UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Southern California Generation Coalition, Complainant v. Southern California Gas Company, Respondent

Docket No. RP08-27-000

MOTION TO INTERVENE AND COMMENTS
OF SOUTHERN CALIFORNIA EDISON COMPANY

DOUGLAS K. PORTER
GLORIA M. ING

Attorneys for SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
Telephone: (626) 302-1999
Facsimile: (626) 302-3990
E-mail: gloria.ing@sce.com

Dated: November 13, 2007
Pursuant to Rules 213 and 214 of the Rules and Regulations of the Federal Energy Regulatory Commission (“FERC”), 18 C.F.R. §§ 385.213, 214 (2007), Southern California Edison Company (“SCE”) respectfully requests permission to intervene and submits its comments on the complaint filed in the above-captioned proceeding. In support of this motion, SCE respectfully states the following:

I. COMMUNICATIONS AND SERVICE

Communications and correspondence in this proceeding should be directed to the following: \footnote{1/}

\footnote{1/} SCE requests waiver of Rule 203(b)(3), 18 C.R.F. §385.203(b)(3), to permit SCE to include more than two persons to be served in this proceeding. Because SCE has retained outside counsel on this matter, SCE respectfully requests that it be permitted to include its outside counsel in addition to SCE’s inside counsel and our case administration.
II. BACKGROUND

On October 22, 2007, pursuant to Section 5 of the Natural Gas Act (“NGA”) and Rule 206 of the Commission’s Rules of Practice and Procedure, Southern California Generation Coalition (“SCGC”) filed a complaint against Southern California Gas Company (“SoCalGas”), who has been authorized by the California Public Utilities Commission (“CPUC”) to charge a firm access charge of 5¢/MMBtu as part of the CPUC’s implementation of firm access rights on the SoCalGas gas transmission system. In the complaint, SCGC takes issue with the CPUC’s decision in Decision No. (“D.”) 06-12-031 where the Commission approved the firm access charge. The fee would be charged to all shippers that seek access to the SoCalGas system, and revenues would be used to reduce on-system transportation rates charged to end-users. SoCalGas is expected to start charging the access fee during the second half of 2008.
According to SCGC, the imposition of the access charge by SoCalGas under authority granted by the CPUC but without the FERC’s approval would unlawfully encroach upon the FERC’s exclusive jurisdiction over the transportation of gas in interstate commerce.\(^2\) SCGC alleges that imposition of such fee therefore violates the Supremacy Clause of the United States Constitution, the Natural Gas Act, and the Commission’s rules and regulations under the Natural Gas Act.\(^3\)

**III. INTERVENTION**

SCE, a wholly owned subsidiary of Edison International, is an investor-owned utility, subject to FERC and CPUC jurisdiction. SCE serves a population of more than 13 million via 4.8 million customers in a 50,000-square mile service area within central, coastal and southern California. SCE’s principal place of business is 2244 Walnut Grove Avenue, Rosemead, California 91770.

SCE transports gas on behalf of its electric customers on the SoCalGas system and is one of SoCalGas’ largest natural gas customers. SCE was an active participant in the CPUC proceeding (Application No. 04-12-004) that led to approval of D. 06-12-031. Indeed, under Decision No. 06-12-031, SCE would be responsible for paying the firm access charge that is the subject of SoCalGas’ complaint. Therefore, SCE has an immediate interest in the outcome of this proceeding, and SCE’s participation is in the public interest. SCE’s interest cannot be represented by any other party and, consequently, SCE respectfully requests that the FERC grant SCE permission to intervene in this proceeding.

**III. SCE’S POSITION**

Pursuant to Rules 213 and 214, 18 CFR §385.213 and 214(b)(1), SCE urges the Commission to summarily reject the complaint filed by SCGC. SCE’s position is that the firm access charge is proper because it is simply an unbundled portion of the transmission charge for services linked to SoCalGas’ backbone transportation services such as transportation, storage, storage,

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\(^2\) SCGC Complaint, page 10.
\(^3\) SCGC Complaint, page 2.
and hub services. That is, in instituting the firm access charge, the CPUC has not created a new charge but rather authorized an unbundled portion of the costs that customers accessing SoCalGas system would otherwise pay for transportation services.\footnote{See D.06-12-031 at pages 87-88 (explaining that the charge serves as a proxy for cost of SoCalGas’ “backbone” transmission system).}

All holders of firm access rights must enter into contracts with SoCalGas that provide them, in exchange for paying the firm access charge, not only a firm right to receive the gas into the SoCalGas system but also to transport the gas after receipt to a variety of points on the system, including to storage or to off-system delivery points. These services on the SoCalGas system have been and are properly subject to regulation by the CPUC, and exempt from the FERC’s jurisdiction pursuant to the Hinshaw Amendment. As such, the CPUC’s imposition of the access charge falls properly within its jurisdiction and does not fall within the prohibitions outlined in the Union Pacific case relied upon by SCGC.\footnote{Union Pacific Fuels, Inc. et al v. Southern California Gas Co., 76 FERC ¶ 61,300, reh’g denied, 77 FERC ¶ 61,283 (1996), aff’d in part, rev’d in part sub nom, Public Utilities Comm’n of the State of California, 143 F.3d 610 (D.C. Cir. 1998), on remand, 85 FERC ¶ 61,177 (1998).} To the contrary, the new access charge follows the FERC’s advice there about how the charge could be structured without infringing on federal jurisdiction.\footnote{See 77 FERC at 62,249 (“with relatively minor changes to the interconnection charge, the CPUC could accomplish its purpose without infringing on our exclusive jurisdiction. The CPUC need only change the applicability of the charge to those customers of SoCalGas who have service agreements for the actual transportation of natural gas over the interconnection facilities.”)}

\section*{III. CONCLUSION}

Wherefore, for the above reasons, SCE requests that the FERC grant SCE’s Motion to Intervene and summarily dismiss the complaint.
Respectfully submitted,

DOUGLAS K. PORTER
GLORIA M. ING

By: Gloria M. Ing

Attorneys for
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Rosemead, CA 91770
Facsimile: (626) 302-3990
Telephone: (626) 302-1999
Email: Gloria.Ing@sce.com

Dated: November 13, 2007
CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing MOTION TO INTERVENE AND COMMENTS OF SOUTHERN CALIFORNIA EDISON COMPANY upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Rosemead, California, this 13th day of November, 2007.

____________________________________________
Rodger Torres, Case Analyst
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
Telephone: (626) 302-3124