



September 15, 2005

Mr. Steve Larson **Executive Director** California Public Utilities Commission 505 Van Ness Avenue San Francisco, California 94102

RE:

2004 California Gas Report Errata

Dear Mr. Larson:

In compliance with D.95-01-039, Pacific Gas and Electric (PG&E), Southern California Gas Company (SoCalGas), and San Diego Gas and Electric Company (SDG&E), on behalf of the California gas utilities, filed the 2004 California Gas Report (CGR) with your office on July 1, 2004.

After further review of the 2004 CGR, a number of unintended errors were discovered. Attached are the following errata pages to replace those originally filed with the 2004 CGR. The changes have been denoted in bold.

Page 5 -**Executive Summary** 

Page 9 -Statewide Total Supply Sources and Requirements

Page 10 -Statewide Total Supply Sources Taken Page 11 -Statewide Annual Gas Requirements

Page 14 -Recorded 2000 Sources and Disposition Summary Page 15 -Recorded 2001 Sources and Disposition Summary Page 16 -Recorded 2002 Sources and Disposition Summary Recorded 2003 Sources and Disposition Summary

Page 17 -

Sincerely,

Chairperson, 2004 CGR Working Committee

CC:

2004 California Gas Working Committee

Wendy Maria Phelps, California Public Utilities Commission, Energy Division

Service List R.04-01-025

California Gas Report Recipients

## **EXECUTIVE SUMMARY**

### **Demand Outlook**

California natural gas demand, including volumes bypassing utility systems, is expected to grow at an annual average rate of **0.8** percent from 2004 to 2025. Forecast growth is a combination of strong growth in the electric generation (EG) market segment tempered by slower growth in the residential and commercial markets and virtually no growth in the industrial sector.

EG gas demand is expected to increase at an annual average rate of **1.5** percent due to the assumptions that gas-fired generation continues to be the technology of choice to meet the ever-growing demand for electric power. Residential and commercial sector consumption is expected to increase by an average of **0.8** percent per year over the forecast period. This rate of growth is roughly two-thirds the rate of growth in underlying drivers such as household and employment growth and reflects increasing penetration of energy efficient homes and appliances. Demand in the industrial sector is estimated to decline by **0.2** percent annually as California continues its transition from a manufacturing based to a service based economy.

### Focus On Efficiency and Environmental Quality

California utilities continue to focus on Customer Energy Efficiency (CEE) and other Demand-Side Management (DSM) programs in their utility electric and gas resource plans. The recent "energy crisis" in California was not limited to electricity. Gas resources were also severely constrained with gas prices at the Southern California border reaching levels nearly ten times greater than experienced in recent history. California utilities are committed to helping their customers make the best possible choices regarding use of this increasingly valuable resource.

### Supply Outlook/ Pipeline Capacity

California's existing gas supply portfolio is regionally diverse and includes supplies from California sources (onshore and offshore), Southwestern U.S. supply sources (the Permian, Anadarko, and San Juan Basins), the Rocky Mountains, and Canada. The map provided on page 7 shows the locations of these supply sources and the natural gas pipelines serving California.

