

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 24, 2015

**Advice Letter 4758-G**

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

**SUBJECT: Request to Continue SoCal Gas Interstate Pipeline Capacity Acquisition  
Procedures for Another Three-Year Period**

Dear Ms. Prince:

Advice Letter 4758-G is effective as of March 15, 2015.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph  
Director, Energy Division



**Rasha Prince**  
Director  
Regulatory Affairs

555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011  
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February 13, 2015

Advice No. 4758  
(U 904 G)

**Subject: Request to Continue SoCalGas Interstate Pipeline Capacity Acquisition Procedures for an Additional Three-Year Period**

**Purpose**

In compliance with California Public Utilities Commission (Commission) Decision No. (D.) 04-09-022, Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) hereby request continuation of the interstate pipeline capacity contract acquisition procedures adopted in D.04-09-022, as modified by the Commission in response to Advice No. (AL) 3969, for an additional three years.

**Background**

In D.04-09-022, the Commission established interstate pipeline contract acquisition procedures for SoCalGas, SDG&E, and Pacific Gas and Electric Company for an initial period of five years. These procedures include authorized capacity planning ranges, and consultation, review, and approval processes for new interstate capacity commitments.<sup>1</sup> The interstate pipeline contract acquisition procedures established in D.04-09-022 have created a more efficient and cost-effective capacity acquisition process while preserving reliability of service. Moreover, the procedures have resulted in significant savings for SoCalGas and SDG&E core customers through, among other things, the negotiation of discounted contracts for interstate pipeline capacity.

In D.04-09-022, the Commission authorized the utilities to file an advice letter requesting the continuation or modification of these interstate pipeline contract acquisition procedures. In March of 2009, SoCalGas filed AL 3969 seeking to continue the procedures for an additional three years, with one minor change to the authorized capacity planning ranges

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<sup>1</sup> See D.04-09-022, mimeo., at 21-35.

that are part of the procedures.<sup>2</sup> Specifically, SoCalGas asked the Commission to eliminate the annual average minimum firm interstate pipeline capacity requirement, and instead require SoCalGas and SDG&E to hold firm interstate pipeline capacity that during the spring and summer months is no less than 90% of their forecasted core procurement annual average daily load, and during the fall and winter months is no less than 100% of their forecasted core procurement annual average daily load. SoCalGas did not propose changing the existing annual average maximum of 120%. SoCalGas also asked for the ability to seek a further continuation of the procedures through another advice filing. The Commission approved AL 3969 on April 3, 2009.

The Energy Division, in its disposition letter dated May 3, 2012, approved AL 4350 which requested a three-year extension to the interstate pipeline contract acquisition procedures for both SoCalGas and SDG&E.

### **Proposal**

SoCalGas respectfully requests that the Commission authorize the continuation of these existing interstate pipeline contract acquisition procedures for SoCalGas and SDG&E for an additional three years. SoCalGas is not seeking any changes to the current procedures, just a continuation. SoCalGas also requests that it be authorized to file an advice letter before the end of this additional three-year period requesting the continuation or modification of these interstate pipeline contract acquisition procedures.

This filing will not create any deviations from SoCalGas' tariffs, cause withdrawal of service from any present customer, or impose any more or less restrictive conditions.

### **Protests**

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 of this advice letter, which is March 5, 2015. 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

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<sup>2</sup> As with this current request, SoCalGas filed AL 3969 on behalf of itself and SDG&E. Pursuant to D.07-12-019, the core procurement portfolios of SoCalGas and SDG&E have been combined and are now managed by SoCalGas.

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 email 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)

Attn: Michael Franco  
Regulatory Case Manager – GT14D6  
555 West Fifth Street  
Los Angeles, CA 90013-1011  
Facsimile No. (213) 244-4957  
E-Mail: [mfranco@semprautilities.com](mailto:mfranco@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) and respectfully requests that this compliance filing be approved on March 15, 2015, which is 30 days after the date filed and the continuation of the interstate pipeline contract acquisition procedures become effective on April 1, 2015.

### **Notice**

A copy of this advice letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list in R.04-01-025, Gas Market OIR proceeding. Address change requests to the GO 96-B should be directed by electronic mail to [tariffs@socalgas.com](mailto:tariffs@socalgas.com) or call 213-244-3387. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or by electronic mail at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov).

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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) #: 4758

Subject of AL: Request to Continue SoCalGas Interstate Pipeline Capacity Acquisition Procedures for Another Three-Year Period

Keywords (choose from CPUC listing): Contracts

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other Every Three Years

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

D.04-09-022

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: 3/15/15, AL; 4/1/15 Contract

No. of tariff sheets: 0

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: None

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

**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.