department) using a consistent daily load forecast equation, and will be developed no sooner than two hours before the start of flow day. Weather forecasts input into the equation will be from an independent third party and the most current available as of 5:00 a.m. of flow day.

The DCQ formula is defined in Section A.8 of Rule 32 and is presented below for your convenience:

DCQ = A / B x C

"A" = CTA group's most recent twelve months historical consumption,

"B" = Most recent twelve months deliveries on SoCalGas' system for the customer class, and

"C" = Utilities Authorized Core Cold Year Throughput

SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY

APPLICATION FOR AUTHORITY TO
REVISE THEIR CURTAILMENT PROCEDURES

(A.15-06-020)

(7TH DATA REQUEST FROM THE INDICATED SHIPPERS)

QUESTION 07-05:

How will the daily imbalance for a noncore customer be determined under the 5% balancing proposal? Will a noncore customer's imbalance be the difference between the customer's actual burn on a day and its actual deliveries on that day? Please explain the methodology for calculating noncore imbalances in detail.

RESPONSE 07-05:

The daily imbalance for noncore customer Balancing Agents will be determined in the same manner that Low OFO imbalances are calculated. These procedures are described in Section G of SoCalGas Rule 30.

SAN DIEGO GAS & ELECTRIC COMPANY
SOUTHERN CALIFORNIA GAS COMPANY

APPLICATION FOR AUTHORITY TO
REVISE THEIR CURTAILMENT PROCEDURES

(A.15-06-020)

(7TH DATA REQUEST FROM THE INDICATED SHIPPERS)

QUESTION 07-06:

In light of the increased restriction in balancing flexibility, please explain the extent to which storage costs allocated to load balancing for the noncore class will be reduced?

RESPONSE 07-06:

Current storage costs allocated to load balancing will not be reduced, either for core or noncore customers. Those costs were established by the current Triennial Cost Allocation Proceeding (TCAP) decision--D.14-06-007. Storage cost allocations are long-term allocations that are established in TCAPs.

QUESTION 07-07:

In the event the core class is unable to procure sufficient supply to meet its daily requirements, will Sempra confiscate noncore supply to meet core needs? Please explain the procedure through which the confiscation will occur.

RESPONSE 07-07:

We interpret confiscation to mean Involuntary Diversion. SoCalGas and SDG&E have filed testimony in this proceeding to remove this requirement from Rule 23.

QUESTION 07-08:

Please provide for each day in the past 12 months SoCalGas' forecast send out, by cycle, and the actual send out for that day.

RESPONSE 07-08:

See attached spreadsheet. Envoy data runs from 7 AM to 7 AM.

IS_A.15-06-020DR7_R8.xlsx

QUESTION 07-09:

Approximately what percentage of core load will be subject to Advanced Meter Installation as of May 1, 2016? Please also state the AMI core load in both total average Bcf/day and total number of customers.

RESPONSE 07-09:

[pending]

QUESTION 07-11:

The Motion cites a report from the Energy Division as follows:

Gas stored at Aliso Canyon helps to meet gas system demand when overall demand exceeds the capacity of interstate pipelines to bring gas into the Los Angeles Basin. Storage can also be critical when capacity of the gas Backbone Transmission System is limited due to maintenance or reduced interstate gas flows. In the summer of 2015, backbone capacity to deliver gas into the Los Angeles Basin was severally limited due to planned repairs, which are often required for safety reasons. Similar repairs are planned for this summer, and delaying these repairs could create other safety and operational risks.

Please provide a list of all planned system maintenance from May 1, 2016, through May 1, 2017, that could create safety and operational risks due as a result of the limited availability of Aliso Canyon. For each planned maintenance event, explain the work to be done and indicate the level of criticality associated with the project's completion and explain the criticality scale.

RESPONSE 07-11:

SoCalGas and SDG&E object to this question on the grounds that it requests confidential and proprietary utility system information. SoCalGas and SDG&E only provide planned maintenance information to all customers at the same time via Envoy EBB postings. Without waiving this objection and subject thereto, SoCalGas and SDG&E respond as follows: The most up-to-date information on scheduled maintenance is posted on the SoCalGas ENVOY website homepage (https://scgenvoy.sempra.com/) in the Informational Postings section under the Operations/Maintenance Schedules tab. In addition, the question asks for a list of planned system maintenance "that could create safety and operational risks due as a result of the limited availability of Aliso Canyon." SoCalGas and SDG&E do not have any planned system maintenance that would create a safety risk, and we will not delay a project if such delay would compromise safety or cause SoCalGas or SDG&E to violate a safety-related regulatory requirement.