

J. Steve Rahon Director Tariffs & Regulatory Accounts

8330 Century Park Ct. San Diego, CA 92123-1548 Tel: 858.654.1773 Fax 858.654.1788 srahon@SempraUtilities.com



January 22, 2007

Advice No. 3702 (U 904 G)

Public Utilities Commission of the State of California

Subject: NOTIFICATION OF CURTAILMENT

Southern California Gas Company (SoCalGas) hereby submits to the California Public Utilities Commission (Commission) this advice letter to notify the Commission and affected parties of a curtailment event in its service territory.

Purpose

Pursuant to Ordering Paragraph (OP) 1 of Decision No. (D.) 91-09-026, this advice filing notifies the Commission and affected parties of an emergency curtailment condition occurring within SoCalGas' service territory. Note that although the Imperial Valley is a constrained area, this event was *not* related to a capacity constraint. SoCalGas initiated the curtailment in the Imperial Valley region in southern California Saturday, January 20, 2007, at approximately 7:00 pm. The curtailment condition was terminated at approximately 8:00 am, Sunday, January 21.

Information

OP 1 of Decision D.91-09-026 states the following:

"SoCalGas shall submit an Advice Letter filing to the Commission Advisory and Compliance Division simultaneously with an announcement of curtailment pursuant to the discussion in this decision. The filing shall state the facts underlying and the reasons for a curtailment, shall demonstrate that the type of curtailment being declared complies with SoCalGas' tariffs, and shall set forth the efforts SoCalGas has taken to minimize or alleviate the curtailment. The filing shall be served by overnight mail to affected customers."

This advice letter fulfills the requirements of OP 1, as described above, for the curtailment condition that was initiated in the Imperial Valley area of southern California at approximately 7:00 pm, January 20, 2007, as a result of a line rupture of SoCalGas' Line 6001-2, a 10-inch high-pressure transmission line. Specifically, this advice letter describes the curtailment condition, explains its cause, outlines the steps SoCalGas has taken to minimize and mitigate these curtailment conditions, and describes how SoCalGas will comply with the special customer notification process. While it is not clear that this filing requirement was intended for a short-term emergency curtailment when customers are asked to stop using gas because of a break in a transmission line caused by a third party, SoCalGas is filing this Advice Letter out of an abundance of caution.

Details of Curtailment Condition

Around 10:00 am Saturday, January 20, a large backhoe or Trac-hoe operated by Terry Robertson, Inc. dba A&R Construction ruptured SoCalGas' Line 6001-2, a 10-inch high-pressure transmission line, just outside the City of Brawley in the Imperial Valley. The impacted portion of the line feeds a core customer, National Beef, and the Mexicali natural gas system (Ecogas).

Line 6001-2 was operating at 650 psi when the damage occurred. Furthermore, the operator left the backhoe idling on top of the damaged line preventing utility personnel from safely approaching the location of the damage.

Safety of customers and employees was a priority during this incident. The Fire Department evacuated 12 homes, three businesses and closed down the local airport due to the amount of gas blowing into the atmosphere.

After analyzing options to repair the damage, SoCalGas determined that a backfeed from Line 6000-2 was necessary to maintain supply to core customers. This option required the curtailment of National Beef and all non-core customers served off of Lines 6001-2 and 6000-2. The only other feasible option was to shut down Line 6001-2 completely, which would have resulted in the loss of gas service to all customers (including National Beef) from the point of the break to the end of the line, including Ecogas¹ in Mexicali, Mexico, a gas distribution company serving approximately 12,000 residential and small commercial customers.

SoCalGas notified impacted non-core customers to curtail all load at 7:00 pm Saturday, January 20. The backfeed and valve shut-down was completed just after 10:00 pm that same day. Repairs on Line 6001-2, as well as the switching procedure to isolate Lines 6001-2 and 6000-2, were completed early Sunday morning, January 21, bringing pressure on both lines back to normal.

