

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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Joint Application of Central Valley Gas Storage, LLC (U915G), Nicor Inc., and AGL Resources Inc. For Expedited *Ex Parte* Authorization to Transfer Ownership of Central Valley Gas Storage, LLC to AGL Resources Inc.

Application 11-01-021
(Filed January 25, 2011)

**THE DIVISION OF RATEPAYER ADVOCATES'
SUPPLEMENTAL INFORMATION IN RESPONSE
TO ADMINISTRATIVE LAW JUDGE'S REQUEST**

On March 24, 2011, the Commission held a Pre-Hearing Conference (PHC) for the above referenced application, (A.) 11-01-021. The Presiding Administrative Law Judge (ALJ) was ALJ Yip-Kikugawa. During the PHC, ALJ Yip-Kikugawa directed the Division of Ratepayer Advocates (DRA) to file certain documents needed for the ALJ to prepare her Proposed Decision.¹ Pursuant to the ALJ's verbal direction and request, DRA hereby submits through Attachment A, the information that the ALJ directed DRA to submit.

Attachment A is Central Valley and Storage's (Central Valley) March 2, 2011 data responses to DRA's February 22, 2011 data request. The information contained in the data request may be important for the ALJ to use in preparation of the decision. Therefore, DRA respectfully submits the requested data response, marked as Attachment A.

If there are any questions or comments regarding this filing, please do not hesitate to contact me. My contact information is located below.

¹ PHC Transcript, 13:2-17 (March 24, 2011).

Respectfully submitted,

/s/ RASHID A. RASHID

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March 28, 2011

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Joint Application of Central Valley Gas Storage, LLC (U915G), Nicor Inc., and AGL Resources Inc. For Expedited *Ex Parte* Authorization to Transfer Ownership of Central Valley Gas Storage, LLC to AGL Resources Inc.

Application 11-01-21
(Filed January 25, 2011)

**CENTRAL VALLEY GAS STORAGE , LLC (U915G)
RESPONSE TO DATA REQUEST FROM DIVISION OF RATEPAYER
ADVOCATES**

In accordance with Rule 10.1 of the Commission’s Rules of Practice and Procedure, Central Valley Gas Storage, LLC (“CVGS”) provides the following responses to the Division of Ratepayer Advocates Data Request of February 22, 2011:

PZS1-1. On page 8 of above reference Joint Application in A.11-01-021, the Applicants state that “Fluor Enterprises Inc. (“Fluor”) of Aliso Viejo, California has been retained to provide project management services for the Central Valley project.”

- (a) Please clarify whether Fluor has any equity interest in CVGS or its proposed parent AGL Resources Inc, or is otherwise providing project management services to CVGS only under a contractual arrangement.

Response to PZS1-1(a):

No, Fluor has no equity interest in CVGS or AGL Resources, Inc. Fluor is providing project management services to CVGS under a contractual arrangement.

Response provided by:

James B. Kiefer
Central Valley Gas Storage
(630) 245-6101
JKiefer@NICOR.COM

- (b) Please state whether or not Fluor services is similarly engaged by any other providers of gas storage services or pipeline services in California and the Western North America. The term “Western North America” is defined here pursuant to Decision 10-10-001 that approved the CVGS to include California, Oregon, Washington, Arizona, New Mexico, Texas, Nevada, Colorado, Wyoming, Utah, the provinces of British Columbia and Alberta in Canada, and the State of Baja California Norte in Mexico (refer to page 37 of Attachment to D.10-10-001).

Response to PZS1-1(b) :

Because Fluor is providing project management services to CVGS through a purely contractual arrangement, CVGS is not privy to Fluor's confidential information regarding what services it may provide to other providers of gas storage services or pipeline services in California and Western North America.

Response provided by:

James B. Kiefer
Central Valley Gas Storage
(630) 245-6101
JKiefer@NICOR.COM

PZS1-2. On page 10 of the above reference Joint Application, Applicants state:

“The proposed merger will not materially impact these representations. Neither AGLR nor any of its affiliates: (a) own any gas storage or pipeline assets in California or the West Coast; (b) holds any firm storage capacity rights in California or the West Coast; or (c) holds any transportation capacity in California. AGLR’s affiliate, Sequent Energy Management, L.P. (“SEM”) has current contracts for short-term interruptible storage (parks and loans) with Pacific Gas and Electric (“PG&E”) within California and holds a limited amount of firm transportation capacity on Gas Transmission Northwest Corporation and El Paso Natural Gas Company. SEM’s use of interruptible storage on PG&E’s system and its use of transportation capacity outside of California in no way alters the bases upon which the Commission granted CVGS’s CPCN.”

