

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

**ENERGY DIVISION**

**RESOLUTION G- 3246  
December 17, 1998**

**RESOLUTION**

**RESOLUTION G- 3246. SOUTHERN CALIFORNIA GAS COMPANY (SOCALGAS) REQUESTS APPROVAL OF REVISIONS TO ITS TARIFF SCHEDULES, RULES, AND FORMS APPLICABLE THROUGHOUT ITS SERVICE TERRITORY. APPROVED WITH MODIFICATIONS.**

**BY ADVICE LETTER 2686, FILED ON MARCH 23, 1998.**

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**SUMMARY**

1. By Advice Letter (AL) 2686, Southern California Gas Company (SoCalGas) seeks approval of revisions of its tariff schedules, rules, and forms applicable throughout its service territory to implement electronic switching requests by core aggregators pursuant to D. 98-02-108.
2. SoCalGas requests that AL 2686 be effective May 20, 1998, which is 90 days from February 19, 1998, the effective date of Decision (D.) 98-02-108.
3. SoCal proposes to use its existing Energy Marketplace Direct Access Service Request (DASR) system for electronic switching.
4. Enron protests AL 2686 on the grounds that SoCalGas' use of the Energy Marketplace as the electronic forum for accomplishing switching requests for the core aggregation program is both inappropriate and unnecessary. Enron urges the Commission to reject this part of the SoCalGas filing and require instead that SoCalGas utilize other electronic means to comply with D. 98-02-108.
5. SoCalGas' Energy marketplace software is the subject of an Enron Complaint, (C.) 98-03-005.
6. In its reply to the Enron protest, SoCalGas argues that it needs to use the Energy Marketplace software to implement electronic switching in a timely fashion.
7. This resolution approves AL 2686 subject to modifications as described below.
8. Enron's protest is denied without prejudice.

### BACKGROUND

1. D. 98-02-108 ordered Pacific Gas and Electric Company (PG&E), SoCalGas, and San Diego Gas & Electric Company (SDG&E) to file tariffs establishing a switching process for the core aggregation program in conformance with the switching process established for the electric direct access program in D. 97-10-087. D. 98-02-108 also ordered responding utilities to remove the requirement that the utility receive a written authorization from the customer subject to third party verification and provide for electronic transmission of switching requests by core aggregators. The decision further ordered the utilities to provide for gas customer switches to occur on a timetable comparable to that adopted in D. 97-10-087 for electronic customer switches. Each utility was therefore required to implement these provisions no later than 90 days from the effective date of the order.
2. Pursuant to D. 98-02-108, AL 2686 revises Rule 1, Rule 32, Form 6536-A, and tariff schedules GT-R, GT-S, GT-M, GT-MB, GT-RL, GT-SL, GT-10, GT-10L, GT-20, GT-AC, GT-EN and GT-NGV. This filing also proposes the closure of Form 6538 to new submissions by Energy Service Providers (ESPs) and the cancellation of Form 6567-T. Both forms will be replaced by an electronic process to switch core customers to Core Transportation status.

### NOTICE

Notice of AL 2686 was made by publication in the Commission Daily Calendar and by mailing copies of the filing to adjacent utilities and interested parties.

### PROTESTS

Enron filed a protest of AL 2686 on April 13, 1998, which is discussed below. SoCalGas responded to the protest on April 20, 1998.

### DISCUSSION

1. In its protest, Enron points out that SoCalGas' use of the system known as the Energy Marketplace, a competitive service, is called into question in C. 98-03-005, which Enron filed against SoCalGas, PG&E, and SDG&E on February 26, 1998. In the complaint, as well as in the protest to AL 2686, Enron argues that a service such as the Energy Marketplace should be offered by SoCalGas through an affiliate in the competitive market. Enron is concerned that SoCalGas' reliance on this software will artificially validate the Energy Marketplace as a legitimate part of SoCalGas' operations. Enron is also not clear as to how the primary "marketing" function of the Energy Marketplace, which is limited to fee-paying subscribers to the service, will interact with the secondary switching process or that non-

subscribers will not be disadvantaged in the switching process. Enron also points out that PG&E and SDG&E do not specify a particular software for implementing the DASR process.

