

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 15, 2012

**Advice Letter 4330-G**

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

**Subject: Revisions to Schedule Nos. G-BSS, G-LTS, and G-TBS Pursuant to  
Decision (D.) 09-11-006**

Dear Ms. Prince:

Advice Letter 4330-G is effective April 1, 2012.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, 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*

February 1, 2012

Advice No. 4330  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Revisions to Schedule Nos. G-BSS, G-LTS, and G-TBS Pursuant to Decision (D.) 09-11-006**

Southern California Gas Company (SoCalGas) hereby submits for filing revisions to its tariff Schedule Nos. G-BSS (Basic Storage Service), G-LTS (Long-Term Storage Service), and G-TBS (Transaction Based Storage Service) as shown on Attachment B.

**Purpose**

This compliance filing seeks approval of the California Public Utilities Commission (Commission) to revise Schedule Nos. G-BSS, G-LTS, and G-TBS to increase the In-Kind Energy Charge from 2.322% to 2.387%, effective April 1, 2012.

**Background**

In D.09-11-006, the Commission approved San Diego Gas & Electric Company's and SoCalGas' 2009 Biennial Cost Allocation Proceeding (BCAP) Phase Two Settlement Agreement (SA).<sup>1</sup> Section II.B.2.G (page 10) of the SA states, ". . . **The initial injection fuel rate shall be set at 2.4% for the first full storage year under this settlement commencing on April 1, 2010, and shall be adjusted for each subsequent storage year under this settlement on the basis of a three-year rolling average.**" The term "initial injection fuel rate," used in the SA, is synonymous with the term "In-Kind Energy Charge," which has been used in Schedule Nos. G-BSS, G-LTS, and G-TBS.

On December 8, 2009, SoCalGas filed revisions to its tariffs (including Schedule Nos. G-BSS, G-LTS, and G-TBS) with Advice No. (AL) 4047 to comply with Ordering Paragraph 4 of D.09-11-006 to implement and carry out the terms and conditions of the SA and to present the necessary tariff revisions. The revisions to Schedule Nos. G-BSS, G-LTS, and G-TBS, which also reflected the initial In-Kind Energy Charge of 2.400%, were approved by the Energy Division on January 19, 2010 and made effective April 1, 2010.

On February 1, 2011, SoCalGas filed AL 4205 to revise Schedule Nos. G-BSS, G-LTS, and G-TBS to decrease the In-Kind Energy Charge from 2.400% to 2.322%. AL 4205 was approved by the Energy Division on March 17, 2011 and made effective April 1, 2011.

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<sup>1</sup> Appendix A to D.09-11-006.

SoCalGas has determined that, on the basis of three-year rolling average, the In-Kind Energy Charge for the 2012 storage year (April 1, 2012 through March 31, 2013) should be 2.387%. The back-up calculations for the In-Kind Energy Charge for the 2012 storage year are shown on Attachment C. SoCalGas believes that the tariff revisions shown on Attachment B are necessary to implement the Commission's decision.

### **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 received within 20 days of the date this advice letter was filed with the Commission, which is February 21, 2012. 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](mailto:mas@cpuc.ca.gov)) and Honesto Gatchalian ([inj@cpuc.ca.gov](mailto:inj@cpuc.ca.gov)) of the Energy Division. A copy of the protest shall 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](mailto: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) pursuant to GO 96-B. This filing is consistent with D.09-11-006 and therefore SoCalGas respectfully requests that this filing be approved on March 2, 2012, which is thirty (30) calendar days after the date filed, but made effective April 1, 2012 (see the Background section above).

If verbal or electronic notification of the approval is expected to occur after March 30, 2012, then the revised tariffs should be made effective at least two days after verbal or electronic notification of the approval is communicated to SoCalGas. The requested minimum two-day time lag between the approval date and the effective date is based on the time that is needed to reflect the new In-Kind Energy Charge in Envoy and allow shippers/customers to adjust their gas deliveries and meet nomination deadlines.

**Notice**

A copy of this advice letter is being sent to the parties listed on Attachment A, which includes parties in the 2009 BCAP, A.08-02-001, and 2013 TCAP, A.11-11-002.

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Rasha Prince  
Director – Regulatory Affairs

Attachments

# 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:

ELC       GAS  
 PLC       HEAT       WATER

Contact Person: Sid Newsom

Phone #: (213) 244-2846

E-mail: SNewsom@semprautilities.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas  
PLC = Pipeline      HEAT = Heat      WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 4330

Subject of AL: Revision to Schedule Nos. G-BSS, G-LTS, and G-TBS Pursuant to Decision (D.) 09-11-006

Keywords (choose from CPUC listing): Transportation Rates

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other Periodic

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.09-11-006

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 AL<sup>1</sup>: N/A

Does AL request confidential treatment? If so, provide explanation: No.

Resolution Required?  Yes  No

Tier Designation:  1  2  3

Requested effective date: 4/1/12

No. of tariff sheets: 5

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

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: G-BSS, G-LTS, G-TBS, TOCs

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**

**Attention: Tariff Unit**

**505 Van Ness Ave.,**

**San Francisco, CA 94102**

**mas@cpuc.ca.gov and jnj@cpuc.ca.gov**

**Southern California Gas Company**

**Attention: Sid Newsom**

**555 West 5<sup>th</sup> Street, GT14D6**

**Los Angeles, CA 90013-1011**

**SNewsom@semprautilities.com**

<sup>1</sup> Discuss in AL if more space is needed.