- (a) Aside from the application that was recently approved, please clarify whether it would still be true and correct for CVGS to represent that neither CVGS nor any of its affiliates has any contractual rights or obligations related to the gas storage industry in California or on the West Coast. Please explain your response.

Response to PZS1-2(a):

It is still true and correct that, aside from the application recently approved in Docket No. A09-08-008, neither CVGS, nor any of its affiliates, has any contractual rights or obligations related to the gas storage industry in California or on the West Coast. Neither CVGS nor any of its affiliates has made any changes in contractual rights or obligations relating to the gas storage industry in California or the West Coast since the filing of CVGS’ certificate application on August 19, 2009 in Docket No. A09-08-008.

Response to PZS1-2(a) provided by:

James B. Kiefer
Central Valley Gas Storage
(630) 245-6101
JKiefer@NICOR.COM

- (b) Please provide the amount of SEM's current contracts for short-term interruptible storage with PG&E within California and the end date of the contract.

Response to PZS1-2(b):

SEM Short-Term Interruptible Storage with PG&E (PALS)	
Volume (MMBtus)	Expiration Date
1,240,000	31-May-11
900,000	30-Sep-11

Response to PZS1-2(b) provided by:

Dat Tran
AGL Resources Inc.
(832) 397-1760
dtran@aglresources.com

- (c) Please provide the amount of SEM's limited firm transportation capacity holdings on Gas Transmission Northwest and El Paso and the end date of the contract.

Response to PZS1-2(c):

SEM Transport on GTN and El Paso		
Pipe	MDQ	Expiration Date
GTN	20,000	31-Oct-11
EPNG	15,000	31-Mar-11

Response to PZS1-1(c) provided by:

Dat Tran
AGL Resources Inc.
(832) 397-1760
dtran@aglresources.com

- (d) Please state whether AGLR, or any of its affiliates including SEM, own any gas storage assets or pipeline assets in California or the West Coast (as defined above for “Western North America”) and/or hold any firm storage or transportation capacity in California or the West Coast as defined.

Response to PZS1-2(d):

SEM holds firm capacity on the following storage or transportation assets in California or the West Coast, as defined.

AECO*
Cheyenne Plains
El Paso
Gas Transmission Northwest
Keystone Storage*
Northern Border
Northwest Pipeline
Oneok Gas Storage
PG&E
TransCanada
Transwestern
Williston Basin
Worsham Steed*
Wyoming Interstate

* Indicates storage facilities.

Response to PZS1-2(d) provided by:

Dat Tran
AGL Resources Inc.
(832) 397-1760
dtran@aglresources.com

- (e) Please state whether any of SEM's clients operate within California or the West Coast as defined.

Response to PZS1-2(e):

SEM markets natural gas to counterparties that operate within California or the West Coast, as defined. SEM's typical customers include end use consumers of natural gas such as power generators, utilities, municipals and large industrials. SEM also sells gas to other marketers for resale in California and in the West coast, as defined. SEM is not aware of any of the operational details of any of its customers in the state, outside of the bilateral natural gas transaction for which they are a counterparty. SEM does not utilize any third-party services or contractors to assist with the provision of these services.

Response to PZS1-2(e) provided by:

Dat Tran
AGL Resources Inc.
(832) 397-1760
dtran@aglresources.com

PZS1-3. Exhibit 9 of the above reference Joint Application presents the execution copy of the Agreement and Plan of Merger among AGL Resources Inc., Apollo Acquisition Corp., Ottawa Acquisition LLC and Nicor Inc. dated as of December 6, 2010. Please provide the expected date of the closing and effective time of the merger as defined in Exhibit 9.

Response to PZS1-3:

The timing of the closing will depend on the receipt of regulatory approvals; however, the Joint Applicants expect the transaction to close in the second half of 2011.

Response to PZS1-3 provided by:

James B. Kiefer
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(630) 245-6101
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