## STATEWIDE TOTAL SUPPLY SOURCES AND REQUIREMENTS MMCF/DAY

2004	2005	2008	2016	2020	2025
463	463	463	463	463	463
4,194	4,050	4,344	4,494	4,723	5,057
		-	170	-	5.
4,657	4,513	4,807	4,957	5,186	5,520
1,228	1,278	1,374	1,432	1,422	1,405
5,885	5,791	6,181	6,389	6,608	6,925
2004	2005	2008	2016	2020	2025
1,249	1,265	1,294	1,399	1,448	1,510
490	493	504	531	544	563
22	25	30	37	40	46
770	750	749	744	740	738
	10.5				1,717
					19
					495
85	83	88	91	96	102
4,297	4,189	4,481	4,629	4,857	5,190
1,228	1,278	1,374	1,432	1,422	1,405
5,525	5,467	5,855	6,061	6,279	6,595
	463 4,194 - 4,657 1,228 5,885 2004 1,249 490 22 770 1,268 33 380 85 4,297 1,228	463 463 4,194 4,050	463 463 463 4,194 4,050 4,344 	463       463       463       463       4,194       4,050       4,344       4,494         4,657       4,513       4,807       4,957         1,228       1,278       1,374       1,432         5,885       5,791       6,181       6,389         2004       2005       2008       2016         1,249       1,265       1,294       1,399         490       493       504       531         22       25       30       37         770       750       749       744         1,268       1,205       1,338       1,343         33       33       28       19         380       335       450       465         85       83       88       91         4,297       4,189       4,481       4,629         1,228       1,278       1,374       1,432	463       463       463       463       463       463       463       4,194       4,723       4,223       4,494       4,723       4,657       4,513       4,807       4,957       5,186       5,186       1,228       1,278       1,374       1,432       1,422       1,422       1,285       5,791       6,181       6,389       6,608       6,608       6,608       6,608       2020       2008       2016       2020       2020       1,249       1,265       1,294       1,399       1,448       490       493       504       531       544       22       25       30       37       40       770       750       749       744       740       1,268       1,205       1,338       1,343       1,497       33       33       28       19       19       380       335       450       465       473       85       83       88       91       96         4,297       4,189       4,481       4,629       4,857         1,228       1,278       1,374       1,432       1,422

#### NOTES:

<sup>(1)</sup> Bypass is defined in the Glossary. See footnote (5) of PG&E forecast tables and footnote (1) of SoCalGas forecast tables.

<sup>(2)</sup> Includes utility and non-utility generation.

# STATEWIDE TOTAL SUPPLY SOURCES - TAKEN MMCF/DAY

Northern California	2004	2005	2008	2016	2020	2025
California Sources (1) Out-of-State Net Withdrawal/(Injection)	150 2,148 	150 2,138 -	150 2,303 -	150 2,439 -	150 2,587	150 2,773 -
Utility Total	2,298	2,288	2,453	2,589	2,737	2,923
Pipeline Bypass (2)	440	440	440	440	440	440
Northern California Total	2,738	2,728	2,893	3,029	3,177	3,363

Southern California	2004	2005	2008	2016	2020	2025
California Sources (3)	313	313	313	313	313	313
Out-of-State	2,046	1,912	2,041	2,055	2,136	2,284
Net Withdrawal/(Injection)				-	į.	-
Utility Total	2,359	2,225	2,354	2,368	2,449	2,597
Pipeline Bypass (2)	788	838	934	992	982	965
Southern California Total	3,147	3,063	3,288	3,360	3,431	3,562

#### NOTES:

- (1) Includes utility purchases and exchange/transport gas.
- (2) Bypass is defined in the Glossary. See footnote (5) of PG&E forecast tables and footnote (1) of SoCalGas forecast tables.
- (3) Includes utility purchases, exchange/transport gas and City of Long Beach "on source" gas.

# STATEWIDE ANNUAL GAS REQUIREMENTS (1) MMCF/DAY

Northern California	2004	2005	2008	2016	2020	2025
Northern Camornia	2004	2000	2000	2010	2020	2020
Residential	562	572	592	639	658	680
Commercial-Core	233	236	243	257	263	273
Natural Gas Vehicles-Core	3	4	5	6	6	7
Natura Gas Vehicles-Noncore	1	1	1	1	1	1
Industrial-Noncore	410	409	410	397	390	381
Wholesale/Resale	10	10	11	11	11	11
SMUD Electric Generation	59	82	128	128	128	128
Electric Generation (2)	632	623	702	784	911	1,070
Exchange (CA and Southwest Gas)	1	1	8	10	10	10
Company Use and Unaccounted for	41	41	44	47	50	53
Utility Total	1,952	1,979	2,144	2,280	2,428	2,614
Pipeline Bypass (3)	440	440	440	440	440	440
Northern California Total	2,392	2,419	2,584	2,720	2,868	3,054
Southern California	2004	2005	2008	2016	2020	2025
Residential	687	693	702	760	790	830
Commercial-Core	200	202	206	217	223	231
Commercial-Core Commercial-Noncore	200 57	202 55	206 55	217 57	223 58	231 59
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core	200 57 18	202 55 20	206 55 <b>24</b>	217 57 30	223 58 33	231 59 38
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core	200 57 18 58	202 55 20 59	206 55 <b>24</b> 59	217 57 30 62	223 58 33 63	231 59 38 67
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core Industrial-Noncore	200 57 18 58 302	202 55 20 59 282	206 55 <b>24</b> 59 280	217 57 30 62 285	223 58 33 63 287	231 59 38 67 290
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core Industrial-Noncore Wholesale/Resale	200 57 18 58 302 369	202 55 20 59 282 324	206 55 <b>24</b> 59 280 431	217 57 30 62 285 444	223 58 33 63 287 452	231 59 38 67 290 474
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core Industrial-Noncore Wholesale/Resale Electric Generation	200 57 18 58 302 369 <b>577</b>	202 55 20 59 282 324 500	206 55 <b>24</b> 59 280 431 <b>508</b>	217 57 30 62 285 444 <b>431</b>	223 58 33 63 287 452 <b>458</b>	231 59 38 67 290 474 <b>519</b>
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core Industrial-Noncore Wholesale/Resale Electric Generation Enchanced Oil Recovery - Steaming	200 57 18 58 302 369	202 55 20 59 282 324 <b>500</b> 33	206 55 <b>24</b> 59 280 431 <b>508</b> <b>28</b>	217 57 30 62 285 444 <b>431</b> 19	223 58 33 63 287 452 <b>458</b> 19	231 59 38 67 290 474 <b>519</b>
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core Industrial-Noncore Wholesale/Resale Electric Generation	200 57 18 58 302 369 <b>577</b>	202 55 20 59 282 324 500	206 55 <b>24</b> 59 280 431 <b>508</b>	217 57 30 62 285 444 <b>431</b>	223 58 33 63 287 452 <b>458</b>	231 59 38 67 290 474 <b>519</b>
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core Industrial-Noncore Wholesale/Resale Electric Generation Enchanced Oil Recovery - Steaming	200 57 18 58 302 369 <b>577</b> 33	202 55 20 59 282 324 <b>500</b> 33	206 55 <b>24</b> 59 280 431 <b>508</b> <b>28</b>	217 57 30 62 285 444 <b>431</b> 19	223 58 33 63 287 452 <b>458</b> 19	231 59 38 67 290 474 <b>519</b>
Commercial-Core Commercial-Noncore Natural Gas Vehicles-Core Industrial-Core Industrial-Noncore Wholesale/Resale Electric Generation Enchanced Oil Recovery - Steaming Company Use and Unaccounted for	200 57 18 58 302 369 <b>577</b> <b>33</b> 44	202 55 20 59 282 324 <b>500</b> 33 42	206 55 <b>24</b> 59 280 431 <b>508</b> <b>28</b> 44	217 57 30 62 285 444 <b>431</b> 19	223 58 33 63 287 452 <b>458</b> <b>19</b> 46	231 59 38 67 290 474 <b>519</b> 19

#### NOTES:

- (1) Includes transportation gas.
- (2) Electric Generation includes Non-EOR cogeneration, PG&E Utility Electric Generation, and other non-utility generation.
- (3) Bypass is defined in the Glossary. See footnote (5) of PG&E forecast tables and footnote (1) of SoCalGas forecast tables.

