

Mailed

JUN 21 1991

Decision 91-06-051 June 19, 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution G-2921, Southern)
 California Gas Company order)
 approving with conditions a long-)
 term contract with San Diego Gas)
 and Electric Company Advice Letter)
 1942 and rejecting Advice Letters)
 1900, 1920, 1920-A, 1921, 1921-A,)
 1934, 1941, 1946, 1956, and 1960.)

ORIGINAL

Application 90-08-058
(Filed August 22, 1990)

OPINION

The Southern California Utility Power Pool and Imperial Irrigation District (SCUPP) filed this application for modification of Resolution G-2921, dated July 6, 1990. The resolution rejected Southern California Gas Company's (SoCalGas) contracts for firm pipeline capacity with several municipal utilities which are members of SCUPP. SCUPP seeks reconsideration of the contracts on the basis that the Commission has found, in Decision (D.) 89-12-045, that long-term contracts are appropriate to prevent bypass. SCUPP argues that Los Angeles Department of Water and Power (LADWP), a member utility, is able to bypass SoCalGas. SCUPP's application includes a copy of a bypass study undertaken for LADWP.

Indicated Producers and the Division of Ratepayer Advocates responded to SCUPP's petition. Both argue the application fails to demonstrate a threat of uneconomic bypass. Indicated Producers add that approval of the petition would prejudice review of proposed capacity brokering programs in Rulemaking (R.) 88-08-018 and would discriminate against other customers seeking access to interstate pipeline capacity.

SCUPP's petition includes controversial information which should have been submitted during review of the subject contracts. Since the time the contracts were rejected, the Commission adopted,

in D.90-09-089, new gas transportation rules designed to improve access to firm capacity. The Commission is currently undertaking review of capacity brokering programs in R.88-08-018. In that proceeding, SCUPP has joined in a settlement which addresses the capacity allocation issues of which SCUPP seeks resolution in this application. For these several reasons, SCUPP's petition will be denied.

Findings of Fact

1. SCUPP's petition presents new and controversial information regarding the ability of its members to bypass SoCalGas' system.
2. Issues regarding firm access to pipeline capacity have been addressed in D.90-09-089 and are the subject of review in R.88-08-018.

Conclusion of Law

SCUPP's petition should be denied.

ORDER

IT IS ORDERED that:

1. The application of Southern California Utility Power Pool and Imperial Irrigation District for modification of Resolution G-2921 is denied.

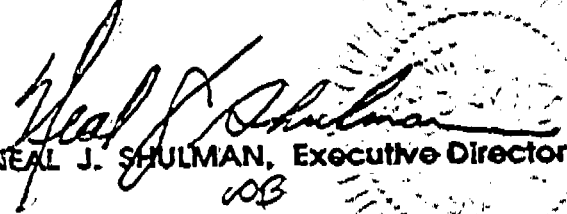
2. This application is closed.

This order is effective today.

Dated June 19, 1991, at San Francisco, California.

PATRICIA M. ECKERT
President
G. MITCHELL WILK
JOHN B. OHANIAN
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY


NEAL J. SHULMAN, Executive Director
103

