

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

**APPLICATION REGARDING FEASIBILITY OF INCORPORATING
ADVANCED METER DATA INTO THE CORE BALANCING PROCESS
(A.17-10-002)**

(1st DATA REQUEST FROM SOUTHERN CALIFORNIA EDISON COMPANY)

QUESTION 1:

Is SoCalGas & SDG&E able to balance retail core load to actual usage for the purpose of measuring its compliance with daily OFO and EFO balancing requirements?

- a. If the answer is “no”, please explain all the reasons why.
 - i. Please identify which of these reasons, if any, you believe do not also apply to noncore customers and why.
 - ii. Please identify which of the reasons, if any, you believe do apply to noncore customers and why.
- b. Please provide all documentation, if any, supporting your answer to questions 1, 1(a), 1(a)(i), (ii).

RESPONSE 1:

1. SoCalGas and SDG&E object to this request on the grounds that it is vague and ambiguous as to the terms “able to,” “actual usage” and “measuring.” Subject to and without waiving these objections, SoCalGas and SDG&E respond as follows: No.

1.a. SoCalGas and SDG&E object to this request on the grounds that it is overbroad in that it seeks “all the reasons why.” Subject to and without waiving this objection, SoCalGas and SDG&E respond as follows: The primary reasons are that daily core usage data is not available on SoCalGas’ Electronic Bulletin Board (EBB), SoCalGas Envoy® (Envoy). As explained in David Mercer’s direct testimony, the current Advanced Meter Infrastructure (AMI) system “was built to support a monthly billing process and next day, hourly customer energy presentment for SoCalGas’ core customers.” It was not built “to acquire same day, daily measurement quantities that could be allocated and aggregated to the respective core Balancing Agents for calculating OFO noncompliance charges.” (Direct Testimony of David Mercer at 1, lines 12-16).

Additionally, it is not physically possible for SoCalGas and SDG&E to obtain real-time usage information from each core customer as stated in the Testimony of Paul Borkovich at 1, lines 10-18.

1.a.i. Preliminary noncore customer actual usage for the prior day is posted on Envoy subject to the disclaimer below and is allocated and aggregated to the respective Balancing Agents. Additionally, noncore customers can obtain real-time measurement data contemporaneous

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with their actual usage if they install an interconnection with their SoCalGas meter or their own check-meter.

Disclaimer on Envoy: This posted information is provided solely for informational purposes. Although SoCalGas has used reasonable efforts to assure its accuracy and timeliness, this information is preliminary operational data and can be negatively impacted by delays or errors in electronic transfers, data entry, communication failures, or other causes. No representation is made that the contents are free from error. SoCalGas assumes no responsibility for use of, or reliance on, this information by any party, and specifically advises such parties to discuss any decisions or actions related hereto with their own advisors and experts.

1.a.ii. None.

1.b. <https://www.socalgas.com/regulatory/documents/a-17-10-002/David-Mercer-Core-Balancing-Testimony.pdf>; https://www.socalgas.com/regulatory/documents/a-17-10-002/Paul-Borkovich-Core_Balancing_Testimony.pdf

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QUESTION 2:

Can SoCalGas/SDG&E use “retail core estimated actual demand,” as defined by you in note 4 of the April 28, 2017 Monthly Core Forecast Report for March 2017, to measure its compliance with daily OFO and EFO balancing requirements?

- a. If the answer is “no,” please explain all the reasons why.
- b. Please provide all documentation, if any, supporting your answer to question 2 and 2(a).

RESPONSE 2:

2. SoCalGas and SDG&E object to this request on the grounds that it is vague and ambiguous as to the terms “Can SoCalGas/SDG&E use” and “to measure its compliance.” Subject to and without waiving this objection, SoCalGas and SDG&E respond as follows: No.

2.a. SoCalGas and SDG&E object to this request on the grounds that it is overbroad in that it seeks “all the reasons why.” Subject to and without waiving this objection, SoCalGas and SDG&E respond as follows: The primary reasons are that daily retail core estimated actual demand is not the actual burn of core customers and its quality improves only after considerable delay.

The Demand Forecasting Group typically receives this data at approximately 2:00 pm in the afternoon on the day following the Measurement Day (midnight to midnight Pacific Standard Time). The daily retail core estimated actual demand is calculated residually as described in the direct testimony of Sharim Chaudhury at 3, lines 3-6: “These daily estimates are residually derived by subtracting the measured daily gas demand of noncore customers and the estimated daily gas demand of CAT customers from the measured daily total system gas.”

