#### PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

January 30, 2013

Edmund G. Brown Jr., Governor



**Advice Letter 4445** 

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

# Subject: Daily Balancing Standby Rates for December 27-31, 2012

Dear Ms. Prince:

Advice Letter 4445 is effective January 2, 2013.

Sincerely,

Edward Ramloph

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

January 2, 2013

Advice No. 4445 (U 904 G)

Public Utilities Commission of the State of California

## Subject: Daily Balancing Standby Rates for December 27-31, 2012

Southern California Gas Company (SoCalGas) hereby submits for filing revisions to its tariff schedules, applicable throughout its service territory, as shown on Attachment B.

#### Purpose

This routine filing updates the Daily Balancing Standby Rates for the period of December 27, 2012 through December 31, 2012 in Schedule No. G-IMB, Transportation Imbalance Service, as authorized by the California Public Utilities Commission's (Commission) approval of SoCalGas' Advice Nos. 2651, 2651-A and 2651-B on December 26, 1997, which were filed in compliance with Decision (D.) 97-11-070, dated November 19, 1997, which modified Capacity Brokering Decision D.90-09-089 by adopting modifications to SoCalGas' balancing rules.

#### **Background**

As authorized in Schedule No. G-IMB, customers will be subject to balancing rules during the winter operating period. From November through March, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 50% of burn over a five-day period. As the Utility's total inventory in storage declines to the peak day minimum + 20 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 70% of burn daily. As the Utility's total inventory in storage declines to the peak day minimum + 5 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 70% of burn daily. As the Utility's total inventory in storage declines to the peak day minimum + 5 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 90% of burn daily. Volumes not in compliance with the minimum delivery requirements will be purchased at the daily balancing standby rates described below. Imbalance trading and as-available withdrawal may not be used to offset the minimum delivery requirements. A complete description of the winter minimum delivery requirements is specified in Rule No. 30, Transportation of Customer-Owned Gas.

The Daily Balancing Standby Rates are calculated as follows:

- During November through March customers are required to deliver (flowing supply and firm storage withdrawal) at a minimum of 50% of burn during a five-day period. Volumes not in compliance with the 50% five-day minimum delivery requirement are purchased at the daily balancing standby rate. The daily balancing standby rate is calculated as 150% of the highest Southern California Border price during the five-day period as published in "NGI's *Daily* Gas Price Index" including authorized franchise fees and, for retail customers, uncollectible expenses (F&U), and an authorized brokerage fee.
- 2. When the Utility's total inventory in storage declines to the "peak day minimum + 20 Bcf trigger", the minimum daily delivery requirement increases to 70%. The five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily* Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 70% delivery requirement.
- 3. When the Utility's total inventory in storage declines to the "peak day minimum + 5 Bcf trigger", the minimum delivery requirement increases to 90% daily. Similar to the 70% regime, the five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily* Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 90% delivery requirement.

As further authorized in Schedule No. G-IMB by the Commission's approval of SoCalGas' Advice No. 3018 on June 6, 2001, the Daily Balancing Standby Rates may be filed weekly to become effective immediately. In any event, the Daily Balancing Standby Rates shall be filed on or before the fifth business day of each month.

#### **Requested Tariff Revisions**

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets. The note at the end of the Daily Balancing Standby Rates section is revised to state that for the days of December 1-31, 2012 the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies. The workpaper showing the calculation of these rates is incorporated herein as 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 must be received within 20 days of the date this Advice Letter, which is January 22, 2013. 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

A copy of the protest should also be sent via e-mail to the attention of the Energy Division Tariff Unit (<u>EDTariffUnit@cpuc.ca.gov</u>). A copy of the protest should also be sent via both e-mail <u>and</u> facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

- 3 -

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 this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B. As authorized in Schedule No. G-IMB, the tariff sheets filed herein are to be effective for service on and after January 2, 2013, which is the date filed, and are to be applicable to the period of December 27, 2012 through December 31, 2012.

