

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 5, 2015

**Advice Letter 4779**

Ronald van der Leeden  
Director, Regulatory Affairs  
Southern California Gas  
555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011

**Subject: Low-Carbon Fuel Standard (LCFS) Program Implementation Plan  
and Establishment of the LCFS Balancing Account (LCFSBA)**

Dear Mr. Leeden:

Advice Letter 4779 is effective July 30, 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  
Tel: 213.244.5141  
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*RPrince@semprautilities.com*

March 18, 2015

Advice No. 4779  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Low-Carbon Fuel Standard (LCFS) Program Implementation Plan and Establishment of the LCFS Balancing Account (LCFSBA)**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) the following implementation plan for the sale of natural gas LCFS credits, including revisions to its tariffs, as shown on Attachment A.<sup>1</sup>

**Purpose**

In accordance with Decision (D.) 14-12-083 Ordering Paragraph (OP) 3 and D.14-05-021 OP 2,<sup>2</sup> this filing provides upfront standards and plans for the sale of natural gas LCFS credits, establishes a Low-Carbon Fuel Standard Balancing Account (LCFSBA), revises Rate Schedule No. G-NGV, Natural Gas Service for Motor Vehicles, to provide for a LCFS credit, and includes other implementation plan requirements.

**Background**

On May 19, 2014, the Commission issued D.14-05-021, in which OP 1 authorized SoCalGas to sell LCFS credits according to the parameters and restrictions set forth in Appendix A. OP 7 of D.14-05-021 authorized the utilities to establish balancing accounts to track LCFS credit revenue, while OP 6 authorized recovery of costs associated with administering the sale of LCFS credits upon their approval in this Advice Letter (AL).

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<sup>1</sup> San Diego Gas & Electric Company (SDG&E) is also filing separate implementation plans for their NGV LCFS program (AL 2370-G) and their Electric Vehicle LCFS program (AL 2716-E).

<sup>2</sup> As modified by D.14-07-003.

On December 23, 2014, the Commission issued D.14-12-083, in which OP 2 authorized SoCalGas to return to customers revenue from the sale of natural gas LCFS credits as either a reduction in the fuel price at the point-of-sale at utility-owned compressed natural gas (CNG) refueling stations or a reduction in the volumetric energy rate levied on natural gas used for refueling natural gas vehicles for customers. OP 3 included the list of items that SoCalGas was directed to comprehensively address in its Implementation Plan. The Implementation Plan was directed to also include any information required by D.14-05-021. Appendix A of D.14-12-083 provided a comprehensive listing of the items to be included in the Implementation Plan.

### **Upfront Standards and Plans for the Sale of LCFS Credits**

D.14-05-021 required utilities participating in the LCFS regulation to include as part of their upfront standards and plans for the sale of LCFS credits: 1) a description of the proposed limits on the volume of LCFS credits to be sold at any given time, the planned timing of LCFS credit sales, and any proposed limitations on the transactional length of LCFS credit sales, 2) a description of the process for selecting brokers, and 3) proposed credit and collateral requirements.

SoCalGas will limit the sale of natural gas LCFS credits to only those LCFS credits that have been generated as of the date of the sale. Individual transaction volumes will not exceed 50% of the portfolio size as of the last day of the prior calendar year.

D.14-05-021 allowed SoCalGas to “sell LCFS credits through competitive solicitations (requests for proposals) or via bilateral transactions presented by a broker registered with the Commodity Futures Trading Commission” (CFTC).<sup>3</sup> The CFTC, however, does not provide registration for brokers who deal with LCFS credits. D.14-05-021 further provided that the Commission would “consider alternate sale methods, with appropriate justification, in the utilities’ Tier 2 AL filings...”<sup>4</sup> In order to protect customers, SoCalGas will select natural gas LCFS brokers that have been established in brokering LCFS credits for at least one year.

SoCalGas will use the same credit and collateral requirements used in selling other products. No credit and collateral requirements will be necessary if payment is made in advance of LCFS credit transfer.

