**QUESTION 04-01:**

The Sempra Utilities objected to Indicated Shippers Question 02-01 on “the grounds that it seeks confidential customer data. Information by zones is not sufficiently aggregated for the EG market segment and some of the noncore cogeneration segment.”

Please provide further justification for this objection.

(a) How many EGs operate in each zone?

(b) How many noncore cogeneration facilities operate in each zone?

(c) What number of facilities needs to be sited in a particular zone before that zone is considered “sufficiently aggregated?”

(d) Please state the basis for the explanation provided in (c).

(e) To the extent any EG data for any zone is sufficiently aggregated, please respond to Question 02-01.

**RESPONSE 04-01:**

1. Please refer to Response 4 of IS Data Request 1. This information was provided in both the attached spreadsheets ‘IS DR1.4’ and ‘SCGC DR 2.1.’
2. Please refer to Response 4 of IS Data Request 1. This information was provided in the attached spreadsheet ‘SCGC DR 2.1.’
3. 15, or if there are less than 15 customers, then no single customer may account for more than 15% of the total load.
4. SoCalGas and SDG&E believe that this is appropriate criteria to maintain customer confidentiality, and consistently apply this standard across both utilities.
5. No zone has sufficiently aggregated EG customers. The Southern System – South of Moreno consists of 16 EG customers on the SDG&E system, but only 1 customer on the SoCalGas system, and therefore the customers are not sufficiently aggregated.

**QUESTION 04-02:**

In response to IS DR 02-01(c) and (d), the Sempra Utilities stated that “hourly usage data is not available” for noncore cogeneration usage and noncore non-cogeneration usage.

(a) Do the Sempra Utilities typically collect hourly usage data for their customers?

(b) If the answer to Question 04-02(a) is yes, why is this data not available for these categories of customers?

(c) To the extent that the Sempra Utilities do not collect hourly usage data for noncore cogeneration and non-core non-cogeneration customers, why are these data not collected?

(d) If usage data are not collected for EG or noncore customers, how can the Sempra Utilities effectuate a curtailment based on hourly flow rates?

**RESPONSE 04-02:**

1. SoCalGas and SDG&E collect hourly usage data for some but not all noncore customers.
2. SoCalGas and SDG&E do not collect hourly usage data for most of the noncore cogeneration and noncore non-cogeneration customer classes.
3. SoCalGas and SDG&E have no business need for that data.
4. Hourly usage data is collected for our largest customers. Regarding non-EG noncore customers, please refer to the Prepared Direct Testimony of Tuan Nguyen, page 5, lines 4-14, “Establishment of Curtailment Baseline Quantities.”

**QUESTION 04-03:**

The following questions follow up on the responses to Indicated Shippers Data Request 02-04 regarding the Sempra Utilities proposal to define local curtailment zones.

(a) SoCaGas responds that these zones have been used by the “SoCalGas operating department for years.” In what year were the zones first used by SoCalGas internally?

(b) What SoCalGas department originally developed the zones?

(c) For what reason were the zones originally developed?

(d) Was a formal or informal process used to develop the zones?

(e) Please describe the process used to develop the zones.

(f) Before the filing of this application, did the zones ever receive management review and approval?

(g) If the answer to 04-03(f) is yes, for what purposes (operational, planning or otherwise) did the zones receive management review and approval?

(h) If the answer to 04-03(f) is no, did management review of this Application and the proposed curtailment procedures, include specific review of the zones?

(i) At the time that the zones were developed, what physical attributes of the Sempra Utilities’ system were relied on to develop the zones?

(j) Have the zones changed in size or physical attributes since they were first developed?

(k) Since the zones were first developed, have zones been created or eliminated?

(l) Were any changes made to the size or physical attributes of the zones in the development of this proposal?

(m)Other than as proposed in this application, are these zones used by SoCalGas for any formal purpose?

(n) In response to 02-04(c), SoCalGas and SDG&E state that “zones provide a quick geographic and system reference when discussing specific areas.” Are the zones ever relied on as more than a point of reference and have they played a significant role in any planning or operations decisions of either SDG&E or SoCalGas?

(o) If the answer to 04-03(n) is yes, please describe the types of planning or operations decisions made relying on the zones.

**RESPONSE 04-03:**

SoCalGas has informally been using zones for more than 15 years. The zones were originally informally developed to provide a quick common reference to general regions of the transmission system by several departments in operations and planning. Zones were generally defined based upon the design and operation of the SoCalGas and SDG&E transmission system, which limit where physical gas supplies can be transported. There was nothing inherently special about the zones, and the informal process did not require any management review or approval.

For the purpose of this application, the zones that originally referred to a general region of the transmission system needed to be clearly defined on a tariff-level map to limit each customer to only one zone that they are physically served from. The zones are still defined based upon the design and operation of the SoCalGas and SDG&E transmission system. The North Valley System and the Southern System – South of Moreno are both currently subject to the capacity open season process.

The local service zones themselves have not been used beyond a point of reference for planning and operations. Zones are subject to change over time as required, as stated in the Prepared Direct Testimony of David Bisi, page 6 lines 9-12, “Should operational considerations such as customer demand patterns or gas transmission system changes warrant either a modification to the zone boundaries, the combination of zones, or the creation of new zones, SoCalGas will submit the changes to the tariff map and zone descriptions by Tier 2 Advice Letter.”

**QUESTION 04-04:**

In response to Question 02-05(c), SoCalGas and SDG&E stated that the “60% proposal appears to be equitable… [a]t some point, non-EG noncore customers should bear part of the burden of a capacity-related curtailment in pro-rata fashion.”

(a) Did SoCalGas or SDG&E consider the safety implications of their proposal on non-EG noncore customers?

(b) If yes, please describe how safety was considered and impacted the final proposal.

**RESPONSE 04-04:**

1. Yes.
2. Our considerations included the safe and reliable operation of the SoCalGas and SDG&E systems and maintaining uninterrupted service to higher priority core customers. The proposals in this application that address non-EG noncore customer safety included accommodating noncore customer operating emergencies, facilitating timely system maintenance and repair through customer engagement, and retaining the curtailment transfer provisions.

**QUESTION 04-05:**

The SoCalGas/SDG&E response to Question 02-06(d) states “[l]ow load factor customers may be less likely to be impacted by curtailments than high load factor customers.”

(a) Does either SoCalGas or SDG&E have in effect any other rate schedules or gas rules where low load factor customers are advantaged relative to high load factor customers?

(b) What is the justification for disadvantaging high load factor customers relative to low load factor customers?

(c) Are there other alternatives for allocation of curtailment?

**RESPONSE 04-05:**

1. SoCalGas and SDG&E object to this question on the grounds that it is confusing, misstates our prior response, and seeks irrelevant information. Stating that low load factor customers may be less disadvantaged by curtailments is not the same as saying that curtailments somehow advantage low load factor customers over high load factor customers.
2. See response (a).
3. Yes, one could develop alternatives for the allocation of curtailment. SoCalGas and SDG&E could have utilized average usage instead of peak usage for the assignment of CBQ’s. In this case, customers would be held to their pro rata share of their average usage during a curtailment event. However, as we stated in Response 02-06(f), “Other alternatives for establishing a customer's CBQ were not considered because we believed peak usage was the appropriate benchmark.”

**QUESTION 04-06:**

In response 07-01, SoCalGas and SDG&E stated that the more frequent curtailments that occurred in the South LA Basin were the result of planned maintenance.

(a) Was planned maintenance the cause of all 21 of the capacity related curtailments that occurred in the South LA Basin?

(b) If no, please identify the cause of each of the 21 capacity-related curtailments that occurred in the South LA Basin that were not a result of planned maintenance.

(c) For each curtailment event caused by planned maintenance, state the number of days’ notice provided to noncore customers and provide copies of all documents relating to such notice.

**RESPONSE 04-06:**

(a) No.

(b) Two of the curtailments were Emergency Localized curtailments, and they occurred on June 30 and July 1, 2015.

(c) Attached is a table showing planned maintenance curtailments in South LA Basin, with the number of days’ notice calculated. Actual notices can be obtained on Envoy.

