

# **Pacific Gas and Electric Company – Core Gas Supply 2012 Request for Offers for Interstate Pipeline Capacity**

Pacific Gas and Electric Company's (PG&E) Core Gas Supply issues this Request for Offers (RFO) from Bidders in order to obtain interstate transportation pipeline capacity to serve its core procurement load.

## **1. RFO TERMS**

The objective of this RFO is to obtain firm interstate pipeline transportation capacity on one or more of the following interstate pipelines from the specified firm receipt points and to the specified firm delivery points into PG&E's Baja pipeline as follows:

- El Paso Natural Gas Company - receipt points in San Juan basin; delivery points into PG&E at Topock
- Questar Southern Trails Pipeline Company - receipt points in the San Juan basin; delivery point into PG&E at Essex
- Kern River Gas Transmission Company - receipt points at Opal Hub; delivery point into PG&E at Daggett

### **Terms:**

- Capacity: Firm non-recallable capacity with a minimum daily volume of 25,000 Dth/day. Maximum volume is 116,000 MMBtu/d with a uniform daily quantity over the term of the offer. Bidders may submit one or more offers. PG&E reserves the right to reduce the volume of any offer. If PG&E exercises its right to reduce volume, at time of acceptance, bidder will be granted a one-time opportunity to withdraw the offer without prejudice.
- Start Date: July 1, 2012.
- Contract Duration: Bidder may submit offers for a one year term from the start date and/or a second term with a contract end date of March 31, 2015.
- Right-of-First Refusal: All contracts must include Right of First Refusal rights.
- Other Terms:
  - Bidders shall include all contract terms governing segmentation rights, alternate delivery point rights, and capacity release rights and limitations to acquiring shipper on price or use of alternate delivery points.
  - Bidder must certify that firm capacity is available at the start date and shall include any contingencies associated with the offer.
  - PG&E and Bidder agree to enter into a Confidentiality agreement as necessary to discuss Bidder's offer.

- Evaluation: Proposals will be evaluated on the basis of least delivered cost of gas and best overall portfolio fit as determined by PG&E's Core Gas Supply in its sole judgment.
- California Public Utilities Commission (CPUC) Review and Approval: Initial results will be reviewed with the CPUC's Division of Ratepayer Advocates, The Utility Reform Network, and the CPUC's Energy Division consistent with the consultation and agreement process for interstate capacity commitments described in D.04-09-022. Any transportation arrangements accepted by PG&E will not become effective until the CPUC has approved the contract(s) in accordance with the approval procedures described in D.04-09-022. The CPUC regulatory approval process is estimated to take one to two months after agreement is reached between PG&E and Bidders, though timing could vary.

## 2. PROCESS CONDITIONS

PG&E makes no guarantee that any award will result from this RFO, PG&E reserves the right at any time, in its sole discretion, to abandon this RFO process, to change any dates or deadlines specific in this RFO, to change the basis for evaluation of bids, to terminate further participation in this process by any Bidder, to accept any proposal or to enter into any definitive agreement, to evaluate the qualification of any Bidder or the terms and conditions of any proposal, to change any form, document, term or condition used in this RFO, and to reject any or all proposals, all without notice and without assigning any reasons and without liability of PG&E or any of its affiliates, or representatives of any Bidder. PG&E shall have no obligation to consider any proposal. PG&E shall not be deemed to have accepted any proposal, and shall not be bound by any term thereof, unless and until an authorized representative of PG&E executes a definitive agreement with the Bidder.

## 3. RFO SCHEDULE

Proposals are due by 1:00 p.m. Pacific Time on February 29, 2012. Proposals must be submitted via email to the following:

Redacted

Redacted

## 4. QUESTIONS

Please direct any questions relating to this RFO to

Redacted

Redacted

## 5. POSTING

Any released capacity shall be posted consistent with the requirements of the applicable interstate pipeline(s).



Core Gas Supply  
 Phone: (415) 973-7022  
 Fax: (415) 973-9213

77 Beale Street  
 San Francisco, CA 94105-1814  
Mailing Address  
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 P.O. Box 770000  
 San Francisco, CA 94177-0001

**PG&E - CORE GAS SUPPLY  
 REQUEST FOR INTERSTATE PIPELINE CAPACITY OFFERS  
 DUE BY 1:00 PM ON February 29, 2012  
 (Delivery to Topock, Daggett or other Receipt Points on PG&E's Baja On-System Path)**

<b>TRANSPORT HOLDER</b>	
Business Name	
Contact Name	
Phone No.	
Email address	
Address	
<b>PIPELINE</b>	
Current Fuel Rate	
Receipt Location	
Delivery Location	
<b>Term</b>	
Start Date	
End Date	
Existing Renewal Rights?	
<b>Quantity and Rates</b>	
Daily Quantity (25,000 Dth /day minimum)	
<b>Demand Charge</b> (\$/Dth/day)	
Variable Fees \$/Dth	
Fuel Rate	
Comments or Explanation (if needed)	