

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 4, 2014

Advice Letter 4616-G

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

Subject: Schedule No. G-CPS February 2014 Cash-Out Rates.

Dear Ms. Prince:

Advice Letter 4616-G is effective March 5, 2014.

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

March 5, 2014

Advice No. 4616
(U 904 G)

Public Utilities Commission of the State of California

Subject: Schedule No. G-CPS February 2014 Cash-Out Rates

Southern California Gas Company (SoCalGas) hereby submits for filing revisions to its Schedule No. G-CPS, California Producer Service (G-CPS), applicable throughout its service territory, as shown on Attachment B.

Purpose

This routine filing updates the Imbalance Cash-out Rates in G-CPS with rates for February 2014 as authorized by the California Public Utilities Commission's (Commission) approval, on February 11, 2014, of SoCalGas' Advice No. (AL) 4177-A which was filed in compliance with Resolution (Res.) G-3489 and is consistent with Decision (D.) 07-08-029 and D.10-09-001.

Background

SoCalGas filed AL 4177-A to implement the modifications ordered in Res. G-3489, D.07-08-029, and D.10-09-001. Consistent with these documents, SoCalGas included its new tariff, G-CPS, to cover SoCalGas' costs associated with providing services to California Producers. G-CPS also provides the rate calculation methodology for the monthly California Producer Imbalance Cash-out rates using gas price indices published by the Intercontinental Exchange (ICE).

Information

On February 11, 2014, the Commission approved G-CPS as part of AL 4177-A, along with other tariffs and agreement forms. The methodology in G-CPS that SoCalGas will use to determine the Imbalance Cash-out Rates is as follows:

California Producer Imbalance Cash-out Rates – These rates apply only to California Producers who have executed a CPOBA. From time to time a California Producer may incur a cumulative Operational Imbalance that is outside its Tolerance Band as defined in

Section 2.2 of the CPOBA. The California Producer will be given a 14-day Payback Period to bring its cumulative Operational Imbalance inside its Tolerance Band in accordance with Section 2.2 of the CPOBA. If at the end of the Payback Period any positive Operational Imbalance (over-deliveries) outside of the Tolerance Band still remains, then it will be subject to a cash-out paid by SoCalGas to the California Producer at the rate of 50% of the average of the Low California/Arizona border price index for delivery into SoCalGas ("Daily Index – SoCal Border") as reported by the Intercontinental Exchange ("ICE") (or its legal successor) for each day of the relevant seven (7)-day imbalance period (i.e., the day when the cumulative Operational Imbalance falls outside the Tolerance Band plus the immediately preceding six (6) calendar days). If at the end of the Payback Period any negative Operational Imbalance (under-deliveries) outside of the Tolerance Band still remains, then it will be subject to a cash-out paid by the California Producer to SoCalGas at the rate of 150% of the average of the High Daily Index – SoCal Border as reported by ICE (or its legal successor) for each day of the relevant seven (7)-day imbalance period as defined herein above. If, for any reason, ICE (or its legal successor) ceases to be available for a particular Payback Period, the cash-out rate will be based on another generally accepted available publication mutually agreed to in writing by SoCalGas and the California Producer.

The cash-out rate for monthly True-ups of Operational Imbalances, pursuant to Section 2.4 of the CPOBA, will be equal to the average of the Average Daily Index – SoCal Border as reported by ICE (or its legal successor) for each day of the True-up month. For a positive Operational Imbalance, the cash-out will be paid by SoCalGas to the California Producer. For a negative Operational Imbalance, the cash-out will be paid by the California Producer to SoCalGas. If, for any reason, ICE (or its legal successor) ceases to be available for a particular True-up period, the cash-out rate will be based on another generally accepted available publication mutually agreed to in writing by SoCalGas and the California Producer.

The Imbalance Cash-out Rates will be filed on or before the third business day of each month to be effective on the date filed. This filing updates the February 2014 Imbalance Cash-out Rates and includes the previous month's Imbalance Cash-out Rates. As this is the initial filing that updates the Imbalance Cash-out Rates, the prior month's Imbalance Cash-out Rates for January 2014 are also included in the tariff revisions. The Imbalance Cash-out Rates are reflected in the attached G-CPS tariff sheets.

