

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 3, 2013

Advice Letter 4337-G

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

Subject: Compression Services Agreement with Los Angeles Unified School District

Dear Ms. Prince:

The Commission has approved Advice Letter 4337 with implementation of the agreement being subject to all of the requirements of Decision 12-¹²~~23~~037 and contingent on the resolution of Advice Letter 4459 presenting the Compression Services Tariff.

Sincerely,

A handwritten signature in black ink, appearing to read "ER", with a long horizontal stroke extending to the right.

Edward Randolph
Director, Energy Division
California Public Utilities Commission



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 28, 2012

Advice No. 4337
(U 904 G)

Public Utilities Commission of the State of California

Subject: Compression Services Agreement with Los Angeles Unified School District

Southern California Gas Company (SoCalGas) hereby submits for filing the subject agreement and a revision to its List of Contracts and Deviations, applicable throughout its service territory, as shown on Attachment B.

Purpose

This filing submits to the California Public Utilities Commission (Commission) a compression services agreement (Agreement) between SoCalGas and the Los Angeles Unified School District (LAUSD), as shown on Attachment C, which is being submitted under the confidentiality provision of General Order 66-C and Section 583 of the Public Utilities Code and provided only to the Energy Division. The Agreement calls for SoCalGas to provide facilities and services necessary to provide natural gas at pressure higher than standard line pressure. LAUSD will provide additional facilities and dispensers necessary to use the compressed natural gas delivered under the agreement as vehicle fuel. SoCalGas has heretofore not provided similar services to any of its customers.¹

This filing is made in compliance with General Order (GO) 96-B, Section 8.2.3, which states that a utility may provide service to a government agency, such as the LAUSD, under terms and conditions otherwise deviating from its tariffs then in effect, provided that the Commission is advised of such action through an Advice Letter.

Background

LAUSD has requested that SoCalGas provide facilities and services to its facilities located at 11247 Sherman Way, Sun Valley, California (Site). LAUSD is converting its school bus fleet to CNG fuel use for improved air quality, public health benefits, and lower annual fuel costs. Therefore, LAUSD has deemed it necessary to add CNG fueling capacity at the Site in order to

¹ In Application (A.) 11-11-011, filed November 3, 2011, SoCalGas proposes a new tariff service to meet the current and future needs of non-residential customers requiring natural gas compression above standard line pressure for customer end-use applications.

fuel more than 200 school buses and to continue to meet the transportation needs of its students.

Information

The Agreement between SoCalGas and LAUSD, as shown in Attachment C, specifies that SoCalGas will design, permit, construct, own, operate, and maintain in good working order and condition all equipment associated with providing the required facilities and services and does not include any required commodities such as uncompressed gas (available under SoCalGas' Schedule No. G-NGV, Natural Gas Service for Motor Vehicles) or electricity to power Facilities. In addition, SoCalGas will not be involved in any activities related to resale of compressed natural gas should LAUSD elect to engage in CNG retailing or public access.

LAUSD will pay SoCalGas monthly service fees for the duration of the contract term of twelve (12) years which will cover the full capital cost recovery as well as the operations, maintenance, and overhead cost for the duration of the contract term.² The determination of the monthly service fees are provided on Attachment D, which is being submitted under the confidentiality provision of General Order 66-C and Section 583 of the Public Utilities Code and provided only to the Energy Division.

This advice filling will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

Protests

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 March 19, 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 to 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@SempraUtilities.com

² LAUSD shall pay SoCalGas a monthly service fee for the duration of the contract term of twelve (12) years. Pursuant of the Agreement, there will also be a Maintenance Fee in an amount to be determined to perform maintenance and repair of Facilities.

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 8.2.3 that allows utilities to enter into agreements with governmental entities, and therefore, respectfully requests that the Agreement and tariff sheets filed herein be made effective February 28, 2012, which is the date filed.

Notice

A copy of this advice letter is being sent to the parties listed on Attachment A, which includes the service list for A.11-11-011, Compression Services Tariff.

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) #: 4337

Subject of AL: Compression Services Agreement with Los Angeles Unified School District

Keywords (choose from CPUC listing): Agreements, Capacity, Contracts

AL filing type: Monthly Quarterly Annual One-Time Other

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

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: Yes. The Agreement includes proprietary information concerning the business, operations, and assets of each party and contains terms requiring confidentiality.