### **Establishment of the LCFSBA**

As authorized by OP 7 of D.14-05-021, the purpose of the LCFSBA is to track LCFS credit revenue. The LCFSBA will record the administrative costs approved by this AL

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<sup>3</sup> D.14-05-021, page 14.

<sup>4</sup> *Id.*

and the revenue generated from the utilities' sale of LCFS credits. The preliminary statement is included in Attachment A to this AL.

**Forecast of LCFS Credit Revenues, Number of Customers Receiving Revenue, Amounts to be Disbursed, and Balancing Account True-Up**

SoCalGas opted in to the California Air Resources Board (ARB) LCFS program to generate natural gas LCFS credits in 2013. However, the ARB allowed SoCalGas to retro-actively generate credits for natural gas dispensed on or after January 1, 2011.

As a result, SoCalGas has generated LCFS credits equivalent to 20,741 metric tons of carbon dioxide equivalents through the end of 2014.

During 2014, SoCalGas generated LCFS credits equivalent to 6,401 metric tons of carbon dioxide equivalents. The latest monthly LCFS credit transfer activity report (January 2015) published by the ARB showed LCFS credit prices ranging from an average of \$17 per metric ton to \$55 per metric ton from 2012 through 2014.

Assuming the level of LCFS credit generation is constant for SoCalGas and average LCFS credit prices are within historical reported averages, future annual LCFS credit revenues are expected to range from \$109,000 to \$352,000. Actual annual LCFS credit revenues may be lower or higher depending on the actual volumes dispensed at utility-owned CNG vehicle refueling stations and actual LCFS credit prices at the time of LCFS credit sales.

Since SoCalGas public access CNG vehicle refueling stations are open to the general public, the number of customers served in any one year cannot be accurately predicted. However, in 2014, SoCalGas recorded 6,377 discrete credit card transactions, which is a reasonable proxy for individual customers.

SoCalGas will not be able to provide customers with LCFS credit revenue in 2015, since it will take some time after the approval of this AL to sell enough credits to generate a meaningful LCFS credit. However, LCFS credit revenue is planned to be generated and incorporated into the pump price at SoCalGas public access CNG stations effective January 1, 2016.

Per OP 5 of D.14-12-083, SoCalGas will file an AL on September 30 of each year providing estimates of LCFS credits and revenues for the following year, including the estimated amount of revenues to be distributed to customers through the amortization of the LCFSBA balance accumulated in the current year. The amortization will be accomplished by applying a "LCFS Rate Credit" to reduce the fuel price at the utility-owned CNG stations.

**Proposed Plan to Distribute LCFS Credit Revenues to Customers**

D.14-12-083 provided SoCalGas with two options for returning LCFS credit revenues to customers: either (1) a reduction in the fuel price at the point-of-sale at utility-

owned CNG refueling stations or (2) a reduction in the volumetric energy rate levied on natural gas used for refueling natural gas vehicles for customers. SoCalGas has opted into the LCFS program and is generating credits for natural gas that is used at utility-owned CNG stations. Therefore, it is most appropriate for SoCalGas to return the revenues generated from those credits to users of its CNG stations through a reduction of the fuel price at those stations. The following are responses to the Implementation Plan questions posed by OP 3 of D.14-12-083, which provide the comprehensive details regarding SoCalGas' LCFS credit revenue return plan.

#### Generating LCFS Credits

SoCalGas currently generates natural gas LCFS credits from CNG dispensed at twenty (20) utility-owned CNG vehicle refueling stations. All utility-owned CNG vehicle refueling stations are used to fuel the utility fleet and eleven (11) are open to the general public, as listed below in Table 1.