Other Requested Tariff Revisions

In G-CPS, Special Conditions 5, the term "Index" in the table heading is corrected to "Indices" as follows:

150% of 7-Day Average of High Daily ~~Index~~ **Indices** (\$/therm)

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 March 25, 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
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). 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

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. SoCalGas respectfully requests that the tariff sheets filed herein be effective March 5, 2014, which is the date filed, and are to be applicable to the period of January 2014 through February 2014.

Notice

A copy of this advice letter is being sent to the parties listed on Attachment A, which includes interested parties in A.04-08-018.

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) #: 4616

Subject of AL: Schedule No. G-CPS February 2014 Cash-Out Rates

Keywords (choose from CPUC listing): Compliance; Non-Core

AL filing type: Monthly Quarterly Annual One-Time Other

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

G-3316

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: No _____

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 3/5/14

No. of tariff sheets: 4

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-CPS; and TOCs

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
EDTariffUnit@cpuc.ca.gov

Southern California Gas Company
Attention: Sid Newsom
555 West 5th Street, GT14D6
Los Angeles, CA 90013-1011
SNewsom@semprautilities.com
Tariffs@socalgas.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 4616

(See Attached Service List)

ATTACHMENT B
Advice No. 4616

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 50135-G	Schedule No. G-CPS, CALIFORNIA PRODUCER SERVICE, Sheet 7	Original 49719-G
Revised 50136-G	Schedule No. G-CPS, CALIFORNIA PRODUCER SERVICE, Sheet 8	Original 49720-G
Revised 50137-G	TABLE OF CONTENTS	Revised 49990-G
Revised 50138-G	TABLE OF CONTENTS	Revised 50134-G

Schedule No. G-CPS
CALIFORNIA PRODUCER SERVICE

Sheet 7

(Continued)

SPECIAL CONDITIONS (Continued)

5. (Continued)

Cash-out Rates Using Daily Index – SoCal Border as Reported by ICE:

January 2014 Flow Date	150% of 7-Day Average of High Daily Indices (\$/therm)	50% of 7-Day Average of Low Daily Indices (\$/therm)	Average Daily Index (\$/therm)
1	0.67661	0.22179	0.44200
2	0.67554	0.22121	0.44200
3	0.67618	0.22121	0.44707
4	0.67832	0.22136	0.45483
5	0.68046	0.22150	0.45483
6	0.68261	0.22164	0.45483
7	0.70071	0.22307	0.51463
8	0.70929	0.22607	0.48358
9	0.70929	0.22657	0.44711
10	0.70543	0.22521	0.42804
11	0.69530	0.22264	0.41111
12	0.68518	0.22007	0.41111
13	0.67505	0.21750	0.41111
14	0.65320	0.21521	0.43442
15	0.64398	0.21250	0.44509
16	0.64527	0.21271	0.45004
17	0.65234	0.21486	0.45894
18	0.66139	0.21771	0.45150
19	0.67045	0.22057	0.45150
20	0.67950	0.22343	0.45150
21	0.68314	0.22464	0.45150
22	0.68829	0.22586	0.46685
23	0.69664	0.22829	0.48565
24	0.70950	0.23079	0.50495
25	0.72129	0.23329	0.48975
26	0.73307	0.23579	0.48975
27	0.74486	0.23829	0.48975
28	0.76200	0.24264	0.51852
29	0.76864	0.24521	0.49812
30	0.77400	0.24736	0.51548
31	0.77614	0.25011	0.53170
Average for the Month	N/A	N/A	0.46411

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4616
DECISION NO.