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 2/28/12

No. of tariff sheets: 2

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: _____

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: _____

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. 4337

(See Attached Service List)

ATTACHMENT B
Advice No. 4337

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 47970.1-G	LIST OF CONTRACTS AND DEVIATIONS, Sheet 3	Original 40149-G
Revised 47970.2-G	TABLE OF CONTENTS	Revised 47970-G

LIST OF CONTRACTS AND DEVIATIONS

(Continued)

<u>Name and Location of Customer</u>	<u>Type or Class of Service</u>	<u>Date of</u>		<u>Commission Authorization No. and Date</u>	<u>Most Comparable Regular Tariff Schedule</u>	
		<u>Execution</u>	<u>Expiration</u>		<u>No.</u>	<u>Contract Differences</u>
Orange County Transportation Authority (OCTA)	Commercial	1-20-06	Indefinite	AL 3585 G.O. 96-A Sec. X.B.	GT-F	50-50 sharing of costs deviates from standard Gas Line Extension Contract and Rule 20.
Los Angeles Unified School District (LAUSD)	Compression	2-21-12	12 years	AL 4337 GO 96-B Sec. 8.2.3	-	Compression Services Agreement

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N

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 4337
 DECISION NO.

ISSUED BY

Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)

DATE FILED Feb 28, 2012
 EFFECTIVE Feb 28, 2012
 RESOLUTION NO. _____

TABLE OF CONTENTS

The following listed sheets contain all effective Schedules of Rates and Rules affecting service and information relating thereto in effect on the date indicated thereon.

<u>GENERAL</u>	<u>Cal. P.U.C. Sheet No.</u>
Title Page	40864-G
Table of Contents--General and Preliminary Statement	47970.2-G,47560-G,47813-G
Table of Contents--Service Area Maps and Descriptions	41970-G
Table of Contents--Rate Schedules	47952-G, 47969-G,47678-G
Table of Contents--List of Cities and Communities Served	47970.1-G
Table of Contents--List of Contracts and Deviations	47970.1-G
Table of Contents--Rules	47448-G,47212-G
Table of Contents--Sample Forms	47389-G,47134-G,47213-G,47449-G,47450-G

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PRELIMINARY STATEMENT

Part I General Service Information	45597-G,24332-G,24333-G,24334-G,24749-G
Part II Summary of Rates and Charges	47936-G,47937-G,47938-G,47779-G,47780-G,47963-G 47892-G,46431-G,46432-G,47676-G,47901-G,47902-G,47903-G,47785-G
Part III Cost Allocation and Revenue Requirement	45267-G,45268-G,45269-G,47786-G,47787-G
Part IV Income Tax Component of Contributions and Advances	47868-G,24354-G
Part V Balancing Accounts	
Description and Listing of Balancing Accounts	47157-G
Purchased Gas Account (PGA)	45754-G,45755-G
Core Fixed Cost Account (CFCA)	47158-G,47104-G
Noncore Fixed Cost Account (NFCA)	47159-G,47106-G
Enhanced Oil Recovery Account (EORA)	47160-G
Noncore Storage Balancing Account (NSBA)	46962-G,46963-G
California Alternate Rates for Energy Account (CAREA)	45882-G,45883-G
Hazardous Substance Cost Recovery Account (HSCRA)	40875-G, 40876-G,40877-G
Gas Cost Rewards and Penalties Account (GCRPA)	40881-G
Pension Balancing Account (PBA)	45013-G,45014-G
Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) .	45015-G,45016-G

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4337
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Feb 28, 2012
 EFFECTIVE Feb 28, 2012
 RESOLUTION NO. _____

Attachment C

Advice No. 4337

Compression Services Agreement

LAUSD No. 1280009

Southern California Gas Company

This Attachment is being provided only to the Energy Division under the confidentiality provisions of the General Order 66-C and Section 583 of the Public Utilities Code

Attachment D

Advice No. 4337

LAUSD - Compression Services

Service Fee Calculation

This Attachment is being provided only to the Energy Division under the confidentiality provisions of the General Order 66-C and Section 583 of the Public Utilities Code