

California Municipal Electric Utility Information Request
Re: the El Paso Settlement

This document provides the instructions for submitting your municipal electric utility's (MEU's) information as it relates to the El Paso settlement. The El Paso settlement consideration is being allocated to various California utilities, for the benefit of their ratepayers, on a *pro rata* basis. An established methodology approved by the Superior Court of San Diego County is being utilized to calculate the *pro rata* shares of the various MEUs. In order to calculate the entitlement of your MEU, you need to submit information on your MEU's electricity and natural gas transactions as described below.

Important Information

1. Due Date: Please submit your information (*i.e.*, have it sent) by no later than Friday, May 7, 2004. It will expedite the process if you can submit your information earlier.
2. Mailing Address: Your information should be sent to: The Brattle Group, Attention: El Paso Settlement, 44 Brattle Street, Cambridge, MA 02138. We recommend you send it by overnight delivery. Your electronic information (discussed below) can be burned on a CD and included in the package or you can submit the electronic information via email by sending it to: meuinformation@brattle.com The electronic information should clearly identify the MEU with which it is associated. If you submit the electronic information via email, the files must be 10 MB or smaller (larger files can usually be "zipped" to fit within this limitation). Please do not use filenames with double extensions (*i.e.*, don't use names like myfile.doc.txt) as they will be rejected by our spam filter.
3. Contact Person: Please make sure that your information submission contains the name, mailing address, telephone number, and e-mail address of the individual in your organization to whom questions about the information should be directed.
4. Electronic Data: We are requesting that the MEUs provide hourly electricity data and monthly natural gas data in Excel spreadsheet format. The data being requested is described below. We recommend that you use the Excel spreadsheet templates that are available for downloading on the El Paso settlement website (www.elpasosettlement.com/CMEU.html). The Excel template files for electricity and natural gas are named, respectively "MEU Electricity_El Paso Settlement.xls" and "MEU Natural Gas_El Paso Settlement.xls". Alternatively, you may use your own Excel spreadsheet files and formats if you believe it would be overly complicated or difficult to use the templates. In the interest of expediency, we recommend you err on the side of providing more data (and greater disaggregation of the data) when in doubt.

5. **Confidentiality:** Documents, data, and other information ("MEU Information") submitted in response to this information request: (a) will be treated as confidential by The Brattle Group, (b) will not be used for any other purpose than allocation of the El Paso settlement consideration, and (c) will not be disseminated or disclosed (unless disclosure is required by law) to any persons other than the members of the El Paso Settlement Steering Committee (which includes representatives of the California Public Utilities Commission, California Department of Water Resources, Southern California Edison, Pacific Gas & Electric, and the class plaintiffs), will maintain it as confidential and will neither disclose nor disseminate it to others, without the express written permission of the MEU that submitted the MEU Information; provided that the total damages sustained by each MEU and related summary statistics created by The Brattle Group may be disclosed to support or validate the proposed allocations of the El Paso settlement consideration. Personnel from The Brattle Group with access to the MEU Information are not serving and will not serve as testifying experts on specific California municipalities' natural gas purchasing activities and/or electric purchasing or sales activities in the California Refund Proceeding, Docket No. EL00-95, now pending before the FERC (or in any related proceeding).

Electricity Transactions

For each hour of each day for the period November 1, 2000 through May 31, 2001, please provide in an Excel spreadsheet format the MWH amounts associated with your MEU's obligations and resources, by the specified subcategories.

Obligations: should be segregated into retail load and each wholesale sales contract (*i.e.*, sales for the purpose of resale). Please use a separate spreadsheet column for each wholesale contract.

Resources: should be segregated by (*i.e.*, please use a separate spreadsheet column for the supply from) each generating facility and each supply contract or source.

As a check, the obligations and resources MWHs should equal one another on an hourly basis. Accordingly, please report the MEU's transmission and distribution losses in reconciling obligations with resources. If necessary, please footnote and explain any hours where obligations and resources do not balance.

Please provide the following documentation either in paper or Adobe PDF format:

1. For each wholesale sale made by the MEU during the above time period, please:
(a) identify whether it represents a firm wholesale obligation, (b) specify the date the contract was entered into, and (c) provide a copy of the contract and all addendums or price changes to the contract through May 31, 2001.
2. For each supply contract relied upon by the utility during the above time period:
(a) specify the date the contract was entered into, and (b) provide a copy of the

contract and all addendums or price changes to the contract through May 31, 2001.

Natural Gas for Native Load Generation

If your MEU purchased natural gas as a fuel for its own natural gas-fired electricity generation facilities, we require data on the MEU's natural gas purchases. The natural gas Excel spreadsheet discussed above (MEU Natural Gas_El Paso Settlement.xls) provides the general format in which your MEU's natural gas data should be presented. The first table (**Summary Form**) in the spreadsheet asks the MEU to report monthly gas consumption for native load generation at its facilities.

Native load-related monthly gas purchases and their costs are drawn from the second table (**Gas Purchases for Native Load**). Total and native load-allocated volume and cost data for each gas supply contract should be reported. For MEUs in SoCalGas and SDG&E's service territory, costs are to be measured at SoCalGas' "citygate" (these are the receipt points into SoCalGas' system – Wheeler Ridge, Needles, Topock, *etc.*). For those in PG&E's service territory, costs are to be measured at PG&E's citygate. For purchases made upstream of these locations (*e.g.*, purchases made at Malin or in the producing basin), please include the transportation costs to move the natural gas from the point of purchase to the citygate as a separate column.

The Summary Form also requires you to provide gas sales and associated revenues as well as the gains and losses associated with financial hedges that were done for the benefit of native-load customers.

Allocating Between Native and Non-native load: In an Excel spreadsheet, please provide the calculations (and a brief methodological explanation) detailing the allocation or separation of the MEU's gas usage and each gas supply contract between native load generation and non-native load generation. Please also provide the calculations underlying the allocation of gas sales revenues and gains and losses from financial hedges to native load sales (*i.e.*, those done for the benefit of native load customers). All allocations should be done using the MEU's customary allocation method. Should the MEU lack a customary allocation method, it is to use the allocation principles specified by the Federal Energy Regulatory Commission in EL00-95-045 to allocate items to non-native-load sales. Note that we have not included any tables in the spreadsheet template to assist in the allocation calculations between native and non-native load because we expect the specific allocation method is unique to each MEU.

Please provide the following documentation either in paper or Adobe PDF format:

1. Monthly invoices from the local gas distribution company (*e.g.*, PG&E, SoCalGas, SDG&E) which indicate the quantity of gas delivered to the municipality's generation facilities. Please provide for gas consumed between March 1, 2000 and May 31, 2001.

2. Natural gas supply contracts and all addendums and price changes through May 31, 2001.
3. Monthly invoices from your natural gas suppliers for gas consumed between March 1, 2000 and May 31, 2001.
4. Invoices that your municipality sent out for sales of natural gas it made to others between March 1, 2000 and May 31, 2001.
5. Documentation of natural gas-related financial hedging gains or losses from March 1, 2000 through May 31, 2001.

Questions

For general information about the El Paso settlement, visit the website, www.elpasosettlement.com.

For specific questions about the information requested in this document, send your questions to meuinformation@brattle.com.