ISSUED BY
Lee Schavrien
Senior Vice President

(TO BE INSERTED BY CAL. PUC)
DATE FILED Mar 5, 2014
EFFECTIVE Mar 5, 2014
RESOLUTION NO. G-3489

Schedule No. G-CPS
CALIFORNIA PRODUCER SERVICE

Sheet 8

(Continued)

SPECIAL CONDITIONS (Continued)

5. (Continued)

Cash-out Rates Using Daily Index – SoCal Border as Reported by ICE:

February 2014 Flow Date	150% of 7-Day Average of High Daily Indices (\$/therm)	50% of 7-Day Average of Low Daily Indices (\$/therm)	Average Daily Index (\$/therm)
1	0.78043	0.25154	0.51461
2	0.78471	0.25296	0.51461
3	0.78900	0.25439	0.51461
4	0.80936	0.25861	0.61569
5	0.89679	0.26968	0.77789
6	1.29964	0.34025	2.01659
7	1.42071	0.35107	0.75908
8	1.45714	0.36000	0.65148
9	1.49357	0.36893	0.65148
10	1.53000	0.37786	0.65148
11	1.57179	0.38714	0.78832
12	1.51714	0.38571	0.64111
13	1.12179	0.31714	0.54578
14	1.00179	0.30571	0.52904
15	0.97179	0.29957	0.55150
16	0.94179	0.29343	0.55150
17	0.91179	0.28729	0.55150
18	0.85500	0.27614	0.55150
19	0.83357	0.26964	0.54877
20	0.83893	0.27136	0.56845
21	0.85693	0.27671	0.61033
22	0.88693	0.28500	0.67387
23	0.91693	0.29329	0.67387
24	0.94693	0.30157	0.67387
25	0.98764	0.30857	0.70720
26	0.98229	0.30650	0.52216
27	0.97264	0.30371	0.53018
28	0.96214	0.29693	0.54767
Average for the Month	N/A	N/A	0.65836

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(TO BE INSERTED BY UTILITY)
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 Senior Vice President

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 EFFECTIVE Mar 5, 2014
 RESOLUTION NO. G-3489

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TABLE OF CONTENTS

(Continued)

G-PPPS	Public Purpose Programs Surcharge	49637-G,39517-G,39518-G
G-SRF	Surcharge to Fund Public Utilities Commission	
	Utilities Reimbursement Account	45362-G
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	49989-G,25006-G
G-PAL	Operational Hub Services	45363-G,45364-G,45365-G
G-CPS	California Producer Service	49713-G,49714-G,49715-G,49716-G
		49717-G,49718-G,50135-G,50136-G,49721-G

(TO BE INSERTED BY UTILITY)

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 Senior Vice President

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DATE FILED Mar 5, 2014
 EFFECTIVE Mar 5, 2014
 RESOLUTION NO. G-3489

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.

GENERAL

Cal. P.U.C. Sheet No.

Title Page	40864-G	
Table of Contents--General and Preliminary Statement	50138-G,49880-G, 49881-G	T
Table of Contents--Service Area Maps and Descriptions	41970-G	
Table of Contents--Rate Schedules	50128-G,50133-G,50137-G	T
Table of Contents--List of Cities and Communities Served	49509-G	
Table of Contents--List of Contracts and Deviations	49509-G	
Table of Contents--Rules	49743-G,49389-G	
Table of Contents--Sample Forms	49809-G,49608-G,47377-G,49859-G,49299-G	

PRELIMINARY STATEMENT

Part I General Service Information	45597-G,24332-G,24333-G,24334-G,48970-G
Part II Summary of Rates and Charges	50106-G,50107-G,50108-G,49893-G,49894-G,50109-G 50097-G,46431-G,46432-G,49636-G,50110-G,50111-G,50112-G,49899-G
Part III Cost Allocation and Revenue Requirement	45267-G,45268-G,45269-G,49900-G,49901-G
Part IV Income Tax Component of Contributions and Advances	49749-G,24354-G
Part V Balancing Accounts	
Description and Listing of Balancing Accounts	49855-G
Purchased Gas Account (PGA)	49671-G,49672-G
Core Fixed Cost Account (CFCA)	49709-G,49710-G
Noncore Fixed Cost Account (NFCA)	49711-G,49308-G
Enhanced Oil Recovery Account (EORA)	49712-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)	49309-G,49310-G
Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) .	49311-G,49312-G

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