

**BEFORE THE ENERGY RESOURCES CONSERVATION AND  
DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of:

Preparation of the  
2009 Integrated Energy Policy Report

Docket No. 09-IEP-1J

<b>DOCKET</b> <b>09-IEP-1J</b>
-----------------------------------

DATE	MAY 28 2009
------	-------------

RECD.	JUN 01 2009
-------	-------------

**COMMENTS OF TRANSWESTERN PIPELINE COMPANY, LLC  
FOR THE JOINT INTEGRATED ENERGY POLICY REPORT  
AND ELECTRICITY AND NATURAL GAS COMMITTEE WORKSHOP  
ON NATURAL GAS ACTIVITIES**

As provided in the *Notice of Joint Integrated Energy Policy Report and Electricity and Natural Gas Committee Workshop on Natural Gas Activities* (“Workshop Notice”), Transwestern Pipeline Company, LLC (“Transwestern”) respectfully submits these comments for the May 14, 2009 workshop.

Transwestern had originally planned to present at the workshop a detailed description of its pipeline system and the flexibility of its systems and the various natural gas supplies that it accesses. Due to the time limitations at the workshop, however, that was not possible. Instead, Transwestern’s representative Paul Y’Barbo made a brief statement during the workshop’s public comment period in which he described how Transwestern’s system interconnects with the natural gas transmission systems of Southern California Gas Company and Pacific Gas and Electric Company. In addition, Mr. Y’Barbo presented a letter to Commission Energy Specialist Bill Wood, a copy of which is attached and incorporated herein by reference, that provides certain clarifications and suggested modifications to CEC Draft Paper on Natural Gas Infrastructure, Table 2, page 8. Mr. Y’Barbo will be providing the more detailed description of

Transwestern's system at the next biannual meeting of the Natural Gas Working Group on June 4, 2009.

Transwestern thanks the Commission for its attention to these comments.

Respectfully submitted,

  
\_\_\_\_\_  
Gregory S.G. Klatt

DOUGLASS & LIDDELL  
411 E. Huntington Drive #107-356  
Arcadia, California 91006  
Telephone: (818) 961-3002  
Facsimile: (818) 961-3004  
Email: [klatt@energyattorney.com](mailto:klatt@energyattorney.com)

Attorneys for Transwestern Pipeline Company, LLC

May 28, 2009



ENERGY TRANSFER PARTNERS

**Transwestern Pipeline Company**

711 Louisiana Street, Houston TX 77002-2716

May 14, 2009

*via hand delivery*

Bill Wood  
California Energy Commission ("CEC")  
1516 Ninth Street  
Sacramento, CA 95814

Re: Natural Gas Infrastructure Draft Staff Paper, CEC May 14, 2009 Workshop

Dear Bill:

While it was Transwestern Pipeline's desire to provide a complete overview of its pipeline system and supplies during the CEC May 14<sup>th</sup> workshop, due to the space limitation that will not be possible. We will be making brief comments during the public comment period and look forward to additional opportunities in the future to brief the CEC on the Transwestern system.

In the meantime, we wanted to provide certain clarifications and suggested corrections to the CEC Draft Paper on Natural Gas Infrastructure, Table 2, page 8.

- **California Delivery Capacity is 1,225 MMcf/day.** Transwestern's firm delivery capacity to the California border is 1,225 MMcf/day, not 1,150 MMcf/day. The CEC figure recites Transwestern's capacity prior to the 2001 Red Rock expansion.
- **SoCal Needles Operational Capacity is 850 MMcf/day.** The meter capacity of the SoCal Needles delivery point is 1 Bcf; however Transwestern has the operational capacity of this point set at 850 MMcf/day due to the downstream takeaway. The CEC report incorrectly lists this point at 800 MMcf/day. Quantities in excess of 800 MMcf/day have flowed on numerous days within the last year.
- **Certain Meter Capacities are Missing.** The PG&E Topock Delivery Point has an operational capacity of 400 MMcf/day and has flowed volumes close to this capacity on numerous days within the last year. The SoCal Topock Delivery Point is also missing and has a capacity of 200 MMcf/day.
- **The Phoenix Expansion Did Not Reduce Capacity to California to 650 MMcf/day.** In March 2009, Transwestern completed its Phoenix lateral expansion. While the lateral is capable of delivering up to 500 MMcf/day to Phoenix area delivery points, the lateral is not fully contracted, particularly not during the November-February time period. The Transwestern mainline still has capacity to deliver 1,225 MMcf/day to California. The

market decides whether gas is transported to Arizona or California. Throughput data since the Phoenix lateral in-service demonstrates that on any given gas day the split of flows between California and Arizona varies based on demand. For example, for the gas day of May 14, 2009 nearly 900 MMcf/day of gas was scheduled to California border points, with only 200 MMcf/day scheduled to Phoenix.

- **Transwestern's California Supply Access Has Increased.** There is greater supply access and diversity available to California shippers today. Following two expansions, the San Juan lateral capacity has increased from 850 MMcf/day **1,610 MMcf/day**. This allows additional San Juan and Rockies supplies to reach the Transwestern mainline for delivery to California markets. In addition, Transwestern has added new interconnect capacity to bring up to 230 MMcf/day of midcontinent gas onto the TW mainline. And, Transwestern continues to have the capability to transport up to 750 MMcf/day of Permian or Texas Intrastate gas west on its mainline.

In closing, I wanted to also let you know of our desire to present an overview of Transwestern pipeline system at the June 4, 2009 CEC workshop.

I look forward to talking with you soon and please feel free to give me a call at any time at 281-714-2010.

Kind regards,

A handwritten signature in blue ink that reads "Shelley Corman". The signature is written in a cursive, flowing style.

Shelley Corman  
Sr. Vice President, Commercial and Regulatory