The Fire Department allowed residents to return to their homes early Sunday morning, January 21, and gas service was restored by approximately 8:00 am, Sunday, January 21, to approximately 12 affected customers in Brawley.

Service to National Beef, a core customer, was interrupted as its service is provided from the pipeline segment that had to be isolated to repair the damage.

There were no injuries reported for this incident.

News media (KECY-TV Channel 13) was on site throughout the day on Saturday, along with the Imperial Valley Press. In addition, the Red Cross responded to aid the families evacuated.

Personnel from SoCalGas' Safety and Claims departments were notified to process required reports to the Commission and to the Department of Transportation.

Rule No. 23, Section E states that for an emergency curtailment the utility may, in order to meet the demands of Priority 1 and 2A customers, curtail and /or divert service of all customers, or a portion of such customers, in the most reasonable and practicable

¹ Ecogas is a subsidiary of Sempra Pipelines and Storage, an affiliated company of SoCalGas.

manner possible. During the curtailment, SoCalGas curtailed gas service to National Beef, a core customer, and to six noncore customers along the affected line.

Special Notification Procedures

Ordering paragraph 1 of D.91-09-026 states that this advice letter should be served by overnight mail to affected customers. SoCalGas shall comply with the intent of this requirement by sending a copy of this advice letter to all affected customers today.

Protest

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date of this Advice Letter. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division Attention: Tariff Unit 505 Van Ness Avenue San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Maria Salinas (<u>mas@cpuc.ca.gov</u>) and to Honesto Gatchalian (<u>inj@cpuc.ca.gov</u>) of the Energy Division. A copy of the protest should also be sent via both e-mail <u>and</u> facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Sid Newsom Tariff Manager - GT14D6 555 West Fifth Street Los Angeles, CA 90013-1011 Facsimile No. (213) 244-4957 E-mail: <u>snewsom@SempraUtilities.com</u>

Effective Date

This advice letter is in compliance with OP 1 of D.91-09-026. Therefore SoCalGas respectfully requests that it be made effective on January 22, 2007, which is the date of filing.

<u>Notice</u>

In accordance with Section III.G of General Order No. 96-A, a copy of this advice letter is being sent to the parties listed on Attachment A, and to the affected customers, pursuant to D.91-09-026.

J. STEVE RAHON Director Tariffs and Regulatory Accounts

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY

ENERGY UTILITY MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)		
Company name/CPUC Utility No. SOUTHERN CALIFORNIA GAS COMPANY/ U 904 G		
Utility type: Contact Person: Sid Newsom		
\square ELC \square GAS	Phone #: (213) 244-2846	
$\square PLC \qquad \square HEAT \qquad \square WATER$		
EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas		
PLC = Pipeline HEAT = Heat WATER = Water		
Advice Letter (AL) #: 3702		
Subject of AL: Notification of Curtailment		
Keywords (choose from CPUC listing): Curtailable Service, Core, Non-Core, Natural Gas		
AL filing type: 🗌 Monthly 🗌 Quarterly 🗌 Annual 🖂 One-Time 🗌 Other		
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:		
Decision No. 91-09-026		
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No		
Summarize differences between the AL and the prior withdrawn or rejected AL ¹ : N/A		
Resolution Required? Yes X No Requested effective date: 1/22/07 No. of tariff sheets: None Estimated system annual revenue effect: (%): N/A		
Estimated system average rate effect (%): N/A		
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).		
Tariff schedules affected: None		
Service affected and changes proposed ¹ : None		
Pending advice letters that revise the same tariff sheets: N/A		
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:		
CPUC, Energy Division Attention: Tariff Unit		outhern California Gas Company ttention: Sid Newsom
Attention: Tariff Unit 505 Van Ness Avenue		ttention: Sid Newsom 55 West Fifth Street, ML GT14D6
San Francisco, CA 94102		os Angeles, CA 90013-4957
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov	SI	newsom@semprautilities.com

