



# Decision on eliminating the dual fuel requirement for San Diego

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# Management is requesting elimination of the dual fuel requirement for the San Diego area.

- When requirement established in 1999
- Since 1999
  - Infrastructure was inadequate
  - Winter gas capacity has increased
  - New gas connection at Otay Mesa
  - Installation of state-of-the-art combined-cycle technology
  - Increased import capability via infrastructure additions
  - Sunrise Power Link



## Benefits of eliminating the dual fuel requirements include:

- No longer requires residual oil supply
- Allows repowering for some existing power plants
- Modernizes generation fleet
- Provides cost savings for rate payers



## Management has concluded that:

- Significant infrastructure added in the San Diego area since 1999
- Natural gas curtailment in San Diego not a problem
  - 100% - has never occurred
  - Partial – occurred in 2000/2001 and all load was served

### *Therefore:*

- Management recommends that the dual fuel requirement for the San Diego area be eliminated