2. In its response, SoCalGas points out that the Energy Marketplace is set up in such a way that it separates the "fee-paying" customer information function from the DASR process. Under SoCalGas' proposal, aggregators will submit switching requests by filling out an electronic DASR at the Energy Marketplace website, which is available, free of charge, to all aggregators participating in SoCalGas' Core Aggregation Transport (CAT) program. SoCalGas claims that the Energy Marketplace will allow core aggregators to use the system with virtually no programming or technical investments beyond a standard Internet-capable personal computer. The Energy Marketplace DASR system will be available to core aggregators on a year-round, 24-hour per day basis, excepting normal computer system and Internet service provider downtime.
3. In order to use the Energy Marketplace site for the electronic switching of core aggregation customers, SoCalGas now also makes available the list of non-subscribing suppliers located in its and SDG&E's territory on a separate page on the site. In response to the argument that neither PG&E nor SDG&E rely on Energy Marketplace or similar software, SoCalGas points out that both PG&E and SDG&E already had DASR software in place because they are combined gas and electric utilities and have already implemented DASR for electric customers. SoCalGas notes that the Energy Marketplace software is a legitimate part of SoCalGas' operations, and it should be recognized as the appropriate forum in which to implement the DASR process.
4. We are reluctant to discuss the issues pertaining to the Enron complaint, C.98-03-005 here. SoCalGas has already implemented the DASR procedures as directed in D. 98-02-108, as have PG&E and SDG&E. We note that PG&E and SDG&E have filed their tariffs without reference to any particular software programs. Since the Energy Marketplace is the subject of a complaint, and since we see no obvious reason for SoCalGas' inclusion of the software in AL 2686, we will approve it without reference to the Energy Marketplace. We therefore direct SoCalGas to file a supplemental advice letter with the relevant tariffs of AL 2686, after omitting all specific references to the Energy Marketplace software. We defer a determination of the appropriateness of SoCalGas' use of this software to C. 98-03-005. If the Commission indeed directs SoCalGas to discontinue the use of Energy Marketplace, SoCalGas will then have to decide what software to use for its DASR process, without hindering the implementation of the DASR tariffs.
5. To the extent we defer the issue of SoCalGas' use of the Energy Marketplace to C. 98-03-005, Enron's protest is denied without prejudice.

**FINDINGS:**

1. On March 23, 1998, SoCalGas filed Advice Letter 2686, seeking approval to implement electronic switching requests by core aggregators pursuant to D. 98-02-108.
2. Enron protested AL 2686 on the grounds that SoCalGas' use of the Energy Marketplace is inappropriate because SoCalGas uses the software for marketing its services in the competitive market.
3. Along with PG&E and SDG&E, SoCalGas implemented the electronic switching process for core aggregation customers on May 20, 1998 in compliance with D. 98-02-108.
4. The Energy Marketplace is the subject of a complaint, C. 98-03-005, in which Enron claims that SoCalGas should offer the service through a separate affiliate.
5. In its response to the protest, filed on April 20, 1998, SoCalGas points out that the Energy Marketplace separates the marketing function from the DASR process.
6. SoCalGas should implement the DASR process without specific reference to the Energy Marketplace software.
7. The appropriateness of SoCalGas' use of the software for electronic switching of core aggregation customers should be determined in C. 98-03-005.
8. PG&E and SDG&E have filed their DASR tariffs without reference to any particular software programs.
9. SoCalGas should file a supplemental advice letter omitting references to the Energy Marketplace software, similar to the PG&E and SDG&E advice letters.
10. The protest of Enron is denied without prejudice.

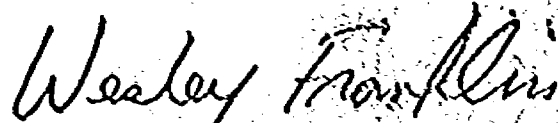
**THEREFORE IT IS ORDERED THAT:**

1. SoCalGas shall file an advice letter with the Commission containing revised tariffs in compliance with this order within 20 days. The tariffs will become effective after review by the Energy Division for compliance with this resolution.
2. The protest of Enron is denied without prejudice.

Resolution G-3246  
SoCalGas AI. 2686/sbs

December 17, 1998

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on December 17, 1998, the following Commissioners voting favorably thereon:



WESLEY M. FRANKLIN  
Executive Director

RICHARD A. BILAS  
President

P. GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
Commissioners