

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



April 9, 2014

**Advice Letter 4611**

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 4611 is effective April 1, 2014.

Sincerely,

A handwritten signature in black ink 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 24, 2014

Advice No. 4611  
(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) No. 12 of D.11-04-032, to revise Schedule No. G-BTS to decrease the In-Kind Energy Charge from 0.330% to 0.196%, effective April 1, 2014.

**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.<sup>1</sup> 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% (effective during the fourth quarter 2011) 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 a time lag of approximately 25 days in obtaining operations data and at least 30 days needed to obtain 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

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<sup>1</sup> 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.

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 No. G-BTS made effective January 1, 2012. All of SoCalGas' subsequent ALs to update the In-Kind Energy Charge (AL 4340, AL 4371, AL 4396, AL 4427, AL 4466, AL 4498, AL 4532, and AL 4566) have used this same methodology.

Consistent with the methodology used in these previous ALs, and based on November 1, 2013, through January 31, 2014 operations data, SoCalGas proposes that the In-Kind Energy Charge for the second quarter 2014 (effective April 1, 2014) be revised from 0.330% to 0.196%. The backup calculations for this new proposed In-Kind Energy Charge of 0.196% 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 March 16, 2014. 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 March 26, 2014 which is thirty (30) calendar days after the date filed, but with the tariff to be made effective April 1, 2014 (see the Background section above).

If this filing is not approved by Thursday, March 27, 2014, 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) #: 4611

Subject of AL: Revision to Schedule No. G-BTS Pursuant to 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: 3/26/14 (AL) 4/1/14 (Tariffs)

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. 4611**

**(See Attached Service List)**

ATTACHMENT B  
Advice No. 4611

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 50093-G	Schedule No. G-BTS, BACKBONE TRANSPORTATION SERVICE, Sheet 4	Revised 49751-G
Revised 50094-G	TABLE OF CONTENTS	Revised 50091-G
Revised 50095-G	TABLE OF CONTENTS	Revised 50092-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 ..... 0.196%

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

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4611  
 DECISION NO. 11-04-032

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Feb 24, 2014  
 EFFECTIVE Apr 1, 2014  
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(TO BE INSERTED BY UTILITY)  
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ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

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(Continued)

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## Advice Letter 4611

### Attachment C - In-Kind Energy Charge Calculation

April 1st 2014 through June 30th 2014

	<u>Transmission Compression Fuel Usage</u> (Mcf)	<u>Official MCS Receipts *</u> (Mcf)	
<b>3 Month Total:</b>	<b>452,441</b>	<b>207,783,805</b>	
In-Kind Charge, %	= $\frac{\text{Actual Fuel}}{\text{Total Receipts}^*}$	= $\frac{452,441}{207,783,805}$	= 0.218%
	Minus	Minus	Minus
Adjustment **	= $\frac{(\text{Fuel Collections minus Actual Fuel})}{\text{Total Receipts}^*}$	= $\frac{44,947}{207,783,805}$	= 0.022%
<b>In-Kind Energy Update Charge for 2nd Qtr 2014</b>	=		<b>0.196%</b>

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

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