2004 California Gas Report Recorded 2000 Statewide Sources and Disposition Summary MMcf/Day

I Paso   Western   GT-NW     162   83   60     12   83   60     12   85   47     1,450   670   278     1,450   670   278     0   0   0     0   0   0     1,844   859   1,821     1,844   859   1,845     1,844   859   1,845     1,844   859   1,845     1,844   859   1,845     1,844   859   1,845     1,844   859   1,845     1,844   859   1,845     1,844   859   1,845     1,844   859   1,845     1,844   845   1,845     1,845   1,845     1,845   1,845     1,845   1,845     1,845   1,845     1,845   1,845     1		olike mil			0	3			
List         El Paso         western western         GT-NWW         River         Mojave         Other (1)         To           28         600         263         11         6         40         11         10         11         10         11         10         11 <th></th> <th>California</th> <th></th> <th>Trans</th> <th>PG&amp;E</th> <th>Kern</th> <th></th> <th></th> <th></th>		California		Trans	PG&E	Kern			
28 600 263 11 6 40 10 139 420 214 156 146 31 93 4 12 6 4 4 1 1 3 52 257 85 47 33 12 (59) 276 1,450 670 278 245 95 83 12 130 79 604 28 0 0 151 264 110 939 24 0 0 163 394 189 1,543 52 0 0 1,000 1,844 859 1,821 620 338 94 10 0 0 0 5 5 1,000 1,844 859 42 0 0 0 1 171 70 6 0 0 0 0 0 1 1 171 70 6 0 0 0 0 0 1 1 171 70 6 0 0 0 0 0 1 10 234 95 42 0 0 6		Sources	El Paso	western	GT-NW	River	Mojave	Other (1)	Total
28 600 263 11 6 40 10  54 162 83 60 56 12 36  139 420 214 156 146 31 93  4 12 6 4 4 1 1 3  276 1,450 670 278 245 95 83  151 264 110 939 24 0 0  151 264 110 939 24 0 0  163 394 189 1,543 52 0 0  1,000 1,844 859 1,821 620 338 94  hown.  by the control of the cont	Gas Company								
54         162         83         60         56         12         36           139         420         214         156         146         31         93           4         12         6         4         4         1         3           52         257         85         47         33         12         59           276         1,450         670         278         245         95         83           15         150         79         604         28         0         0         0           163         394         189         1,543         52         0         0         11           561         0         0         0         0         0         0         11           561         0         0         323         243         0           1,000         1,844         859         1,821         620         338         94           1,000         1,844         859         1,821         620         338         94           1,000         1,844         859         1,821         60         0         0           1,000         1,844		28	009	263	11	9	40	10	957
139         420         214         156         146         31         93           4         12         6         4         4         1         3           52         257         85         47         33         12         (59)           276         1,450         670         278         245         95         83           12         130         79         604         28         0         0         0           163         394         189         1,543         52         0         0         11           0         0         0         0         0         0         11         11           1,000         1,844         859         1,821         620         338         94           1,000         1,844         859         1,821         620         338         94           1,000         1,744         859         1,821         620         338         94           1,000         1,744         859         1,821         60         0         0         0           1         177         70         6         0         0         0         0	ercial/Industrial	54	162	83	09	56	12	36	463
4     12     6     4     4     1     3       276     1,450     670     278     245     95     83       276     1,450     670     278     245     95     83       12     130     79     604     28     0     0       151     264     110     939     24     0     0       163     394     189     1,543     52     0     0       561     0     0     0     0     0     11       561     0     0     0     0     0     11       1,000     1,844     859     1,821     620     338     94       1,000     1,844     859     1,821     620     338     94       hown     9     63     25     36     0     0     6       10     234     95     42     0     0     6     6		139	420	214	156	146	31	93	1,199
52         257         85         47         33         12         (59)           276         1,450         670         278         245         95         83           12         130         79         604         28         0         0           151         264         110         939         24         0         0           163         394         189         1,543         52         0         0           561         0         0         0         0         0         11           561         0         0         0         0         0         11           1,000         1,844         859         1,821         620         338         94           hown         1         171         70         6         0         0         1           10         23         25         36         0         0         0         1           1,000         1,844         859         1,821         620         338         94           1         171         70         6         0         0         0         0           2         2		4	12	9	4	4	-	က	33
276     1,450     670     278     245     95     83       12     130     79     604     28     0     0       151     264     110     939     24     0     0       163     394     189     1,543     52     0     0       0     0     0     0     0     11       561     0     0     0     0     11       561     0     0     0     323     243     0       1,000     1,844     859     1,821     620     338     94       hown.     9     63     25     36     0     0     1       10     234     95     42     0     0     6	e/International (4)	52	257	85	47	33	12	(29)	446
15 130 79 604 28 0 0 0 0 153 24 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Total	276	1,450	670	278	245	95	83	3,098
12 130 79 604 28 0 0 0 151 264 110 939 24 0 0 0 163 394 189 1,543 52 0 0 0 0 0 0 0 0 0 11  561 0 0 0 0 323 243 0  1,000 1,844 859 1,821 620 338 94  hown.  hown.  10 234 95 42 0 0 6	ctric Company								
151     264     110     939     24     0     0       163     394     189     1,543     52     0     0       0     0     0     0     0     0     11       561     0     0     0     0     11       561     0     0     0     323     243     0       1,000     1,844     859     1,821     620     338     94       hown.     9     63     25     36     0     0     0     5       10     234     95     42     0     0     6		12	130	79	604	28	0	0	853
163 394 189 1,543 52 0 0 0 11 561 261 0 0 0 0 111 1,000 1,844 859 1,821 620 338 94 hown.		151	264	110	939	24	0	0	1.488
561     0     0     0     0     11       561     0     0     323     243     0       1,000     1,844     859     1,821     620     338     94       hown.     9     63     25     36     0     0     5       10     234     95     42     0     0     6	Total	163	394	189	1,543	52	0	0	2,341
561       0       0       0       0       323       243       0         1,000       1,844       859       1,821       620       338       94         hown.       9       63       25       36       0       0       5         10       234       95       42       0       0       6       6	fornia	•				8			
561     0     0     323     243     0       1,000     1,844     859     1,821     620     338     94       1,000     1,844     859     1,821     620     338     94       hown.       1     171     70     6     0     0     5       10     234     95     42     0     0     6		0	0	0	0	0	0	7	7
1,000     1,844     859     1,821     620     338     94       hown.       9     63     25     36     0     0     5       10     234     95     42     0     0     6	ass	561	0	0	0	323	243	0	1.126
hown. 9 63 25 36 0 0 5 1 171 70 6 0 0 1 10 234 95 42 0 0 6		1,000	1.844	859	1.821	620	338	76	6.577
hown. 9 63 25 36 0 0 5 1 171 70 6 0 0 1 10 234 95 42 0 0 6					22				
hown. 9 63 25 36 0 0 5 1 171 70 6 0 0 1 10 234 95 42 0 0 6	withdrawals.								
9 63 25 36 0 0 5 1 171 70 6 0 0 1 10 234 95 42 0 0 6	umes.								
9 63 25 36 0 0 5 1 171 70 6 0 0 1 10 234 95 42 0 0 6	, COGEN, and EOR C	ogen.							
9 63 25 36 0 0 5 1 171 70 6 0 0 1 10 234 95 42 0 0 6	umes and SDG&E data	a as shown.							
9 63 25 36 0 0 5 1 171 70 6 0 0 1 10 234 95 42 0 0 6	3. Electric								
10 234 95 42 0 0 6 1 6 1 10 1 10 1 1 1 1 1 1 1 1 1 1		6	63	25	36	0	0	2	139
10 234 95 42 0 0 6		•	171	20	9	0	0	•	250
	Total	10	234	95	42	0	0	9	388