**Table 1 – SoCalGas CNG Vehicle Refueling Stations**

<b>SoCalGas Base</b>	<b>Address</b>	<b>City</b>	<b>Zip Code</b>	<b>Type</b>
182nd Street	2929 182nd Street	Redondo Beach	90278	Private
Bakersfield	1510 N. Chester Avenue	Bakersfield	93308	Private
Chatsworth	9400 Oakdale Avenue	Chatsworth	91311	Private
Chino	13525 12th Street	Chino	91710	Private
Crenshaw	3124 W. 36th Street	Los Angeles	90018	Private
Huntington Park	6301 Regent Street	Huntington Park	90255	Private
Palm Desert	75095 Mayfair Drive	Palm Desert	92211	Private
San Bernardino	159 S. "G" Street	San Bernardino	92410	Private
Yukon	3400 W. El Segundo Blvd.	Hawthorne	90250	Private
Azusa	950 N. Todd Avenue	Azusa	91702	Public
Compton	701 N. Bullis Road	Compton	90221	Public
ERC	9240 E. Firestone Blvd.	Downey	90241	Public
Garden Grove	12631 S. Monarch Street	Garden Grove	92841	Public
Lancaster	44416 Division Street	Lancaster	93535	Public
Oxnard	1650 Mountain View Ave.	Oxnard	93030	Public

Pico Rivera	8101 Rosemead Blvd.	Pico Rivera	90660	Public
Riverside	4495 Howard Avenue	Riverside	92507	Public
San Pedro	755 Capitol Drive	San Pedro	90731	Public
Santa Barbara	630 E. Montecito Street	Santa Barbara	93103	Public
Van Nuys	16645 Saticoy Street	Van Nuys	91406	Public

Natural gas LCFS credits are currently generated at utility-owned CNG vehicle refueling stations in two basic ways – public fueling and private utility fleet fueling. The ARB has approved SoCalGas’ methodology for generating natural gas LCFS credits generated by both types of fueling.

The number of natural gas LCFS credits generated by public fueling are calculated based on individual fueling transactions at each facility. The LCFS credits generated are dependent on the types of vehicles fueling – distinguished as either a) light- and medium-duty vehicles (LDV/MDV) or b) heavy-duty vehicles (HDV) operating with spark-ignition engines. These vehicles have different energy economy ratios (EERs) applied to them in the credit calculation. The EER accounts for the difference in the efficiency of a conventional internal combustion engine vehicle operating on either gasoline or diesel and an alternative fuel vehicle. Public stations are unattended and do not track individual vehicles, as this would be impractical. However, individual fueling transaction volumes are used as a proxy to determine which type of vehicle is likely to be fueling. The ARB has approved a cutoff of 30 gasoline gallon equivalents (GGEs) to distinguish between the types of vehicles refueling:

- If the fueling transaction is less than 30 GGEs, then the volume dispensed is assumed to be consumed in a light- or medium-duty vehicle; or
- If the fueling transaction is greater than or equal to 30 GGEs, then the volume is assumed to be consumed in a heavy-duty vehicle

The number of natural gas LCFS credits generated by private utility fleet fueling are calculated based on the fleets total fuel use and the ratio of LDV/MDV-to-HDV vehicles in the utility fleet. Both the total fuel consumption of the fleet and the individual vehicle types are known. Based on historical use over a span of 12 months, a ratio of LDV/MDV-to-HDV fuel consumption was developed and is applied to total fleet fuel consumption to calculate the LCFS credits.

Natural gas LCFS credits may, at some time in the future, be generated at CNG vehicle stations whose operators decide not to opt in to the LCFS program themselves, but rather choose to assign their fuel use to the local gas utility. Since it is unknown what type of vehicle data the CNG vehicle station operator will be able to share with the utility, it is unknown how these credits will be generated at this time.

However, it is expected that the methodology will be similar to the methodologies outlined above for both public and private utility fleet fueling. Regardless, any methodology that does not directly conform to those outlined in LCFS regulations will require the ARB's review and approval. SoCalGas is developing a form that will allow 3rd party CNG vehicle refueling station operators to assign LCFS credits associated with natural gas dispensed at their facility to SoCalGas.

#### Returning LCFS Credit Revenue to Customers

SoCalGas will return the net revenues from the sale of natural gas LCFS credits to customers fueling at utility-owned public access CNG vehicle refueling stations by reducing the pump price for any customer that fuels at these stations. The amount of the "LCFS Rate Credit" will be determined on an annual basis by dividing the public access compression volumes developed in the most recent cost allocation proceeding into the net revenues generated from the sale of natural gas LCFS credits in the previous year. In SoCalGas' 2009 Biennial Cost Allocation Proceeding Decision, D.09-11-006, SoCalGas and SDG&E began charging a Sempra-wide rate to NGV customers. This was calculated by averaging the costs allocated to NGV service at both utilities over the combined NGV throughput volumes of the two utilities. Similarly, SoCalGas and SDG&E will calculate their annual LCFS credits on a Sempra-wide basis.

SoCalGas includes in Attachment A a modified Rate Schedule G-NGV that creates a separate "LCFS Rate Credit" under the G-NGV "Commodity and Transmission Charges" section entitled "Utility-Funded Fueling Station" used to set pump prices at utility-owned public access CNG vehicle refueling stations. Since no credit will be returned in 2015, the G-NGV LCFS Credit is initially 0.000 cents. However, LCFS credits will be sold in 2015 and the "LCFS Rate Credit" is planned to be updated to refund 2015 net LCFS revenues in NGV rates, effective January 1, 2016.

#### Tracking and Trueing-up Revenues and Disbursements from the Program

Any differences between the net revenues associated with the sale of LCFS Credits and the distribution of those amounts to NGV customers due to sales volume variances or differences between actual and forecasted LCFSBA balances that are incorporated in current NGV rates will be recorded in the LCFSBA. The forecasted year-end balance in the LCFSBA will be used in determining the subsequent year's "LCFS Rate Credit" in connection with SoCalGas' Annual LCFS filing by September 30.

#### LCFS Outreach

SoCalGas will return LCFS revenue to all customers that fuel at utility-owned public access CNG vehicle refueling stations. As such, there is no need to inform customers of their eligibility since all customers are automatically eligible. However,

NGV station operators will appreciate information on the LCFS Program. SoCalGas is currently developing a LCFS “fact sheet” to help NGV station operators understand what the LCFS program is and how they can either opt in to the LCFS program themselves or assign their credits to SoCalGas. NGV station operators and customers that fuel at utility-owned public access CNG vehicle refueling stations will be provided the fact sheet in a variety of ways, including but not limited to, the utility website, traditional mail, e-mail, and/or “face to face” visits with Account Managers. Any material that SoCalGas generates encouraging customers to either opt in to the LCFS program or assign their credits to SoCalGas will recognize that the state of California, not SoCalGas, is the origin of the credits.

#### Receiving and Distributing Credits Generated by Non-residential Customers

SoCalGas does not make a distinction between residential and non-residential customers with respect to CNG vehicle refueling and associated natural gas LCFS credit generation and revenue distribution. Both residential and non-residential customers can and do fuel at utility-owned CNG vehicle refueling stations and will equally benefit from the LCFS credit applied to the price at the pump.

#### Returning Revenue to Customers that Refuel At Their Own Facilities

Customers that refuel their natural gas vehicles at their own facilities can opt in to the LCFS Program directly, generate credits, and sell them. Alternatively, customers that refuel their natural gas vehicles at their own facilities can assign their fuel use to SoCalGas. Any customer that fuels at utility-owned public access CNG stations will receive LCFS revenues in the form of a lower pump price.

#### Estimated 2015 and 2016 Administrative Costs

SoCalGas estimates LCFS administrative costs of \$18,000 per year in 2015 and 2016 to quantify, generate and broker the sale of LCFS credits.<sup>5</sup> Actual administrative costs will be recorded in the LCFSBA.

#### 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 of this Advice Letter or April 7, 2015.

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<sup>5</sup> SoCalGas and SDG&E use a single contractor to manage the generation of credits for all utility-owned CNG stations. These administrative costs will be allocated based on the percentage of credits each utility generates. Brokerage cost estimates assume a broker fee of \$0.50 per metric ton sold. Credit generation assumed constant for 2014, 2015, and 2016.



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

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 that this filing is subject to Energy Division disposition and, per OP 3 of D.14-12-083, is classified as Tier 2. SoCalGas respectfully requests that this filing become effective on April 17, 2015, which is 30 days from the date filed.

### **Notice**

A copy of this advice letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list for R.11-03-012. 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) #: 4779

Subject of AL Low-Carbon Fuel Standard (LCFS) Program Implementation Plan and Establishment of the LCFS Balancing Account (LCFSBA)

Keywords (choose from CPUC listing): Balancing Account, Balancing Account

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

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

D.14-12-083 and D.14-05-021

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: 4/17/15

No. of tariff sheets: 7

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: PS V, Low Carbon Fuel Standard Balancing Account, G-NGV, and TOCs

Service affected and changes proposed<sup>1</sup>

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. 4779

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 51363-G	PRELIMINARY STATEMENT - PART V - BALANCING ACCOUNTS, DESCRIPTION AND LISTING OF BALANCING ACCOUNTS, Sheet 1	Revised 51259-G
Original 51364-G	PRELIMINARY STATEMENT - PART V - BALANCING ACCOUNTS, LOW CARBON FUEL STANDARD BALANCING ACCOUNT (LCFSBA), Sheet 1	
Revised 51365-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates), Sheet 2	Revised 51341-G
Revised 51366-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates), Sheet 5	Original 42523-G
Revised 51367-G	TABLE OF CONTENTS	Revised 51344-G
Revised 51368-G	TABLE OF CONTENTS	Revised 51362-G
Revised 51369-G	TABLE OF CONTENTS	Revised 51263-G

PRELIMINARY STATEMENT - PART V - BALANCING ACCOUNTS  
DESCRIPTION AND LISTING OF BALANCING ACCOUNTS

Sheet 1

A. GENERAL

Balancing accounts are those regulatory accounts where authorized expenses are compared with revenues from rates designed to recover those expenses. The resulting under or overcollection, plus interest calculated in the manner described in Preliminary Statement, Part I, is recorded on the Utility's financial statements as an asset or liability, which is owed from or due to the ratepayers. Balances in balancing accounts are to be amortized in rates.

B. LISTING OF BALANCING ACCOUNTS

- Purchased Gas Account (PGA)
- Core Fixed Cost Account (CFCA)
- Noncore Fixed Cost Account (NFCA)
- Enhanced Oil Recovery Account (EORA)
- Noncore Storage Balancing Account (NSBA)
- California Alternate Rates for Energy Account (CAREA)
- Hazardous Substance Cost Recovery Account (HSCRA)
- Gas Cost Rewards and Penalties Account (GCRPA)
- Pension Balancing Account (PBA)
- Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA)
- Research Development and Demonstration Gas Surcharge Account (RDDGSA)
- Demand Side Management Balancing Account (DSMBA)
- Direct Assistance Program Balancing Account (DAPBA)
- Integrated Transmission Balancing Account (ITBA)
- Compressor Station Fuel and Power Balancing Account (CFPBA)
- Distribution Integrity Management Program Balancing Account (DIMPBA)
- Rewards and Penalties Balancing Account (RPBA)
- On-Bill Financing Balancing Account (OBFBA)
- Company Use Fuel for Load Balancing Account (CUFLBA)
- Backbone Transmission Balancing Account (BTBA)
- Advanced Metering Infrastructure Balancing Account (AMIBA)
- New Environmental Regulation Balancing Account (NERBA)
- Transmission Integrity Management Program Balancing Account (TIMPBA)
- Post-2011 Distribution Integrity Management Program Balancing Account (POST-2011 DIMPBA)
- Compression Services Balancing Account (CSBA)
- Biogas Conditioning/Upgrading Services Balancing Account (BCSBA)
- Master Meter Balancing Account (MMBA)
- Safety Enhancement Capital Cost Balancing Account (SECCBA)
- Safety Enhancement Expense Balancing Account (SEEBA)
- Greenhouse Gas Balancing Account (GHGBA)
- Advanced Meter Opt-Out Program Balancing Account (AMOPBA)
- Low-Carbon Fuel Standard Balancing Account (LCFSBA)

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(TO BE INSERTED BY UTILITY)  
 ADVISE LETTER NO. 4779  
 DECISION NO. 14-12-083 & 14-05-021

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Mar 18, 2015  
 EFFECTIVE Jul 30, 2015  
 RESOLUTION NO. \_\_\_\_\_



Schedule No. G-NGV

Sheet 2

NATURAL GAS SERVICE FOR MOTOR VEHICLES  
 (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates)

(Continued)

RATES (Continued)

Commodity and Transmission Charges (Continued)

Utility-Funded Fueling Station

G-NGC Compression Surcharge, per therm ..... 105.002¢

Low Carbon Fuel Standard (LCFS) Rate Credit, per therm <sup>4/</sup> ..... 0.000¢

The G-NGC Compression Surcharge and LCFS Rate Credit will be added to the G-NGU Uncompressed rate per therm, or the G-NGUC Uncompressed rate per therm as applicable, as indicated in the Customer-Funded Fueling Station section above. The resultant total compressed rate is:

G-NGU plus G-NGC and LCFS Rate Credit, compressed per therm ..... 151.238¢

G-NGUC plus G-NGC and LCFS Rate Credit, compressed per therm .... 151.238¢

Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by the Utility from a Utility-funded fueling station.

For billing purposes, the number of therms compressed at a Utility-funded station, will be expressed in gasoline gallon equivalents at the dispenser.

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

Late Payment Charge

A late payment charge may be added to a customer's bill whenever a customer fails to pay for services under this schedule as set forth in Rule No. 12, Payment of Bills, and for CAT customers, as set forth in Rule No. 32.

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise fees or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

4/ As set forth in Special Condition 18.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4779  
 DECISION NO. 14-12-083 & 14-05-021

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Mar 18, 2015  
 EFFECTIVE Jul 30, 2015  
 RESOLUTION NO. \_\_\_\_\_

Schedule No. G-NGV

Sheet 5

NATURAL GAS SERVICE FOR MOTOR VEHICLES  
 (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates)

(Continued)

SPECIAL CONDITIONS (Continued)

Applicable to Transportation-Only Customers (Continued)

13. Gas Imbalance Service: Transportation Imbalance Service shall be provided to the customer, the customer's ESP or marketer/shipper under Schedule No. G-IMB.
14. Customer Responsible for Billing Under Core Aggregation Transportation: The customer is ultimately responsible for the payment of billing charges assessed to the customer's aggregator for services rendered under this schedule. See Rule No. 32 for further details.
15. Gas Exchange Arrangements: Customers having existing gas exchange arrangements with the Utility must exchange the maximum amount of gas allowable under those arrangements prior to the delivery of customer-owned natural gas to the Utility for transportation, unless otherwise agreed to by the Utility.
16. Core Aggregation Transportation Customer Notices and Billing: SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the electronic Service Request DASR effective with the implementation of D.98-02-108, that SoCalGas bill the ESP or marketer/shipper for all charges.
17. Disputed Bills: All disputes between customers and their Aggregator shall be resolved solely by customers and the Aggregator, and such disputes shall not be subject to Commission jurisdiction. All disputes between the Utility and customers or between the Utility and Aggregators shall be subject to Commission jurisdiction.
18. LCFS Rate Credit: The LCFS Rate Credit was authorized by the CPUC in D. 14-12-083 for returning to customers of Utility-Funded Fueling Stations the revenue arising from SoCalGas' sale of LCFS emissions credits. LCFS emissions credits are either generated when CNG vehicles refuel at utility owned CNG refueling stations or are assigned to SoCalGas by third-party customers.

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(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4779  
 DECISION NO. 14-12-083 & 14-05-021

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 SUBMITTED Mar 18, 2015  
 EFFECTIVE Jul 30, 2015  
 RESOLUTION NO. \_\_\_\_\_

TABLE OF CONTENTS

<u>Schedule Number</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
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 Senior Vice President

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