#### **Notice**

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

Rasha Prince Director – Regulatory Affairs

Attachments

# CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY

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>		
	Phone #: (213) <u>244-2846</u>		
PLC HEAT WATER	E-mail: SNewsom	@semprautilities.com	
EXPLANATION OF UTILITY TY	PE	(Date Filed/ Received Stamp by CPUC)	
ELC = ElectricGAS = GasPLC = PipelineHEAT = Heat	WATER = Water		
Advice Letter (AL) #: 4445			
Subject of AL: <u>Daily Balancing Star</u>	dby Rates for Deco	ember 27-31, 2012	
Keywords (choose from CPUC listing)	: <u>Compliance, No</u>	on-core, Procurement	
AL filing type: 🗌 Monthly 🗌 Quarter	rly 🗌 Annual 🗌 C	Dne-Time 🛛 Other <u>Weekly</u>	
If AL filed in compliance with a Com	mission order, indi	cate relevant Decision/Resolution #:	
D.97-11-070			
Does AL replace a withdrawn or reject	cted AL? If so, idea	ntify the prior AL <u>No</u>	
Summarize differences between the A	AL and the prior w	ithdrawn or rejected AL <sup>1</sup> : <u>N/A</u>	
Does AL request confidential treatme	ent? If so, provide e	explanation: No	
Resolution Required? $\Box$ Yes $\boxtimes$ No		Tier Designation: $\square 1 \square 2 \square 3$	
Requested effective date: <u>1/2/13</u>		No. of tariff sheets: <u>4</u>	
Estimated system annual revenue ef	fect: (%): <u>N/A</u>		
Estimated system average rate effect	(%): <u>N/A</u>		
When rates are affected by AL, inclue classes (residential, small commercial)		L showing average rate effects on customer ıltural, lighting).	
Tariff schedules affected: <u>G-IMB and</u>	l TOCs		
Service affected and changes proposed <sup>1</sup> : N/A			
Pending advice letters that revise the same tariff sheets: <u>4432, 4435, 4438, and 4440</u>			
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		Attention: Sid Newsom	
505 Van Ness Ave., San Francisco, CA 94102		555 West 5 <sup>th</sup> Street, GT14D6 Los Angeles, CA 90013-1011	
EDTariffUnit@cpuc.ca.gov		SNewsom@semprautilities.com	
-			

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

ATTACHMENT A

Advice No. 4445

(See Attached Service List)

## ATTACHMENT B Advice No. 4445

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 48770-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 48697-G
Revised 48771-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 6	Revised 48698-G
Revised 48772-G	TABLE OF CONTENTS	Revised 48768-G
Revised 48773-G	TABLE OF CONTENTS	Revised 48769-G

LOS ANGELES, CALIFORNIA CANCELING Revised

Revised CAL. P.U.C. SHEET NO. 48770-G Revised CAL. P.U.C. SHEET NO. 48697-G

#### Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 5

(Continued)

#### <u>RATES</u> (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm (Continued)

December 2012 <u>Day</u>	Core Retail <u>DB-CR</u>	Noncore Retail <u>DB-NR</u>	Wholesale <u>DB-W</u>
11	\$0.55236	\$0.55351	\$0.55219
12	\$0.56762	\$0.56877	\$0.56742
13	\$0.55388	\$0.55503	\$0.55372
13	\$0.54320	\$0.54435	\$0.54306
15	\$0.52642	\$0.52757	\$0.52632
Period 3 High	\$0.56762	\$0.56877	\$0.56742
16	\$0.52642	\$0.52757	\$0.52632
17	\$0.52642	\$0.52757	\$0.52632
18	\$0.54778	\$0.54893	\$0.54763
19	\$0.55388	\$0.55503	\$0.55372
20	\$0.53862	\$0.53977	\$0.53849
Period 4 High	\$0.55388	\$0.55503	\$0.55372
21	\$0.55846	\$0.55961	\$0.55828
22	\$0.56456	\$0.56571	\$0.56437
23	\$0.56456	\$0.56571	\$0.56437
24	\$0.56456	\$0.56571	\$0.56437
25	\$0.54473	\$0.54588	\$0.54458
Period 5 High	\$0.56456	\$0.56571	\$0.56437
26	\$0.54473	\$0.54588	\$0.54458
27	\$0.55083	\$0.55198	\$0.55067
28	\$0.54168	\$0.54283	\$0.54154
29	\$0.55083	\$0.55198	\$0.55067
30	\$0.55083	\$0.55198	\$0.55067
31	\$0.55083	\$0.55198	\$0.55067
Period 6 High	\$0.55083	\$0.55198	\$0.55067

(Continued) ISSUED BY Lee Schavrien

Senior Vice President

(TO BE INSERTED BY CAL. PUC) DATE FILED Jan 2, 2013 EFFECTIVE Jan 2, 2013 RESOLUTION NO. LOS ANGELES, CALIFORNIA CANCELING

48698-G CAL. P.U.C. SHEET NO.

## Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 6

Т

(Continued)

RATES (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm (Continued)

Note: For the days of December 1-31, 2012, the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger," and therefore the five-day period applies.