(5) Includes Southwest Gas Corp., Avista and Tuscarora data.

2004 California Gas Report
Recorded 2001 Statewide Sources and Disposition Summary
MMcf/Day

Total	Noncore	NOTES:  (1) Includes storage withdrawls.  (2) Includes NGV volumes.  (3) EG includes UEG, COGEN, and EOR Cogen.  (4) Includes DGN volumes and SDG&E data as shown.  San Diego Gas & Electric Company  Core	TOTAL SUPPLIER	Non-Utilities Direct Sales/Bypass	Other Northern California Core (5)	Total	Noncore Commercial/Industrial/EG/Resale (3)	Pacific Gas and Electric Company  Core	Total	Wholesale/Resale/International (4)	EOR	EG (3)	Noncore Commercial/Industrial	Southern California Gas Company Core (2)			
. 9		wn. 9	1,001	400	0	186	157	29	415	80	<b>0</b> 1	221	70	38	Sources	California	
250	205	45	2,168	0	0	673	563	110	1,495	275	1	495	157	556	El Paso		MMc
94	77	17	869	0	0	175	81	94	694	103	51	236	75	274	western	Trans	MMcf/Day
46	ω	43	1,714	0	0	1,438	864	574	276	51	ယ	125	40	58	GT-NW	PG&E	
4	0	:: 4	708	334	0	84	78	6	290	31	4	171	54	30	River	Kern	
4	0	4	245	173	0	0	0	0	72	14	_	36		10	Mojave		
17		16	(48)	0	35	0	0	0	(83)	(78)	(1)	(27)	(9)	31	Other (1)		
424	288	136	6,656	907	35	2,556	1,743	813	3,158	475	29	1,257	399	998	Total		