 $^{^{\}scriptscriptstyle 1}$ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3702

(See Attached Service List)

Advice Letter Distribution List - Advice 3702

Aglet Consumer Alliance James Weil jweil@aglet.org

Ancillary Services Coalition Jo Maxwell jomaxwell@ascoalition.com

Barkovich & Yap Catherine E. Yap ceyap@earthlink.net

CPUC Pearlie Sabino pzs@cpuc.ca.gov

CPUC - DRA R. Mark Pocta rmp@cpuc.ca.gov

Calpine Corp Avis Clark aclark@calpine.com

City of Banning Paul Toor P. O. Box 998 Banning, CA 92220

City of Long Beach, Gas & Oil Dept. Chris Garner 2400 East Spring Street Long Beach, CA 90806

City of Riverside Joanne Snowden jsnowden@riversideca.gov

Commerce Energy Tony Cusati TCusati@commerceenergy.com Alcantar & Kahl Elizabeth Westby egw@a-klaw.com

Ancillary Services Coalition Terry Rich TRich@ascoalition.com

Beta Consulting John Burkholder burkee@cts.com

CPUC Energy Rate Design & Econ. 505 Van Ness Ave., Rm. 4002 San Francisco, CA 94102

CPUC - DRA Jacqueline Greig jnm@cpuc.ca.gov

City of Anaheim Ben Nakayama Public Utilities Dept. P. O. Box 3222 Anaheim, CA 92803

City of Burbank Fred Fletcher/Ronald Davis 164 West Magnolia Blvd., Box 631 Burbank, CA 91503-0631

City of Los Angeles City Attorney 200 North Main Street, 800 Los Angeles, CA 90012

City of Vernon Daniel Garcia dgarcia@ci.vernon.ca.us

Commerce Energy Lynelle Lund Ilund@commerceenergy.com Alcantar & Kahl Kari Harteloo klc@a-klaw.com

BP Amoco, Reg. Affairs Marianne Jones 501 West Lake Park Blvd. Houston, TX 77079

CPUC Consumer Affairs Branch 505 Van Ness Ave., #2003 San Francisco, CA 94102

CPUC - DRA Galen Dunham gsd@cpuc.ca.gov

California Energy Market Lulu Weinzimer Iuluw@newsdata.com

City of Azusa Light & Power Dept. 215 E. Foothill Blvd. Azusa, CA 91702

City of Colton Thomas K. Clarke 650 N. La Cadena Drive Colton, CA 92324

City of Pasadena - Water and Power Dept. Robert Sherick rsherick@cityofpasadena.net

Commerce Energy Brian Patrick BPatrick@commerceenergy.com

Commerce Energy Glenn Kinser gkinser@commerceenergy.com County of Los Angeles Stephen Crouch 1100 N. Eastern Ave., Room 300 Los Angeles, CA 90063

DGS Henry Nanjo Henry.Nanjo@dgs.ca.gov

Davis, Wright, Tremaine Judy Pau judypau@dwt.com

Douglass & Liddell Donald C. Liddell liddell@energyattorney.com

Dynegy Joseph M. Paul jmpa@dynegy.com

General Services Administration Facilities Management (9PM-FT) 450 Golden Gate Ave. San Francisco, CA 94102-3611

Hanna & Morton Norman A. Pedersen, Esq. npedersen@hanmor.com

Jeffer, Mangels, Butler & Marmaro 2 Embarcaero Center, 5th Floor San Francisco, CA 94111

LADWP Randy Howard P. O. Box 51111, Rm. 956 Los Angeles, CA 90051-0100

Law Offices of William H. Booth William Booth wbooth@booth-law.com Crossborder Energy Tom Beach tomb@crossborderenergy.com