## **Revision of Rates**

The Standby Procurement Charge and the Buy-Back Rate shall be established effective the last day of each month. The Daily Balancing Standby Rate shall be established on NGI's Daily Gas Price Index. The Utility may file the Daily Balancing Standby Rate weekly to become effective immediately. In any event, the Daily Balancing Standby Rate shall be filed on or before the fifth business day of each month.

## SPECIAL CONDITIONS

- 1. Definitions of the principal terms used in this rate schedule are contained in Rule No. 1.
- 2. Imbalances of customers other than the Utility Gas Procurement Department or ESPs will be calculated by combining all of a customer's meters served under the same order control code, not by account or individual delivery point. The order control code is used by the Utility to group those facilities identified by the customer for determining the customer's imbalances. In the case of the Utility Gas Procurement Department the applicable Daily Forecast Quantity will be used. In the case of ESPs their applicable Daily Contract Quantity (DCQ) will be used.

(Continued)

ISSUED BY Lee Schavrien Senior Vice President

(TO BE INSERTED BY CAL. PUC)		
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01 125	Transmission Level Customers45321-G,48730-G,48731-G,48732-G,45325-G
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G-LTS	Long-Term Storage Service
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G-TBS	Transaction Based Storage Service 45355-G,43340-G,47928-G,45775-G
	45776-G,44933-G
G-CBS	UDC Consolidated Billing Service
G-SMT	Secondary Market Transactions
	of Storage Rights
G-TCA	Transportation Charge Adjustment

(Continued)

ISSUED BY Lee Schavrien Senior Vice President (TO BE INSERTED BY CAL. PUC) DATE FILED Jan 2, 2013 EFFECTIVE Jan 2, 2013 RESOLUTION NO.

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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.

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## ATTACHMENT C ADVICE NO. 4445 RATE CALCULATION WORK PAPER DAILY BALANCING STANDBY RATE FILING EFFECTIVE DECEMBER 27-31, 2012

Daily Balancing Standby Rate = 150% x (NGI's Price Index + F&U Charge) + Brokerage Fee F&U Charge is 1.7262% of NGI's Price Index for Retail and 1.4837% for Wholesale Brokerage Fee is 0.151 cents for Core Retail; 0.266 cents for Noncore Retail/Wholesale

December NGI's **Daily Balancing Standby Rates** Price Index Day Core Retail Noncore Retail Wholesale 1 \$0.36200 \$0.55503 \$0.55388 \$0.55372 2 \$0.36200 \$0.55388 \$0.55503 \$0.55372 3 \$0.36200 \$0.55388 \$0.55503 \$0.55372 \$0.55846 4 \$0.36500 \$0.55961 \$0.55828 5 \$0.35500 \$0.54320 \$0.54435 \$0.54306 6 \$0.37000 \$0.56609 \$0.56724 \$0.56589 7 \$0.37000 \$0.56609 \$0.56724 \$0.56589 8 \$0.35800 \$0.54893 \$0.54778 \$0.54763 9 \$0.35800 \$0.54778 \$0.54893 \$0.54763 10 \$0.35800 \$0.54778 \$0.54893 \$0.54763 11 \$0.36100 \$0.55236 \$0.55351 \$0.55219 12 \$0.37100 \$0.56762 \$0.56877 \$0.56742 13 \$0.36200 \$0.55388 \$0.55503 \$0.55372 14 \$0.35500 \$0.54320 \$0.54435 \$0.54306 15 \$0.34400 \$0.52642 \$0.52757 \$0.52632 16 \$0.34400 \$0.52642 \$0.52757 \$0.52632 17 \$0.52757 \$0.34400 \$0.52642 \$0.52632 18 \$0.35800 \$0.54778 \$0.54893 \$0.54763 19 \$0.36200 \$0.55388 \$0.55503 \$0.55372 20 \$0.35200 \$0.53862 \$0.53977 \$0.53849 21 \$0.36500 \$0.55846 \$0.55961 \$0.55828 22 \$0.36900 \$0.56456 \$0.56571 \$0.56437 23 \$0.36900 \$0.56456 \$0.56571 \$0.56437 24 \$0.36900 \$0.56456 \$0.56571 \$0.56437 25 \$0.35600 \$0.54473 \$0.54588 \$0.54458 26 \$0.35600 \$0.54473 \$0.54588 \$0.54458 27 \$0.36000 \$0.55083 \$0.55198 \$0.55067 28 \$0.35400 \$0.54168 \$0.54283 \$0.54154 29 \$0.36000 \$0.55083 \$0.55198 \$0.55067 30 \$0.36000 \$0.55083 \$0.55198 \$0.55067 31 \$0.36000 \$0.55083 \$0.55198 \$0.55067

(All rates are per therm)