

STATE OF CALIFORNIA

Edmund G. Brown Jr., *Governor*

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 9, 2012

**Advice Letter 4371**

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

**Subject: Revision to Schedule No. G-BTS Pursuant to D.11-04-032**

Dear Ms. Prince:

Advice Letter 4371 is effective July 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*

May 29, 2012

Advice No. 4371  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Revision to Schedule No. G-BTS Pursuant to Decision (D.) 11-04-032**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) revision to its tariff Schedule No. G-BTS (Backbone Transportation Service), applicable throughout its service territory, as shown on Attachment B.

**Purpose**

This filing is made in compliance with Ordering Paragraph (OP) 12 of D.11-04-032, dated April 19, 2011, to revise Schedule No. G-BTS to increase the In-Kind Energy Charge from 0.289% to 0.379 %, effective July 1, 2012.

**Background**

In OP 12 of D.11-04-032, the Commission directed San Diego Gas & Electric Company and SoCalGas to

“...establish an in-kind fuel factor, initially set at 0.22% of the total volume of natural gas to be delivered at the receipt point and updated quarterly based on the fuel factor determined from the prior quarter data.”

To comply with D.11-04-032, SoCalGas filed Advice No. (AL) 4240 to revise Schedule No. G-BTS to incorporate the In-Kind Energy Charge of 0.22% effective October 1, 2011. The term “In-Kind Energy Charge” used in SoCalGas Schedule No. G-BTS is synonymous with the term “in-kind fuel factor” used in D.11-04-032. AL 4240 was approved by the Energy Division on July 1, 2011.

On November 30, 2011, SoCalGas filed AL 4304 to revise Schedule G-BTS to decrease the In-Kind Energy Charge from 0.22% to 0.174% for the first quarter 2012. Ideally, SoCalGas would have liked to use its fourth quarter 2011 operations data to determine the In-Kind Energy Charge for the first quarter 2012. However, due to approximately a 25-day time lag in obtaining operations data and at least 30 calendar days necessary for obtaining the Commission approval, SoCalGas used the most recent three-month operations data available (August 1, 2011 through October 31, 2011) to calculate the In-Kind Energy Charge for the first quarter 2012. In AL 4304 SoCalGas also proposed using the same methodology for future quarterly updates (i.e., use

November 1, 2011 through January 31, 2012 operations data to calculate In-Kind Energy Charge for the second quarter 2012). AL 4304 was approved by the Energy Division on December 28, 2011 with the revision to Schedule G-BTS made effective January 1, 2012. For AL 4340 SoCalGas used November 1, 2011 through January 31, 2012 operations data to determine the In-kind Energy Charge (of 0.289 %) for the second quarter 2012 (effective April 1, 2012). AL 4340 was approved by the Energy Division on March 30, 2012.

Consistent with the methodology discussed above and based on February 1, 2012 through April 30, 2012 operations data, SoCalGas has determined that the In-Kind Energy Charge for the third quarter 2012 (effective July 1, 2012) should be 0.379%. The back-up calculations for the proposed In-Kind Energy Charge of 0.379% are shown on Attachment C.

### **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 June 18, 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 the Energy Division Tariff Unit ([EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)). 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.11-04-032 and therefore SoCalGas respectfully requests that this filing be approved on June 28, 2012, which is thirty (30) calendar days after the date filed, but with the tariff to be made effective July 1, 2012 (see the Background section above).

If this filing is not approved by June 28, 2012, SoCalGas respectfully requests the revised tariffs 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 Firm Access Rights Update Proceeding, A.10-03-028.

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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) #: 4371

Subject of AL: Revision to Schedule No. G-BTS Pursuant to Decision (D.) 11-04-032

Keywords (choose from CPUC listing): Transportation Rates

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

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

D.11-04-032

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: 7/1/12

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: G-BTS, 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**  
[EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@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](mailto:SNewsom@semprautilities.com)  
[tariffs@socalgas.com](mailto:tariffs@socalgas.com)

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

**ATTACHMENT A**

**Advice No. 4371**

**(See Attached Service Lists)**

ATTACHMENT B  
Advice No. 4371

| Cal. P.U.C.<br>Sheet No. | Title of Sheet  | Cancelling Cal.<br>P.U.C. Sheet No. |
|--------------------------|---|-------------------------------------|
| Revised 48195-G          | Schedule No. G-BTS, BACKBONE<br>TRANSPORTATION SERVICE, Sheet 4 | Revised 48002-G                     |
| Revised 48196-G          | TABLE OF CONTENTS   | Revised 48193-G                     |
| Revised 48197-G          | TABLE OF CONTENTS   | Revised 48194-G                     |

Schedule No. G-BTS  
BACKBONE TRANSPORTATION SERVICE

Sheet 4

(Continued)

RATES (Continued)

BILLING CALCULATION

Monthly Reservation Charge:

The Monthly Reservation Charge is payable each month regardless of the quantity of gas scheduled during the billing period. The Reservation Charge for each billing period shall be calculated using the applicable reservation rate and the DCQ as specified in Customer's Backbone Transportation Service Contract (BTSC).

Monthly Reservation Charge = Applicable Reservation Rate \* DCQ \* number of days in the billing period (or, if less than one month, number of days in term of contract).

Monthly Volumetric Charge:

The Monthly Volumetric Charge for each billing period shall be calculated using the applicable volumetric rate multiplied by the scheduled quantities on the Customer's BTSC.

Monthly Volumetric Charge = Applicable Volumetric Rate \* Quantities of Gas Scheduled during the billing period.

