

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 19, 2016

Advice Letters 4831-G and 4831-G-A

Ronald van der Leeden
Director, Regulatory Affairs
Southern California Gas
555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011

SUBJECT: Emergency Localized Curtailment on July 1, 2015

Dear Mr. van der Leeden:

Advice Letters 4831-G and 4831-G-A are effective as of July 1, 2015, per Resolution G-3516 Ordering Paragraphs.

Sincerely,

.

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division



Ronald van der Leeden
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
Tel: 213.244.2009
Fax: 213.244.4957
RvanderLeeden@semprautilities.com

June 24, 2016

Advice No. 4831-A
(U 904 G)

Public Utilities Commission of the State of California

Subject: Partial Supplement - Emergency Localized Curtailment on July 1, 2015

Southern California Gas Company (SoCalGas) hereby submits this supplemental Advice Letter to comply with Resolution G-3516.

Purpose

On June 9, 2016, the Commission adopted Resolution G-3516, which approved, with modifications, SoCalGas Advice No. (AL) 4831 dated July 1, 2015, which provided notification of a curtailment event in its territory.

Ordering Paragraph 2 of Resolution G-3516 requires the following:

Southern California Gas Company shall file within 15 days of the effective date of this resolution, a supplemental Advice Letter 4831-A incorporating, as required by Decision 91-09-026, Ordering Paragraph 1, the facts underlying and the reasons for the July 1, 2015 curtailment, demonstrating that the type of curtailment being declared complies with SoCalGas' tariffs, and setting forth the efforts SoCalGas took to minimize or alleviate the curtailment.

Background

On July 1, 2015, extreme hot weather in the Western region of the U.S., along with decreased sources of hydro-powered electric generation (EG) plants, created a significant demand for natural gas to fuel electric power plants.¹ The forecast of EG demand that our Gas Control Department received from the California Independent System Operator (CAISO), showed a rapid and significant increase exceeding a two billion cubic feet per day (BCFD) rate in the late afternoon and early evening hours. On July 1, 2015, other sources of renewable power, such as wind and solar power,

¹ For example, temperatures reached 90 degrees Fahrenheit in Portland, Oregon.

were also decreased in addition to the hydroelectric sources, essentially resulting in the Southern California grid being dependent upon local gas-fired generation to meet electric needs.

In preparation for the upcoming winter operating season, routine maintenance at one of the two dehydration units at our Aliso Canyon storage field reduced the withdrawal capacity from Aliso Canyon by 750 MMcfd or 40%. In addition, required compliance testing and replacement on one of SoCalGas' natural gas pipelines also contributed to reduced natural gas capacity to meet increased demand. The compliance testing and replacement work took place on Line 4000, where capacity reductions of 890 MMcfd occurred in the Northern Zone, which is a significant percentage of SoCalGas' 1590 MMcfd of firm receipt capacity--approximately 56%. This reduction in receipt capacity was in addition to the 200 MMcfd loss in receipt capacity at Blythe due to the lower operating pressures of Line 2000. Fortunately, the receipt capacity loss at Needles provided some incremental capacity to receive gas supply at Kramer Junction, resulting in a receipt capacity of 1000 MMcfd for the Northern Zone, reducing the loss there to 37%.

The combination of these factors required SoCalGas to call this emergency localized curtailment for the Los Angeles basin area beginning at 03:00 PM on Wednesday, July 1, 2015 in order to preserve our ability to meet the demands of higher priority core customers. The curtailment affected certain electric generation customers in the Los Angeles basin area whom had limited gas service during the curtailment.

The emergency localized curtailment was initiated consistent with SoCalGas' Rule No. 23 Sections (E) and (F), which provide for curtailments due to emergency conditions, and curtailments in localized areas due to intrastate capacity restrictions or emergencies. In the event of a localized curtailment, customers in unconstrained areas may receive service while other customers of equal or higher priority are curtailed.

SoCalGas' Gas Control Department is responsible for preserving the operational integrity of the SoCalGas and SDG&E gas transmission system, and takes that responsibility seriously. SoCalGas makes every attempt to avoid a curtailment event, even to the extent of purchasing gas supplies at premium prices when our customers elect not to do so. When SoCalGas' Gas Control Department concludes that system integrity is at risk, it has an obligation and duty to maintain service to higher priority customers.

Protest

Anyone may protest this Advice Letter to the 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 received within 20 days of the date of this Advice Letter, which is July 14, 2016. 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 the Energy Division Tariff Unit (EDTariffUnit@cpuc.ca.gov). A copy of the protest shall also be sent via both e-mail and 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: snewsom@semprautilities.com

Effective Date

SoCalGas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order (GO) 96-B. Therefore, SoCalGas respectfully requests that it be made effective on June 9, 2016, which is the date Commission Resolution G-3516 was approved.

Notice

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list, the Commission's service lists for R.11-02-019 and A.11-11-002, and the list of affected customers. Address change requests to the GO 96-B should be directed by electronic mail to tariffs@socalgas.com or call 213-244-3387. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Ronald van der Leeden
Director – Regulatory Affairs

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 904G)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Sid Newsom

Phone #: (213) 244-2846

E-mail: SNewsom@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 4831-A

Subject of AL: Partial Supplement - Emergency Localized Curtailment on July 1, 2015

Keywords (choose from CPUC listing): Curtailment

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Resolution G-3516

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 AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: No

.Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 6/9/16

No. of tariff sheets: 0

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: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: None

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
505 Van Ness Ave.,
San Francisco, CA 94102
EDTariffUnit@cpuc.ca.gov

Southern California Gas Company
Attention: Sid Newsom
555 West 5th Street, GT14D6
Los Angeles, CA 90013-1011
SNewsom@semprautilities.com
tariffs@socalgas.com

¹ Discuss in AL if more space is needed.