

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 23, 2012

Advice Letter 4334G

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

**Subject: Schedule No. GT-SWGX – Exchange Wholesale Natural Gas
Service – Exchange Rate**

Dear Ms. Prince:

Advice Letter 4334 is effective March 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 17, 2012

Advice No. 4334
(U 904 G)

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

Public Utilities Commission of the State of California

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.

Purpose

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 an exchange contract between SoCalGas and PG&E and a transportation contract between SoCalGas and Southwest. These contracts govern SoCalGas' service to, and rates for, 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.¹ 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.² On January 23, 2012, the Commission approved PG&E's Advice 3257-G-A. This advice filing changed PG&E's transportation rates, which in turn resulted in a new exchange fee charged by PG&E to SoCalGas.

¹ D.09-10-036, mimeo., at 18 (Finding of Fact No. 18).

² D.09-10-036, mimeo., Attachment B – Master Services Contract, Schedule A, Intrastate Transmission Service, Section 7.E.4(b).

Requested Revision

This filing increases the Exchange Rate in GT-SWGX from 4.266 ¢/therm to 4.294 ¢/therm, which is the sum of the newly calculated PG&E exchange fee of 4.167 ¢/therm and the unchanged SoCalGas system balancing cost adder of 0.127 ¢/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 2nd month following Commission approval of the underlying tariff changes.³ Since the tariff changes were approved on January 23, 2012, the new exchange fee will become effective on March 1, 2012. 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.⁴

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 March 8, 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
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 (mas@cpuc.ca.gov) and Honesto Gatchalian (inj@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@SemptraUtilities.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 March 1, 2012, the date specified in the two Commission-approved contracts governing SoCalGas' service to Southwest.

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

⁴ 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.

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) #: 4334

Subject of AL: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service - Exchange Rate

Keywords (choose from CPUC listing): Agreements; Contracts

AL filing type: Monthly Quarterly Annual One-Time Other

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

D.09-10-036

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: No

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 2/16/12

No. of tariff sheets: 3

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: GT-SWGX, TOCs

Service affected and changes proposed¹: 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 5th Street, GT14D6
Los Angeles, CA 90013-1011**

SNewsom@semprautilities.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 4334

(See Attached Service List)

ATTACHMENT B
Advice No. 4334

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 47960-G	Schedule No. GT-SWGX, EXCHANGE WHOLESALE NATURAL GAS SERVICE, Sheet 1	Revised 47531-G
Revised 47961-G	TABLE OF CONTENTS	Revised 47958-G
Revised 47962-G	TABLE OF CONTENTS	Revised 47959-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

Exchange Rate, per therm 4.294¢

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

Pisgah Meter Station Charge, per month \$17,964

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. 4334
 DECISION NO. 09-10-036

ISSUED BY
Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Feb 17, 2012
 EFFECTIVE Mar 1, 2012
 RESOLUTION NO. _____

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(Continued)

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(Continued)

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