Davis Wright Tremaine, LLP Christopher Hilen chrishilen@dwt.com

Dept. of General Services Celia Torres celia.torres@dgs.ca.gov

Downey, Brand, Seymour & Rohwer Ann Trowbridge atrowbridge@downeybrand.com

Gas Purchasing BC Gas Utility Ltd. 16705 Fraser Highway Surrey, British Columbia, V3S 2X7

Goodin, MacBride, Squeri, Ritchie & Day, LLP J. H. Patrick hpatrick@gmssr.com

Imperial Irrigation District K. S. Noller P. O. Box 937 Imperial, CA 92251

Kern River Gas Transmission Company Janie Nielsen Janie.Nielsen@KernRiverGas.com

LS Power (took over Duke Energy) A Hartmann AHartmann@LSPower.com

Luce, Forward, Hamilton & Scripps John Leslie jleslie@luce.com Culver City Utilities Heustace Lewis Heustace.Lewis@culvercity.org

Davis Wright Tremaine, LLP Edward W. O'Neill One Embarcadero Center, #600 San Francisco, CA 94111-3834

Douglass & Liddell Dan Douglass douglass@energyattorney.com

Downey, Brand, Seymour & Rohwer Dan Carroll dcarroll@downeybrand.com

Gas Transmission Northwest Corporation Bevin Hong Bevin_Hong@transcanada.com

Goodin, MacBride, Squeri, Ritchie & Day, LLP James D. Squeri jsqueri@gmssr.com

JBS Energy Jeff Nahigian jeff@jbsenergy.com

LADWP Nevenka Ubavich nevenka.ubavich@ladwp.com

Law Offices of Diane I. Fellman Diane Fellman diane_fellman@fpl.com

MRW & Associates Robert Weisenmiller mrw@mrwassoc.com

Advice Letter Distribution List - Advice 3702

Manatt Phelps Phillips Randy Keen rkeen@manatt.com

Matthew Brady & Associates Matthew Brady matt@bradylawus.com

Pacific Gas & Electric Co. John Clarke jpc2@pge.com

R. W. Beck, Inc. Catherine Elder celder@rwbeck.com

Southern California Edison Co Fileroom Supervisor 2244 Walnut Grove Ave., Rm 290, GO1 Rosemead, CA 91770

Southern California Edison Co. Kevin Cini Kevin.Cini@SCE.com

Southwest Gas Corp. John Hester P. O. Box 98510 Las Vegas, NV 89193-8510

TURN Marcel Hawiger marcel@turn.org

Western Manufactured Housing Communities Assoc. Sheila Day sheila@wma.org Manatt, Phelps & Phillips, LLP David Huard dhuard@manatt.com

National Utility Service, Inc. Jim Boyle One Maynard Drive, P. O. Box 712 Park Ridge, NJ 07656-0712

Praxair Inc Rick Noger rick_noger@praxair.com

Regulatory & Cogen Services, Inc. Donald W. Schoenbeck 900 Washington Street, #780 Vancouver, WA 98660

Southern California Edison Co Karyn Gansecki 601 Van Ness Ave., #2040 San Francisco, CA 94102

Southern California Edison Co. John Quinlan john.quinlan@sce.com

Suburban Water System Bob Kelly 1211 E. Center Court Drive Covina, CA 91724

TURN Mike Florio mflorio@turn.org March Joint Powers Authority Lori Stone PO Box 7480, Moreno Valley, CA 92552

PG&E Tariffs Pacific Gas and Electric PGETariffs@pge.com

Questar Southern Trails Lenard Wright Lenard.Wright@Questar.com

Richard Hairston & Co. Richard Hairston hairstonco@aol.com

Southern California Edison Co. Colin E. Cushnie Colin.Cushnie@SCE.com

Southern California Edison Company Michael Alexander Michael.Alexander@sce.com

Sutherland, Asbill & Brennan Keith McCrea kmccrea@sablaw.com

The Mehle Law Firm PLLC Colette B. Mehle cmehle@mehlelaw.com