PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



April 29, 2014

**Advice Letter 4629** 

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

## Subject: Daily Balancing Standby Rates for March 25-31 2014.

Dear Ms. Prince:

Advice Letter 4629 is effective April 1, 2014.

Sincerely, Eduard Randoph

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

April 1, 2014

Advice No. 4629 (U 904 G)

Public Utilities Commission of the State of California

## Subject: Daily Balancing Standby Rates for March 25-31, 2014

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 March 25, 2014 through March 31, 2014 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 March 1-31, 2014 the Utility's total inventory in storage was below the "peak day minimum + 20 Bcf trigger," so the five-day period does not apply. The work paper 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 April 21, 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 (<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.

> 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 April 1, 2014, which is the date filed, and are to be applicable to the period of March 25, 2014 through March 31, 2014.

#### **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

ENERGY UTILITY				
MUST BE COMPLE	MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)			
Company name/CPUC Utility No. SOU	THERN CALIFO	RNIA GAS COMPANY (U 904G)		
Utility type:	Contact Person: Si	id Newsom		
$\Box$ ELC $\Box$ GAS	Phone #: (213) 2 <u>44</u>	-2846		
<b>PLC HEAT WATER</b>				
EXPLANATION OF UTILITY T	YPE	(Date Filed/ Received Stamp by CPUC)		
ELC = Electric $GAS = Gas$				
	VATER = Water			
Advice Letter (AL) #: _4629				
Subject of AL: Daily Balancing Stand	 lby Rates for March	25-31, 2014		
<u></u>				
Keywords (choose from CPUC listing):	Compliance. Non-	core. Procurement		
AL filing type: Monthly Quarter				
If AL filed in compliance with a Comm	-	-		
D.97-11-070	ission or der, marea			
Does AL replace a withdrawn or rejected	ad AI ? If so identi	fy the prior AL <u>No</u>		
1 0				
Summarize differences between the AI	and the prior with	drawn or rejected AL <sup>1</sup> : N/A		
Does AL request confidential treatmen	t? If so, provide exp	lanation: No		
Resolution Required?  Yes No Tier Designation:  1 2 3				
Requested effective date: <u>4/1/14</u>		No. of tariff sheets: <u>4</u>		
Estimated system annual revenue effe	ct: (%): <u>N/A</u>			
Estimated system average rate effect (				
• •	attachment in AL	showing average rate effects on customer classes iting).		
Tariff schedules affected: G-IMB and T	ГОСѕ			
Service affected and changes proposed <sup>1</sup> : N/A				
Pending advice letters that revise the same tariff sheets: <u>4609, 4615, 4618, 4621, and 4623</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.,		555 West 5 <sup>th</sup> Street, GT14D6		
San Francisco, CA 94102		Los Angeles, CA 90013-1011		
EDTariffUnit@cpuc.ca.gov		<u>SNewsom@semprautilities.com</u> Fariffs@SoCalGas.com		
	<u>_</u>			

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

ATTACHMENT A

Advice No. 4629

(See Attached Service List)

## ATTACHMENT B Advice No. 4629

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 50220-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 50182-G
Revised 50221-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 6	Revised 50183-G
Revised 50222-G	TABLE OF CONTENTS	Revised 50218-G
Revised 50223-G	TABLE OF CONTENTS	Revised 50219-G

LOS ANGELES, CALIFORNIA CANCELING Revised

Revised CAL. P.U.C. SHEET NO. 50220-G Revised CAL. P.U.C. SHEET NO. 50182-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)

March 2014	Core Retail	Noncore Retail	Wholesale
Day	DB-CR	<u>DB-NR</u>	DB-W
11	\$0.73421	\$0.73536	\$0.73332
12	\$0.73879	\$0.73994	\$0.73789
13	\$0.71894	\$0.72009	\$0.71810
14	\$0.68842	\$0.68957	\$0.68766
15	\$0.67468	\$0.67583	\$0.67396
Period 3 High	N/A	N/A	N/A
16	\$0.67468	\$0.67583	\$0.67396
17	\$0.67468	\$0.67583	\$0.67396
18	\$0.71437	\$0.71552	\$0.71353
19	\$0.70673	\$0.70788	\$0.70592
20	\$0.71894	\$0.72009	\$0.71810
Period 4 High	N/A	N/A	N/A
21	\$0.71284	\$0.71399	\$0.71201
22	\$0.72658	\$0.72773	\$0.72571
23	\$0.72658	\$0.72773	\$0.72571
24	\$0.72658	\$0.72773	\$0.72571
25	\$0.72810	\$0.72925	\$0.72723
Period 5 High	N/A	N/A	N/A
26	\$0.76474	\$0.76589	\$0.76377
27	\$0.72810	\$0.72925	\$0.72723
28	\$0.70979	\$0.71094	\$0.70897
29	\$0.71131	\$0.71246	\$0.71049
30	\$0.71131	\$0.71246	\$0.71049
31	\$0.71131	\$0.71246	\$0.71049
Period 6 High	N/A	N/A	N/A
		(Continued)	
		ISSLIED BY	(TO BE INSERTED BY C

