#### PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

June 9, 2010



### **Advice Letter 4105**

Ronald van der Leeden, Director Rates, Revenues and Tariffs 555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011

 ${\bf Subject:} \ \ {\bf Schedule} \ \ {\bf No.} \ \ {\bf GT\text{-}SWGX-Exchange} \ \ {\bf Wholesale} \ \ {\bf Natural}$ 

**Gas Service** 

Dear Mr. van der Leeden:

Advice Letter 4105 is effective April 1, 2010.

Sincerely,

Julie A. Fitch, Director

**Energy Division** 



Director Rates, Revenues & Tariffs

Ronald van der Leeden

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April 29, 2010

Advice No. 4105 (U 904 G)

Public Utilities Commission of the State of California

### Subject: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service

Southern California Gas Company ("SoCalGas") hereby submits for filing with the California Public Utilities Commission ("Commission") revisions to its Schedule No. GT-SWGX ("GT-SWGX"), Exchange Wholesale Natural Gas Service applicable to Southwest Gas Corporation ("Southwest"), as shown on Attachment B.

### <u>Purpose</u>

This filing revises the rate ("Exchange Rate") SoCalGas charges Southwest for exchange transportation service pursuant to GT-SWGX. The Exchange Rate recovers certain exchange fees charged by Pacific Gas and Electric Company ("PG&E") to SoCalGas plus SoCalGas' system balancing costs, and applies only to gas quantities delivered to Southwest through delivery points served by PG&E.

#### Background

In Decision (D.)09-10-036 the Commission adopted two contracts governing the service SoCalGas provides to Southwest and the rates for that service, namely an exchange contract between SoCalGas and PG&E and a transportation contract between SoCalGas and Southwest. Pursuant to that decision, the PG&E exchange fee shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee. When the PG&E exchange fee changes, the Exchange Rate between SoCalGas and Southwest also will change as stated in GT-SWGX and in the transportation contract between SoCalGas and Southwest. On February 1, 2010, the Commission approved PG&E's Advice Nos. 3060-G and 3060-G-A. These advice filings changed PG&E's transportation rates, which in turn resulted in a new exchange fee charged by PG&E to SoCalGas.

D.09-10-036, mimeo., at 18 (Finding of Fact No. 18).

D.09-10-036, mimeo., Attachment B – Master Services Contract, Schedule A, Intrastate Transmission Service, Section 7.E.4(b).

### Requested Revision

This filing decreases the Exchange Rate in GT-SWGX from 4.202 ¢/therm to 4.111 ¢/therm, which is the sum of the newly calculated PG&E exchange fee of 3.990 ¢/therm and the unchanged SoCalGas system balancing cost adder of 0.121 ¢/therm. Pursuant to the contract between PG&E and SoCalGas adopted in D.09-10-036, the new PG&E exchange fee will be charged to SoCalGas on the first day of the 2<sup>nd</sup> month following Commission approval of the underlying tariff changes.<sup>3</sup> Since the tariff changes were approved on February 1, 2010, the new exchange fee will become effective on April 1, 2010. Pursuant to the contract between SoCalGas and Southwest adopted in D.09-10-036, the revised Exchange Rate charged by SoCalGas to Southwest becomes effective on the same date.<sup>4</sup>

#### **Protest**

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date this Advice Letter, which is May 19, 2010. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division Attn: Tariff Unit 505 Van Ness Avenue San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Maria Salinas (<a href="mailto:mas@cpuc.ca.gov">mas@cpuc.ca.gov</a>) and Honesto Gatchalian (<a href="mailto:inj@cpuc.ca.gov">inj@cpuc.ca.gov</a>) of the Energy Division. A copy of the protest should also be sent via both e-mail <a href="mailto:and">and</a> facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Sid Newsom Tariff Manager - GT14D6 555 West Fifth Street Los Angeles, CA 90013-1011 Facsimile No. (213) 244-4957

E-mail: snewsom@SempraUtilities.com

#### **Effective Date**

SoCalGas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B, Section 7.3.1. SoCalGas respectfully requests the tariff sheets filed herein be effective on April 1, 2010, the date specified in the two contracts governing SoCalGas' service to Southwest. SoCalGas also notes that no rebilling will be required as a result of making this change effective on April 1, 2010, as no bills for April usage have yet been rendered to any of the parties.

<sup>3</sup> D.09-10-036, mimeo., Attachment C – Southwest Exchange Gas Delivery Agreement Between PG&E and SoCalGas, Section 5.2.

<sup>&</sup>lt;sup>4</sup> D.09-10-036, mimeo., Attachment B – Master Services Contract, Schedule A, Intrastate Transmission Service, Section 7.E.4(b).

### **Notice**

A copy of this advice letter is being sent to the parties listed in Attachment A which includes parties in A.08-12-006, SoCalGas/PG&E/Southwest Wholesale Transportation and Exchange Agreements.

