

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 16, 2013

**Advice Letter 4521**

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

**Subject: Update of Schedule G-MSUR: Transported Gas  
Municipal Surcharge**

Dear Ms. Prince:

Advice Letter 4521 is effective September 1, 2013.

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*

July 17, 2013

Advice No. 4521  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Update of Schedule G-MSUR: Transported Gas Municipal Surcharge**

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**

The purpose of this filing is to update SoCalGas' Schedule G-MSUR, Transported Gas Municipal Surcharge as a consequence of SoCalGas' General Rate Case (GRC), Decision (D.) 13-05-010.

**Background**

In 1937, the California State Legislature passed "The Franchise Act of 1937" (the Act). Among other subjects, the Act established a formula whereby a utility would pay a fee to a general law city or general law county (hereinafter collectively referred to as "municipality") for the use of the streets and right-of-way in its jurisdiction. On May 9, 2013, the Commission issued D. 13-05-010 adopting, among other things, SoCalGas' revenue requirements for its TY 2012 GRC and post-test year ratemaking. As part of the GRC Decision, the Commission adopted a new Franchise Fee rate for SoCalGas.

**Requested Revision to Schedule G-MSUR**

Schedule G-MSUR sets forth the methodology by which the municipal surcharge is calculated pursuant to Chapter 2.5 of Division 3 (sections 6350, et al.) of the Public Utilities Code as enacted by Senate Bill 278/Beverly (Municipal Surcharge Law), to be applied to all transportation volumes of gas on the Utility system to customers outside the City of Los Angeles, except for those listed under Special Condition No. 1, and to transportation volumes of gas delivered to customers within the City of Los Angeles pursuant to Section 6.1 of Los Angeles City Ordinance No. 168164. Pursuant to Public Utilities Code section 6353(d), the applicable municipal surcharge percentage is the sum of the franchise fee factor plus any franchise fee surcharge authorized for the energy transporter as approved by the Commission. Finding of Fact 426 in SoCalGas' GRC D.13-05-010 adopted SoCalGas' forecasts for franchise fees. Therefore, the new

franchise fee factor and thus municipal surcharge percentage for applicable customers outside the cities of Los Angeles, San Buenaventura, Huntington Beach, and Visalia is 1.4593%, while the new municipal surcharge percentage within the cities of San Buenaventura, Huntington Beach, and Visalia, which includes a 1.0000% franchise fee surcharge, is 2.4593%. The municipal surcharge percentage within the city of Los Angeles remains at 2.0000%.

Additionally, G-MSUR references an imputed franchise fee factor, which is used in the calculation of the municipal surcharge in order to remove franchise fees included in the Adjusted Core Procurement Charge, G-CPA. To more clearly describe the removal of the franchise fees included in rate G-CPA, the "imputed franchise fee" factor description will be replaced with "gross-to-net" factor description. The new gross-to-net factor is 98.5407%.

The Rates section of Schedule G-MSUR has been updated to reflect the new surcharge percentages and gross-to-net factor discussed herein, and is shown in Attachment B.

### **Protest**

Anyone may protest this Advice Letter to the California Public Utilities 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 August 6, 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 ([EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)). 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](mailto:snewsom@SempraUtilities.com)

### **Effective Date**

SoCalGas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B. SoCalGas respectfully requests that this advice letter be approved September 1, 2013, which is 46 days after the date filed, for rates to become effective September 1, 2013.

**Notice**

A copy of this advice letter is being sent to all parties listed on Attachment A, which includes the interested parties in SoCalGas' TY 2012 GRC, A.10-12-006.

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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) #: 4521

Subject of AL: Update of Schedule G-MSUR: Transported Gas Municipal Surcharge

Keywords (choose from CPUC listing): Surcharge

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 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: 9/1/13

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: Schedule G-MSUR, TOCs

Service affected and changes proposed<sup>1</sup>: 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  
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. 4521**

**(See Attached Service List)**

ATTACHMENT B  
Advice No. 4521

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 49423-G	Schedule No. G-MSUR, TRANSPORTED GAS MUNICIPAL SURCHARGE, Sheet 1	Revised 48617-G
Revised 49424-G	TABLE OF CONTENTS	Revised 48618-G
Revised 49425-G	TABLE OF CONTENTS	Revised 49422-G

Schedule No. G-MSUR  
TRANSPORTED GAS MUNICIPAL SURCHARGE

Sheet 1

APPLICABILITY

Applicable pursuant to Chapter 2.5 of Division 3 (sections 6350, et al.) of the Public Utilities Code as enacted by Senate Bill 278/Beverly (municipal Surcharge Law), to all transportation volumes of gas on the Utility system to customers outside the City of Los Angeles, except for those listed under Special Condition No. 1, and to transportation volumes of gas delivered to customers within the City of Los Angeles pursuant to Section 6.1 of Los Angeles City Ordinance No. 168164.

TERRITORY

Applicable throughout the service territory.

RATES

Surcharge Percentage:

Outside the City of Los Angeles .....	1.4593%	R
Within the Cities of San Buenaventura (Ventura), Huntington Beach, and Visalia .....	2.4593%*	R
Within the City of Los Angeles .....	2.0000%	

\* Includes 1% franchise fee surcharge for City of Ventura customers pursuant to D. 07-10-024, for City of Huntington Beach customers pursuant to Resolution G-3452, and City of Visalia pursuant to Advice No. 4418.

The municipal surcharge is calculated as the product of the following:

- Applicable surcharge percentage,
- Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP,
- Gross-to-net factor of 98.5407% (to remove franchise fees included in rate G-CPA), and
- Terms of gas transported during the billing period.

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R

T,I

SPECIAL CONDITIONS

1. The following customers located outside the City of Los Angeles are exempt from Schedule G-MSUR pursuant to the terms of SB 278:
  - a. The State of California or a political subdivision (county) thereof.
  - b. Interutility gas service, where gas is transported through the Utility service territory for consumption outside the Utility's service territory.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4521  
 DECISION NO.

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Jul 17, 2013  
 EFFECTIVE Sep 1, 2013  
 RESOLUTION NO. \_\_\_\_\_



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G-MHPS	Surcharge to Fund Public Utilities Commission	
	Master Metered Mobile Home Park Gas Safety	
	Inspection and Enforcement Program .....	32828-G
G-MSUR	Transported Gas Municipal Surcharge .....	49423-G,25006-G
G-PAL	Operational Hub Services .....	45363-G,45364-G,45365-G

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(TO BE INSERTED BY UTILITY)

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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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(Continued)

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