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4629 DECISION NO. 97-11-070 ISSUED BY Lee Schavrien Senior Vice President

(TO BE INSERTED BY CAL. PUC) DATE FILED <u>Apr 1, 2014</u> EFFECTIVE <u>Apr 1, 2014</u> RESOLUTION NO. С

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LOS ANGELES, CALIFORNIA CANCELING

50183-G CAL. P.U.C. SHEET NO.

## Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 6

(Continued)

RATES (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm (Continued)

Note: For the days of March 1-31, 2014, the Utility's total inventory in storage was below the "peak day minimum + 20 Bcf trigger," so the five-day period does not apply.

## **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) DATE FILED Apr 1, 2014 Apr 1, 2014 EFFECTIVE **RESOLUTION NO.** 

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(Continued)

(TO BE INSERTED BY CAL. PUC)			
DATE FILED	Apr 1, 2014		
EFFECTIVE	Apr 1, 2014		
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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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4629 DECISION NO. 97-11-070 1H6

(Continued)

ISSUED BY Lee Schavrien Senior Vice President

(TO BE INSERTED BY CAL. PUC)			
DATE FILED	Apr 1, 2014		
EFFECTIVE	Apr 1, 2014		
RESOLUTION NO.			

# ATTACHMENT C ADVICE NO. 4629 RATE CALCULATION WORK PAPER DAILY BALANCING STANDBY RATE FILING EFFECTIVE MARCH 25-31, 2014

Daily Balancing Standby Rate = 150% x (NGI's Price Index + F&U Charge) + Brokerage Fee F&U Charge is 1.7638% of NGI's Price Index for Retail and 1.4809% for Wholesale Brokerage Fee is 0.151 cents for Core Retail; 0.266 cents for Noncore Retail/Wholesale

March	NGI's	Daily Balancing Standby Rates		
Day	Price Index	<u>Core Retail</u>	Noncore Retail	<u>Wholesale</u>
1	\$0.67500	\$1.03187	\$1.03302	\$1.03015
2	\$0.67500	\$1.03187	\$1.03302	\$1.03015
3	\$0.67500	\$1.03187	\$1.03302	\$1.03015
4	\$0.92500	\$1.41348	\$1.41463	\$1.41071
5	\$0.72600	\$1.10972	\$1.11087	\$1.10779
6	\$0.55000	\$0.84106	\$0.84221	\$0.83988
8 7	\$0.51000	\$0.78000	\$0.78115	\$0.77899
8	\$0.47600	\$0.72810	\$0.72925	\$0.72723
9	\$0.47600	\$0.72810	\$0.72925	\$0.72723
10	\$0.47600	\$0.72810	\$0.72925	\$0.72723
11	\$0.48000	\$0.73421	\$0.73536	\$0.73332
12	\$0.48300	\$0.73879	\$0.73994	\$0.73789
13	\$0.47000	\$0.71894	\$0.72009	\$0.71810
14	\$0.45000	\$0.68842	\$0.68957	\$0.68766
15	\$0.44100	\$0.67468	\$0.67583	\$0.67396
16	\$0.44100	\$0.67468	\$0.67583	\$0.67396
17	\$0.44100	\$0.67468	\$0.67583	\$0.67396
18	\$0.46700	\$0.71437	\$0.71552	\$0.71353
19	\$0.46200	\$0.70673	\$0.70788	\$0.70592
20	\$0.47000	\$0.71894	\$0.72009	\$0.71810
21	\$0.46600	\$0.71284	\$0.71399	\$0.71201
22	\$0.47500	\$0.72658	\$0.72773	\$0.72571
23	\$0.47500	\$0.72658	\$0.72773	\$0.72571
24	\$0.47500	\$0.72658	\$0.72773	\$0.72571
25	\$0.47600	\$0.72810	\$0.72925	\$0.72723
26	\$0.50000	\$0.76474	\$0.76589	\$0.76377
27	\$0.47600	\$0.72810	\$0.72925	\$0.72723
28	\$0.46400	\$0.70979	\$0.71094	\$0.70897
29	\$0.46500	\$0.71131	\$0.71246	\$0.71049
30	\$0.46500	\$0.71131	\$0.71246	\$0.71049
31	\$0.46500	\$0.71131	\$0.71246	\$0.71049

(All rates are per therm)