(5) Includes Southwest Gas Corp., Avista and Tuscarora data.

2004 California Gas Report Recorded 2002 Statewide Sources and Disposition Summary MMcf/Day

			6.00					
	California		Trans	PG&E	Kern			
Southern California Gae Communication	Sources	El Paso	Western	GT-NW	River	Mojave	Other (1)	Total
Company of the Company								
Core (Z)	73	588	251	49	56	Œ	(43)	700
Noncore Commercial/Industrial	78	83	75	2. 2.	407		(13)	904
EG (3)	161	400	- 4	3	2	2	47	433
EOR	5 '	001	LCL	301	214	27	42	869
Wholesolom	9	7	7	2	10	-	m	30
Wildesale/Resale/International (4)	26	266	65	47	31	13	(76)	425
Total	398	1,109	550	264	390	09	(20)	2750
Pacific Gas and Electric Company						}		2,1
Core	53	92	06	578	4	c	c	7.70
Noncore Commercial/Industrial/EG/Resale (3)	134	456	12	840	3	0	0 0	474
Total	187	548	102	1418	36			1,4/4
Other Northern California			!		3	>	0	2,291
Core (5)	c	•	c	(	(	,		
Non-Utilities	•	•	>	>	0	0	37	37
Direct Sales/Bypass	380	0	o	c	265	400	c	
TOTAL SUPPLIER	300	1007			Coo	201	0	928
NOTES:	Coe	/60'1	269	1,682	791	243	17	6,007
(1) Includes storage activities. (2) Includes NGV volumes.								
(3) EG includes UEG, COGEN, and EOR Cogen.								
(4) Includes DGN volumes and SDG&E data as shown.	Direct Control							
San Diego Gas & Electric Company								
Noncorre	က	47	17	41	_	O	24	107
		194	47	2	0	0	-	244
-018	ო	241	29	43	-	0	24	371

(5) Includes Southwest Gas Corp., Avista and Tuscarora data.

2004 California Gas Report Recorded 2003 Statewide Sources and Disposition Summary MMcf/Day

	California Sources	El Paso	Trans	PG&E GT-NW	Kern River	Mojave	Other (1)	Total
Southern California Gas Company	57	575	245	23	26	S.	9	938
Noncore Commercial/Industrial	83	89	2	53	139	14	11	411
EG (3)	121	130	122	101	267	27	21	789
EOR	7	7	9	2	14	~	~	42
Wholesale/Resale/International (4)	28	197	99	55	37	13	(49)	377
Total	306	926	503	238	483	61	(11)	2,557
Pacific Gas and Electric Company	,			Ì		11	0.0	i
Core	0	146	o o	269	O	0	0	733
Noncore Commercial/Industrial/EG/Resale (3)	155	305	78	595	157	0	64	1,354
Total	155	451	87	1,164	166	0	49	2,087
Other Northern California Core (5)	0	0	0	0	0	0	39	39
Non-Utilities Direct Sales/Bypass	451	0	0	0	009	86	0	1,137
TOTAL SUPPLIER	912	1,427	290	1,402	1,249	147	92	5,819
NOTES:  (1) Includes storage activities  (2) Includes NGV volumes.  (3) EG includes UEG, COGEN, and EOR Cogen.  (4) Includes DGN volumes and SDG&E data as shown.  San Diego Gas & Electric Company	Ė						*	
Core	က	43	4	49	12	0	13	135
Noncore	0	136	45	-	0	0	0	183
Total	က	179	09	20	12	0	13	317

(5) Includes Southwest Gas Corp., Avista and Tuscarora data.