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Data Request - Actual SoCalGas Electric Generator Natural Gas Consumption on Peak Winter Days 2006-2015 Period

Additional submitted attachment is included below.

Powers Engineering

October 10, 2016

Robert P. Oglesby, Executive Director California Energy Commission 1516 9th Street, MS-39 Sacramento, CA 95814-5512

Subject: Docket No. 16-IEPR-02, Data Request - Actual SoCalGas Electric Generator Natural Gas Consumption on Peak Winter Days During Ten-Year, 2006-2015 Period

Dear Rob:

California Energy Commission (CEC) Docket No. 16-IEPR-02, specifically the *August 26, 2016 Joint Agency Workshop on Aliso Canyon Action Plan for Local Energy Reliability for Winter of 2016 to 2017*, is the only state agency proceeding currently underway that is examining the question of natural gas supply reliability in the LA Basin in the winter of 2016-2017. Both Powers Engineering and SoCalGas are participants in this proceeding. Powers Engineering and SoCalGas provided written comments to Docket No. 16-IEPR-02 on the Winter Action Plan, docketed on September 9, 2016 as documents TN-213538 and TN-213600, respectively. SoCalGas was also a co-author of the August 23, 2016 Aliso Canyon Winter Risk Assessment Technical Report, a primary input to the August 26, 2016 workshop. Electric generator (EG) gas usage on winter peak days is the primary driver behind the SoCalGas assertion that Aliso Canyon is necessary to meet peak winter day demand. Powers Engineering requests that the CEC provide the actual EG gas usage on each of the winter peak days in the last ten years in SoCalGas service territory.¹

The Winter Risk Assessment states the assessment is based on a 1-in-10-year cold winter day design standard established by the CPUC.² It identifies the actual winter peak day maximum EG gas usage in the last ten years in SoCalGas territory as 885 million cubic feet per day (MMcfd) on January 14, 2013.^{3,4} No information is provided in the Winter Risk Assessment on the EG usage on any of the SoCalGas winter peak days in the other nine of the last ten years. The California Gas Reports provide total SoCalGas peak winter day gas usage in each of the last ten years, but not the EG portion of the total usage, which is the data sought in this request.⁵ The total SoCalGas peak winter day gas usage in each of the last ten years.

¹ SoCalGas declined to provide this information to Powers Engineering in an e-mail from Gregory Healy/SoCalGas to Bill Powers/Powers Engineering dated September 28, 2016.

² Winter Risk Assessment, p. 3.

³ Ibid, p. 33.

⁴ PG&E set a new record for natural gas demand on December 9, 2013, which resulted in the higher California-wide winter peak demand day being on December 9, 2013. However, SoCalGas experienced its 2013 winter peak demand day on January 14, 2013.

⁵ The California Gas Reports report winter peak day sendout of PG&E and SoCalGas separately (non-utility sendout is also reported and is typically about 15 percent of the combined investor-owned utility total). SoCalGas sendout on the California-wide winter peak day ranges from 10 – 50 percent greater than PG&E sendout (except for December 9, 2013, when the sendout of PG&E and SoCalGas was approximately the same). For this reason, Powers Engineering assumes the SoCalGas winter peak is coincident with the California-wide winter peak (except for 2013).

Table 1. bocardas peak whiter ady gas asage in each of the last ten years				
Year	Day	Total usage (MMcfd)	EG usage (MMcfd)	
2015	December 29	4,036		
2014	December 31	4,325		
2013	January 14	5,200 ^a	885 ^b	
2012	December 19	4,294		
2011	December 12	4,152		
2010	November 29	4,356		
2009	December 8	4,505		
2008	December 17	4,910		
2007	January 15	4,577		
2006	December 19	4,145		

footnotes: a) Winter Action Plan, p. 11, footnote 20 - Envoy[™] also shows maximum gas sendout to customers of 5.2 Bcf on January 14, 2013; b) Winter Risk Assessment, p. 33.

SoCalGas uses the projected economic impact of Aliso Canyon mitigation measures as a basis for urging that Aliso Canyon be reopened as soon as possible.⁷ In document TN-213600, SoCalGas asserts that it would cost at least \$90 million per year for the company to monitor core customer gas demand in real-time, to assure core customer supply-and-demand are in balance on a near real-time basis, implying that \$90 million per year is too much money to pay to assure reliable LA Basin natural gas supply without Aliso Canyon.⁸

Information on the actual EG gas burn on each of the peak winter days in the last ten years is relevant and necessary because the Winter Action Plan identifies the winter mitigation measure of limiting the EG gas burn in advance of cold days as a form of "uneconomic" dispatch.⁹ This implies that customers will suffer an economic penalty if this mitigation measure is utilized. The Winter Risk Assessment reinforces this, stating, "Although the electric system can operate with extremely low gas consumption during the winter months, doing so would result in increased dispatch costs."¹⁰ Therefore it matters, given economic benefit is a component of the SoCalGas justification for the restart of Aliso Canyon, whether an EG gas burn ceiling must be applied on multiple days each winter or as little as one winter day every ten years. The only way to determine this is to evaluate the actual EG gas burn on winter peak days in SoCalGas service territory in the last ten years.

Thank you for your assistance in providing this information. Please feel free to call me at (619) 295-2072 or e-mail at <u>bpowers@powersengineering.com</u> if you have any questions about this request.

⁶ 2016 California Gas Report, p. 29; 2011 California Gas Report Supplement, p. 17.

⁷ SoCalGas, SoCalGas Comments - CEC IEPR - Winter Reliability 09.09.16, September 9, 2016, pp. 5-6.

⁸ Ibid, pp. 4-5.

⁹ Winter Action Plan, p. 21.

¹⁰ Winter Risk Assessment, p. 5.

Best regards,

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