In-Kind Energy Charges:

Customers transporting gas over the backbone transmission system shall deliver each day for each billing period at the receipt point an additional in-kind quantity of natural gas equal to a percent of the total quantity delivered at the receipt point. The quantity received by the Utility at the receipt point shall equal the quantity delivered by the Utility to the delivery point divided by (1 - x) where x is the decimal equivalent of the backbone transmission system in-kind fuel factor percentage.

Rate, percent reduction ..... 0.379%

Any applicable volumetric charges shall be charged on scheduled volumes net of shrinkage.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4371  
 DECISION NO. 11-04-032

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED May 29, 2012  
 EFFECTIVE Jul 1, 2012  
 RESOLUTION NO. \_\_\_\_\_

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| GT-F    | Firm Intrastate Transportation Service .....                                | 47802-G,47803-G,45304-G,45305-G                   |
|         | for Distribution Level Customers  | 45306-G,45307-G,45308-G,47167-G                   |
|         |   | 45310-G,45311-G,45312-G,45313-G                   |
| GT-I    | Interruptible Intrastate Transportation Service .....                       | 47804-G,47805-G,45316-G                           |
|         | for Distribution Level Customers  | 45317-G,47168-G,45319-G,45320-G                   |
| GT-TLS  | Intrastate Transportation Service for<br>Transmission Level Customers ..... | 45321-G,47806-G,47807-G,47808-G,45325-G           |
|         |   | 45326-G,45327-G,47169-G,45329-G,45330-G           |
|         |   | 45331-G,45332-G,47170-G, 45334-G,45335-G          |
|         |   | 45336-G,45337-G,45338-G,45339-G                   |
| GT-SWGX | Wholesale Natural Gas Service .....   | 47960-G,45341-G                                   |
| G-IMB   | Transportation Imbalance Service .....                                      | 43318-G,48192-G 48122-G,48033-G                   |
|         |   | 48087-G,48088-G,43324-G,43325-G,47880-G           |
| G-OSD   | Off-System Delivery Service .....   | 47171-G,42258-G,42259-G                           |
| G-BTS   | Backbone Transportation Service .....                                       | 48084-G,47173-G,47809-G,48195-G                   |
|         |   | 47176-G,47177-G**,47178-G,47179-G,47180-G,47181-G |
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| G-POOL  | Pooling Service .....   | 42276-G,47189-G*, 42278-G                         |
| G-BSS   | Basic Storage Service .....   | 43337-G,47926-G,45767-G,45768-G                   |
|         |   | 45769-G,45770-G,43051-G                           |
| G-AUC   | Auction Storage Service .....   | 43338-G,32709-G,32710-G,32711-G                   |
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| G-LTS   | Long-Term Storage Service .....   | 32716-G,32717-G,47927-G,45771-G                   |
|         |   | 45772-G,45773-G,43055-G                           |
| G-TBS   | Transaction Based Storage Service .....                                     | 45355-G,43340-G,47928-G,45775-G                   |
|         |   | 45776-G,44933-G                                   |
| G-CBS   | UDC Consolidated Billing Service .....                                      | 34071-G,34072-G,34073-G,33095-G                   |
| G-SMT   | Secondary Market Transactions<br>of Storage Rights .....                    | 45359-G,45360-G,45361-G                           |
| G-TCA   | Transportation Charge Adjustment .....                                      | 46780-G   |

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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 .....     | 48197-G,48113-G,48114-G                 |
| Table of Contents--Service Area Maps and Descriptions .....    | 41970-G                                 |
| Table of Contents--Rate Schedules .....                        | 48171-G, 48196-G,47678-G                |
| Table of Contents--List of Cities and Communities Served ..... | 47970.1-G                               |
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| Table of Contents--Rules .....                                 | 47448-G,47212-G                         |
| Table of Contents--Sample Forms .....                          | 47389-G,47134-G,47213-G,47449-G,47450-G |

PRELIMINARY STATEMENT

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| Part II Summary of Rates and Charges .....                                | 48155-G,48156-G,48157-G,47779-G,47780-G,48191-G<br>48120-G,46431-G,46432-G,47676-G,48129-G,48130-G,48131-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  |
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| Enhanced Oil Recovery Account (EORA) .....                                | 47160-G  |
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| California Alternate Rates for Energy Account (CAREA) .....               | 45882-G,45883-G  |
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| Gas Cost Rewards and Penalties Account (GCRPA) .....                      | 40881-G  |
| Pension Balancing Account (PBA) .....                                     | 45013-G,45014-G  |
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**Lee Schavrien**  
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Attachment C - In-Kind Energy Charge Calculation

Feb 1, 2012 through Apr 30, 2012

|  | <u>Transmission Compression<br/>Fuel Usage</u><br>(Mcf)                         | <u>Official MCS<br/>Receipts *</u><br>(Mcf) |           |
|--|---|---|-----------|
| Three-Month Total:                     | 748,237   | 268,783,961                                 |           |
| In-Kind Charge, %                      | = $\frac{\text{Actual Fuel}}{\text{Total Receipts}^*}$                          | = $\frac{748,237}{268,783,961}$             | = 0.278%  |
|  | Minus   | Minus                                       | Minus     |
| Adjustment **                          | = $\frac{(\text{Fuel Collections minus Actual Fuel})}{\text{Total Receipts}^*}$ | = $\frac{-270,690}{268,783,961}$            | = -0.101% |
| In-Kind Energy Charge for 3rd Qtr 2012 | =   |   | 0.379%    |

\* Total Quantity Received by the Utility at all of its Receipt Points.

\*\* Adjustment (Cumulative) for previous Over/Under Collections