Ronald van der Leeden

Director Rates, Revenues & Tariffs

Attachments

# CALIFORNIA PUBLIC UTILITIES COMMISSION

# ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLE	TED BY UTILITY (At	tach additional pages as needed)		
Company name/CPUC Utility No. SOUTHERN CALIFORNIA GAS COMPANY (U 904G)				
Utility type:	Contact Person: <u>Sid Newsom</u>			
$\square$ ELC $\boxtimes$ GAS	Phone #: (213) <u>244-2846</u>			
☐ PLC ☐ HEAT ☐ WATER	E-mail: SNewsom@semprautilities.com			
EXPLANATION OF UTILITY TY	EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)			
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat V	VATER = Water			
Advice Letter (AL) #: 4105				
Subject of AL: <u>Schedule No. GT-SW</u>	/GX – Revision to I	Exchange Rate		
Keywords (choose from CPUC listing)	:			
AL filing type:   Monthly  Quarter	rly 🗌 Annual 🔲 C	One-Time 🛛 Other <u>Periodic</u>		
If AL filed in compliance with a Comm	nission order, indi	cate relevant Decision/Resolution #:		
Does AL replace a withdrawn or reject	cted AL? If so, idea	ntify the prior AL <u>No</u>		
Summarize differences between the A	AL and the prior w	ithdrawn or rejected AL¹: <u>N/A</u>		
Does AL request confidential treatme	ent? If so, provide e	explanation: No		
Resolution Required? $\square$ Yes $\boxtimes$ No		Tier Designation: $\square$ 1 $\square$ 2 $\square$ 3		
Requested effective date: <u>4/1/10</u>		No. of tariff sheets: <u>3</u>		
Estimated system annual revenue eff	fect: (%):			
Estimated system average rate effect	(%):			
When rates are affected by AL, include attachment in AL showing average rate effects on customer				
classes (residential, small commercial, large C/I, agricultural, lighting).				
Tariff schedules affected: <u>GT-SWGX, TOCs</u>				
Service affected and changes proposed <sup>1</sup> :N/A				
Pending advice letters that revise the same tariff sheets: None				
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:				
CPUC, Energy Division		Southern California Gas Company		
Attention: Tariff Unit 505 Van Ness Ave.,		Attention: Sid Newsom 655 West 5 <sup>th</sup> Street, GT14D6		
San Francisco, CA 94102		Los Angeles, CA 90013-1011		
mas@cpuc.ca.gov and jnj@cpuc.ca.gov		SNewsom@semprautilities.com		

 $<sup>^{\</sup>mbox{\tiny 1}}$  Discuss in AL if more space is needed.

## **ATTACHMENT A**

Advice No. 4105

(See Attached Service Lists)

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### ATTACHMENT B Advice No. 4105

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 45992-G	SCHEDULE NO. GT-SWGX, EXCHANGE WHOLESALE NATURAL GAS SERVICE, Sheet 1	Revised 45647-G
Revised 45993-G	TABLE OF CONTENTS	Revised 45971-G
Revised 45994-G	TABLE OF CONTENTS	Revised 45986-G

LOS ANGELES, CALIFORNIA CANCELING REV

Revised Revised

CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

45992-G 45647-G

### Schedule No. GT-SWGX EXCHANGE WHOLESALE NATURAL GAS SERVICE

Sheet 1

### **APPLICABILITY**

Applicable for exchange transportation service exchange with Pacific Gas and Electric Company ("PG&E") in order to serve Southwest Gas Corporation's ("Customer") PG&E Points of Delivery located in Customer's service territory in southern California.

#### **TERRITORY**

Delivery points shall be as specified in the executed Master Services Contract, Schedule A, Intrastate Transmission Service, dated December 10, 2008 ("Contract").

### **RATES**

### **Exchange Fee Charges**

As specified in the Contract, the Exchange Rate recovers certain exchange fees charged by PG&E to Utility plus Utility's system balancing costs, and applies only to gas quantities delivered through Points of Delivery served by PG&E. Pursuant to the Contract, the Exchange Rate shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee.

### Pisgah Meter Station Charges

As specified in the Contract, Pisgah Meter Station Charges are monthly charges associated with the Pisgah Meter Station Upgrade.

### **Billing Adjustments**

Billing adjustments may be necessary to reflect changes in quantities used in developing prior periods' exchange charges.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4105 DECISION NO.

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED Apr 29, 2010
EFFECTIVE Apr 1, 2010
RESOLUTION NO.

R

1H13

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ama vo	Core Commercial and Industrial		
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(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4105 DECISION NO.

2H11

**GT-SWGX** 

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Apr 29, 2010 DATE FILED Apr 1, 2010 **EFFECTIVE** RESOLUTION NO.

45336-G,45337-G,45338-G,45339-G

T

**GENERAL** 

Cal. P.U.C. Sheet No.

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#### LOS ANGELES, CALIFORNIA CANCELING

Revised

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(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4105 DECISION NO. 1H16

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) DATE FILED Apr 29, 2010 Apr 1, 2010 **EFFECTIVE** RESOLUTION NO.