**ATTACHMENT A**

**Advice No. 4330**

**(See Attached Service List)**

ATTACHMENT B  
Advice No. 4330

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 47926-G	Schedule No. G-BSS, BASIC STORAGE SERVICE, Sheet 2	Revised 46873-G
Revised 47927-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 3	Revised 46874-G
Revised 47928-G	Schedule No. G-TBS, TRANSACTION BASED STORAGE SERVICE, Sheet 3	Revised 46875-G
Revised 47929-G	TABLE OF CONTENTS	Revised 47924-G
Revised 47930-G	TABLE OF CONTENTS	Revised 47925-G

Schedule No. G-BSS  
BASIC STORAGE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Reservation Charges (Continued)

Annual Firm Withdrawal

Reservation Charge for withdrawal capacity reserved for year

Rate, per decatherm/day ..... \$11.584

The above reservation charge shall apply to the customer's reserved basic storage annual withdrawal capacity and shall be billed in twelve equal monthly installments during the storage year.

All reservation charges for firm basic storage service are applicable whether the storage service is used or not and shall not be prorated under any circumstances.

In-Kind Energy Charges

In-Kind Energy Charge for quantity delivered for injection during the year

Rate, percent reduction ..... 2.387%

The In-Kind Energy Charge shall be adjusted as necessary on the basis of a three-year rolling average of actual fuel use.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities applicable under this schedule or changes in costs used in prior period's storage charges.

(Continued)

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. 4330  
DECISION NO. 09-11-006

ISSUED BY  
**Lee Schavrien**  
Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
DATE FILED Feb 1, 2012  
EFFECTIVE Apr 1, 2012  
RESOLUTION NO. \_\_\_\_\_

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Schedule No. G-LTS  
LONG-TERM STORAGE SERVICE

Sheet 3

(Continued)

RATES (Continued)

In-Kind Energy Charges

In-Kind Energy Charge for quantity delivered for injection during the year

Rate, percent reduction ..... 2.387%

The In-Kind Energy Charge shall be adjusted as necessary on the basis of a three-year rolling average of actual fuel use.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities applicable under this schedule or changes in costs used in prior period's storage charges.

SPECIAL CONDITIONS

General

1. The definitions of the principal terms used in the Utility's tariff schedules are contained in Rule No. 1.
2. Storage service under this schedule shall be curtailed in accordance with the provisions of Rule No. 23.
3. All terms and conditions of Rule No. 30 and Schedule No. G-IMB shall apply to the transportation of customer-owned gas in conjunction with the storage services provided under this schedule.
4. As a condition precedent to service under this schedule, an executed Master Services Contract, Schedule F, Long-Term Storage Service (Form Nos. 6597 and 6597-6) is required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
5. The minimum contract term for service under this schedule shall be three years and the maximum contract term shall be fifteen years.
6. The storage year for long-term contract service shall begin on April 1 and continue thereafter for a twelve month period. Eligible customers may contract for long-term storage service anytime during this period but the annual reservation charges applicable for the initial storage year shall not be prorated unless otherwise agreed to by the Utility.

(Continued)

(TO BE INSERTED BY UTILITY)  
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 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
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Schedule No. G-TBS  
TRANSACTION BASED STORAGE SERVICE

Sheet 3

(Continued)

RATES (Continued)

In-Kind Energy Charges

In-Kind Energy Charge, applied to all quantities delivered for injection during the year

Rate, percent reduction ..... 2.387%

The In-Kind Energy Charge shall be the same for all core and noncore injections and be adjusted as necessary on the basis of a three-year rolling average of actual fuel use.

SPECIAL CONDITIONS

General

1. The definitions of the principal terms used in this rate schedule and the Utility's other tariff schedules are contained in Rule No. 1.
2. Service under this schedule shall be curtailed in accordance with the provisions of Rule No. 23.
3. All terms and conditions of Rule No. 30 and Schedule No. G-IMB shall apply to the transportation of customer-owned gas in conjunction with the storage services provided under this schedule.
4. As a condition precedent to service under this schedule, an executed Master Services Contract (Form No. 6597) and an executed Master Services Contract, Schedule I, Transaction Based Storage Service (Form No. 6597-11) are required (referred to in this schedule collectively as the "Contract"). All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
5. The contract term for service under this schedule shall be set forth in the customer's Contract.
6. Any quantity of storage gas that is in excess of the inventory rights remaining after: a) the customer's storage Contract term expires; or b) the customer trades away some or all of its inventory rights; or c) the customer's storage Contract is terminated, for whatever reason, prior to the completion of the term of such Contract shall be immediately purchased by the Utility at the applicable Buy-Back Rate stated in Schedule No. G-IMB. The Buy-Back purchase amount paid to the customer may be reduced by any outstanding amounts owed by the customer for any other services provided by the Utility.

(Continued)

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(TO BE INSERTED BY UTILITY)  
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Attachment C - In-Kind Energy Charge Calculation

2009 - 2011		
Total Storage <u>Fuel Usage</u> (Mcf)	Official Storage <u>Injection Total</u> (Mcf)	
Three-Year Total:	7,278,911	297,716,665

$$\text{In-Kind Energy, \%} = \frac{\text{Fuel}}{\text{(Fuel + Injections)}} = \frac{7,278,911}{(7,278,911 + 297,716,665)}$$

$$\text{In-Kind Energy Charge for 2012 Storage Year} = \mathbf{2.387\%}$$