The aggregated measured daily noncore gas demand initially received typically contains measurement error. This error is transferred into the initial estimate of the daily retail core estimated actual gas demand, which also includes estimates of LUAF (which is not measurable) and Company-use gas. SoCalGas has observed that the error in the aggregated measured noncore daily gas demand diminishes in subsequent days as individual noncore measured data are re-evaluated. The error in the aggregated measured noncore daily gas demand is addressed over 40 subsequent days, during which the quality of the residually-derived retail core estimated actual gas demand improves. Using inaccurate initial estimates as indications of compliance with daily OFO and EFO balancing requirements would be inappropriate. It would also be inappropriate to require Gas

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Acquisition to measure compliance using 40 day later improved estimates with no opportunity to cure imbalances.

Therefore, retail core estimated actual gas demand should not be used to measure compliance with daily OFO and EFO balancing requirements.

2.b.

SoCalGas and SDG&E object to this request to the extent that it seeks confidential customer information and potentially market sensitive information. In addition, the request is overbroad, specifically as to the compilation of any and all documents relating to improvements to measured daily noncore gas demand. Subject to and without waiving these objections, SoCalGas and SDG&E respond as follows:

https://www.socalgas.com/regulatory/documents/a-17-10-002/Sharim-Chaudhury-Core_Balancing_Testimony.pdf; SoCalGas Rule No. 30(G)(1)(g).

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QUESTION 3:

Please explain all the reasons why the California Public Utilities Commission should or should not also allow noncore customers to balance to a forecast instead of actual usage?

- a. Does your answer change depending upon the identity of the noncore customer?
 - i. If so, please provide all the reasons why.
- b. Please provide all documents, if any, supporting your answer to Question 3, 3(a), and 3(a)(i).

RESPONSE 3:

3. SoCalGas and SDG&E object to this request on the grounds that it is overbroad in that it seeks “all the reasons why.” Subject to and without waiving this objection, SoCalGas and SDG&E respond as follows: The primary reasons are explained in Response 1.a.i. For each day, noncore customers and their respective balancing agents can obtain prior day, preliminary usage data through Envoy and can obtain real-time measurement data contemporaneous with their actual usage if they install an interconnection with their SoCalGas meter or their own check-meter, which would allow those customers to adjust their scheduled quantities accordingly.

3.a. No. As a condition of noncore service, noncore customers are required to have Gas Energy Measurement Systems (GEMS) devices installed. These devices allow next-day availability of usage data in Envoy. Less than 1% of noncore customers do not have GEMS devices installed because of exceptional circumstances such as a restrictive meter location. Noncore customers with GEMS devices may also obtain their real-time usage data if they install an interconnection or check-meter. Therefore, the answer does not change depending upon the identity of the noncore customer.

3.a.i. N/A.

3.b. SoCalgas Tariff Schedule No. GT-NC, Special Conditions, No 12; attached also is the Noncore Service Overview provided to noncore customers.

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QUESTION 4:

Please provide all dates on which SoCalGas/SDG&E's aggregated retail core load served by the Utility Gas Procurement Department was larger than SCE's aggregate gas usage (based upon your billing data for SCE).

RESPONSE 4:

SoCalGas and SDG&E objects to this request on the basis it is overbroad as to "all dates." For approximately 96% of the days in 2017, the aggregated load served by the Utility Gas Procurement Department represented the largest load compared to all other entities, including SCE.

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QUESTION 5:

Please provide all the dates, if any, on which retail core load was larger than the load of any other end user, contracted marketer, or core transportation agent on the system.

RESPONSE 5:

See Response 4.

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QUESTION 6:

Please provide all the dates, if any, on which SoCal Gas' retail core load was one of the top five largest loads on the SoCalGas system.

RESPONSE 6:

See Response 4.

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QUESTION 7:

Please identify all the variables SoCalGas/SDG&E's daily load forecasting methodology incorporates to forecast retail core load. See Scoping Memo, Paragraph 1.e.i at p. 7.

RESPONSE 7:

The below variables are incorporated into the daily retail core demand forecasting methodology:

1. HDDs
2. Day of the week
3. Month
4. Holidays
5. The number of retail core meters