

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



FILED

9-08-16
04:59 PM

Application of Southern California Gas Company
(U 904 G) and San Diego Gas & Electric Company
(U 902 G) for Authority to Revise their Curtailment
Procedures

A.15-06-020
(Filed June 26, 2015)

**STATUS REPORT OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G),
SAN DIEGO GAS & ELECTRIC COMPANY (U 902 G), AND
THE INDICATED PARTIES**

MICHAEL R. THORP

Attorney for:

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

555 West 5th Street, GT14E7

Los Angeles, CA 90013

Telephone: (213) 244-2981

Facsimile: (213) 629-9620

E-mail: MThorp@SempraUtilities.com

Dated: September 8, 2016

TABLE OF CONTENTS

	<u>Page</u>
I. BACKGROUND	1
II. STATUS REPORT	2

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

Application of Southern California Gas Company
(U 904 G) and San Diego Gas & Electric Company
(U 902 G) for Authority to Revise their Curtailment
Procedures

A.15-06-020
(Filed June 26, 2015)

**STATUS REPORT OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G),
SAN DIEGO GAS & ELECTRIC COMPANY (U 902 G), AND
THE INDICATED PARTIES**

Pursuant to Commission Decision (D.) 16-06-021,¹ this Joint Status Report is submitted by applicants Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E), and the following indicated parties: The Alliance for Retail Energy Markets (AReM), California Independent System Operator (CAISO), California State University (CSU), California Cogeneration Council (CCC), California Manufacturers & Technology Association (CMTA), California League of Food Processors (CLFP), City of Long Beach Gas & Oil Department, Clean Energy Fuels Corp. (Clean Energy), Commerce Energy, Commercial Energy, Independent Energy Producers Association (IEPA), Indicated Shippers, Interstate Gas Supply, Inc. (IGS), NRG Energy, Inc., Office of Ratepayer Advocates (ORA), Pacific Summit Energy LLC, Shell Energy North America (US), L.P. (Shell), Southern California Edison Company (SCE), Southern California Generation Coalition (SCGC), Southwest Gas Corporation (SWG), Tiger Natural Gas, University of California (UC), and Western Power Trading Forum (WPTF) (collectively “Indicated Parties”).²

I. BACKGROUND

On April 29, 2016, SoCalGas, SDG&E, and 24 other parties filed a motion seeking approval of a Daily Balancing Proposal Settlement Agreement (Daily Balancing Settlement).

¹ D.16-06-021, mimeo., at 14 (Ordering Paragraph 4).

² In accordance with Rule 1.8 of the Commission’s Rules of Practice and Procedure SoCalGas and SDG&E have been authorized to submit this Joint Status Report on behalf of all of the Indicated Parties.

Among other things, the Daily Balancing Settlement contained the following proposal regarding a Phase 2 in this proceeding:

3. The Settling Parties request that the Commission establish a subsequent phase in this proceeding to consider reliability measures that may be needed beyond November 30, 2016, in the event that by that date: (1) Aliso Canyon has not returned to the service levels set forth in Section 2, or (2) working inventory at Aliso Canyon is not at least 45 BCF. Parties will meet in good faith to address reliability measures that may be needed beyond November 30, 2016, through Clarification Sessions, informal meetings, and/or Rule 12 settlement discussions, and will provide a Status Report regarding their discussions to the Commission no later than September 8, 2016. Settling Parties, individually or jointly, may seek Alternate Dispute Resolution or other procedures earlier than September 8, 2016, and other Settling Parties may oppose such proposals.³

On June 9, 2016, the Commission adopted D.16-06-021, approving the Daily Balancing Settlement in its entirety, including the Phase 2 proposal.⁴

II. STATUS REPORT

SoCalGas and SDG&E hosted seven Rule 12 settlement meetings with parties, the most recent on September 6, 2016.⁵ SCE, on behalf of a group of parties referred to as the “Customer Coalition,” filed a Motion for Consideration of Winter Reliability Measures on August 17, 2016.⁶ SoCalGas and SDG&E filed a response to the Customer Coalition’s motion on September 2, 2016, and ORA authorized SoCalGas and SDG&E to state in their response that ORA concurs with the positions in certain sections of SoCalGas and SDG&E’s response, and ORA takes no position on the other sections of the response.⁷

³ D.16-06-021, mimeo., Attachment 2 (Daily Balancing Settlement) at A-3.

⁴ D.16-06-021, mimeo., at 14 (Ordering Paragraph 4).

⁵ Conferences were held on the following dates: June 15, June 30, July 7, July 13, August 6, August 11, and September 6.

⁶ In addition to SCE, the Customer Coalition includes CMTA, CLFP, Indicated Shippers, IEPA, Shell, AReM, SCGC, Commercial Energy, WPTF, Clean Energy, NRG Power Marketing, and GenOn Energy Management LLC.

⁷ SoCalGas and SDG&E Response at 1.

As of September 8, 2016, the parties do not have a settlement. The Customer Coalition requests that the Commission schedule a Prehearing Conference. SoCalGas and SDG&E request that the Commission close this proceeding.

Respectfully submitted,

By: /s/ Michael R. Thorp
MICHAEL R. THORP

Attorney for:

**SOUTHERN CALIFORNIA GAS COMPANY
SAN DIEGO GAS & ELECTRIC COMPANY**
555 West 5th Street, GT14E7
Los Angeles, CA 90013
Telephone: (213) 244-2981
Facsimile: (213) 629-9620
E-mail: MThorp@SempraUtilities.com

Dated: September 8, 2016