ARNOLD SCHWARZENEGGER, Governor

## STATE OF CALIFORNIA

### PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

July 17, 2010

Advice Letter 4120

Rasha Prince, Director Regulatory Affairs 555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011

Subject: Notification of Transfer in Compliance with Resolution G-3338

Dear Mr. Prince:

Advice Letter 4120 is effective July 3, 2010.

Sincerely, Jee A. J.J.

Julie A. Fitch, Director

**Energy Division** 



Rasha Prince
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011 Tel: 213.244.5141 Fax: 213.244.4957

RPrince @semprautilities.com

June 3, 2010

Advice No. 4120 (U 904 G)

Public Utilities Commission of the State of California

**Subject: Notification of Transfer in Compliance With Resolution G-3338** 

### **Purpose**

Southern California Gas Company (SoCalGas) hereby submits notification that SoCalGas agrees to allow an existing noncore distribution customer to transfer to transmission level service. Pursuant to Ordering Paragraphs (OP) 5 and 6 of Resolution G-3338, SoCalGas shall file an advice letter to notify the California Public Utilities Commission (Commission) of such transfers before accommodating such requests and shall also include estimates of any actual resulting stranded costs which will be paid by the customer.

#### Background

Resolution G-3338, adopted on February 27, 2003 in response to SoCalGas Advice No. 3136, directs SoCalGas to file an advice letter notifying the Commission in the event that distribution-level customers are granted transmission-level service. OP 5 states:

"If SoCalGas decides to accommodate additional distribution customers' requests to take transmission level service when that customer's volumetric needs can be met by the existing distribution system, SoCalGas shall file an advice letter to notify the Commission before accommodating such requests. This advice letter shall include an estimate of the amount of stranded costs associated with the customers' requests."

Pursuant to the Resolution, SoCalGas submitted Advice No. 3256-A May 5, 2003, to add a new special condition to Schedule Nos. GT-I and GT-F, which states:

"When the Utility uses its discretion, as defined in Rule 20 H.4, to accommodate a current commercial and industrial customer's request to switch from Noncore Distribution Service to Transmission Level Service, the Utility shall file an advice letter to notify the Commission before accommodating such a request. The advice letter filing should include an estimated amount of stranded costs associated with customer's request."

### **Notice and Estimate of Stranded Costs**

This Advice Letter serves as the required notice. Attachment B, being provided only to the Energy Division, includes confidential account information for the customer transferring to transmission level service and is submitted under the provisions of General Order 66-C and Section 583 of the Public Utilities Code. Regarding estimated stranded costs, such costs are negligible in this case because

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this customer's facility has been served by distribution facilities in place for over 60 years, and the distribution capacity will continue to be used to serve other customers in the area. SoCalGas estimates this cost at zero (\$0.00).

While not required for a transfer, SoCalGas notes that this large customer is expecting to increase gas usage in the near future due to process and equipment modifications, and the existing gas service facilities have limited ability to accommodate such expansion. Current load and projected load expansions envisioned by the customer are included in Attachment B.

### **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 of this Advice Letter, which is June 23, 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 Attention: 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 (mas@cpuc.ca.gov) and Honesto Gatchalian (jnj@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and 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 that this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval). SoCalGas respectfully requests that this filing be approved on July 3, 2010, which is 30 calendar days from the date filed.

### **Notice**

A copy of this advice letter is being sent to the parties listed on Attachment A.

Rasha Prince
Director – Regulatory Affairs

# CALIFORNIA PUBLIC UTILITIES COMMISSION

# ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach 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 TYPE (Date Filed/ Received Stamp by CPUC)		(Date Filed/ Received Stamp by CPUC)
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat V	= Gas T = Heat WATER = Water	
Advice Letter (AL) #: 4120		
Subject of AL: Notification of Transfer in Compliance with Resolution G-3338		
Keywords (choose from CPUC listing): _Compliance		
AL filing type:   Monthly  Quarterly  Annual  One-Time  Other		
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:		
Resolution G-3338		
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No		
Summarize differences between the AL and the prior withdrawn or rejected AL1: N/A		
Does AL request confidential treatment? If so, provide explanation: Attachment B contains		
Customer-specific information		
Resolution Required? $\square$ Yes $\boxtimes$ No		Tier Designation: $\square$ 1 $\boxtimes$ 2 $\square$ 3
Requested effective date: 7/3/10		No. of tariff sheets: None
Estimated system annual revenue effect: (%):		
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: None		
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

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

# **ATTACHMENT A**

# Advice No. 4120

(See Attached Service List)

Alcantar & Kahl Kari Harteloo klc@a-klaw.com

Alcantar & Kahl, LLP Mike Cade wmc@a-klaw.com

CPUC Consumer Affairs Branch 505 Van Ness Ave., #2003 San Francisco, CA 94102

CPUC - DRA
Jacqueline Greig
jnm@cpuc.ca.gov

California Energy Commission Randy Roesser rroesser@energy.state.ca.us

City of Azusa Light & Power Dept. 215 E. Foothill Blvd. Azusa, CA 91702

City of Colton Thomas K. Clarke 650 N. La Cadena Drive Colton, CA 92324

City of Pasadena - Water and Power Dept.
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Commerce Energy
Catherine Sullivan
csullivan@commerceenergy.com

Crossborder Energy Tom Beach tomb@crossborderenergy.com

Davis Wright Tremaine, LLP Edward W. O'Neill 505 Montgomery Street, Ste 800 San Francisco, CA 94111 Alcantar & Kahl Seema Srinivasan sls@a-klaw.com

Barkovich & Yap Catherine E. Yap ceyap@earthlink.net

**CPUC** 

Energy Rate Design & Econ. 505 Van Ness Ave., Rm. 4002 San Francisco, CA 94102

CPUC - DRA Galen Dunham gsd@cpuc.ca.gov

California Energy Market Lulu Weinzimer Iuluw@newsdata.com

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**CPUC** 

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City of Vernon
Dan Bergmann
dan@igservice.com

County of Los Angeles Stephen Crouch 1100 N. Eastern Ave., Room 300 Los Angeles, CA 90063

Henry Nanjo Henry.Nanjo@dgs.ca.gov

**DGS** 

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Dynegy **Mark Mickelson** 

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**General Services Administration Facilities Management (9PM-FT)** 

450 Golden Gate Ave.

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**Hanna & Morton** 

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Regulatory & Cogen Services, Inc.

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Downey, Brand, Seymour & Rohwer

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**Gas Transmission Northwest** 

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**PG&E Tariffs** 

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Southern California Edison Co

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The Mehle Law Firm PLLC Colette B. Mehle

Colette B. Mehle Communities Ass cmehle@mehlelaw.com Sheila Day sheila@wma.org

Western Manufactured Housing Communities Assoc.

## **ATTACHMENT B**

## Advice No. 4120

## CONFIDENTIAL CUSTOMER INFORMATION

Submitted to Energy Division Only Under the Provisions of General Order 66-C and Section 583 of the Public Utilities Code.

Customer Requesting Transfer from Distribution to Transmission Level Service: