

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 14, 2016

Advice Letter 4939

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

Subject: February 2016 Standby Procurement Charges

Dear Mr. van der Leeden:

Advice Letter 4939 is effective as of March 22, 2016.

Sincerely,

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

Edward Randolph
Director, Energy Division



Ronald van der Leeden
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
Tel: 213.244.2009
Fax: 213.244.4957
RvanderLeeden@semprautilities.com

March 22, 2016

Advice No. 4939
(U 904 G)

Public Utilities Commission of the State of California

Subject: February 2016 Standby Procurement Charges

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) revisions to its tariff schedules, applicable throughout its service territory, as shown in Attachment A.

Purpose

This routine monthly filing updates the Standby Procurement Charges in Schedule No. G-IMB for February 2016.

Background

Resolution G-3316, dated May 24, 2001, and Advice No. 4133, filed on July 2, 2010, and effective on August 1, 2010, revised the Schedule No. G-IMB Standby Procurement Charge for negative monthly transportation imbalances that exceed the 10% tolerance band. The Standby Procurement Charges are:

1. Calculated at 150% of the highest daily border price index at the Southern California border for the period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.160¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from “NGL’s Daily Gas Price Index - Southern California Border Average” and “ICE Daily Indices - SoCal Border.”
2. Calculated for a period that begins from the first day of the “flow month” (the month that the imbalance is incurred) and ends five days prior to the start of the imbalance trading period.

3. Posted at least one day in advance of the imbalance trading period.

Information

For the “flow month” of February 2016 (covering the period February 1, 2016, to March 20, 2016), the highest daily border price index at the Southern California border is \$2.3015 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.34788 per therm for noncore retail service and all wholesale service, and \$0.34682 per therm for core retail service. The work paper showing details of the calculation of these rates is incorporated herein as Attachment B.

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 of this Advice Letter, which is April 11, 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). 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

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 made effective March 22, 2016, the date filed, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is March 25, 2016.

Notice

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list. Address change requests to the GO 96-B should be directed by electronic mail to tariffs@socalgas.com or call 213-244-3387.

Ronald van der Leeden
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) #: 4939

Subject of AL: February 2016 Standby Procurement Charges

Keywords (choose from CPUC listing): Preliminary Statement; Standby Service; Procurement

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: 3/22/16

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: Preliminary Statement, Part II; Schedule G-IMB; and TOCs

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 4928 and 4931

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. 4939

| Cal. P.U.C. Sheet No. | Title of Sheet | Cancelling Cal. P.U.C. Sheet No. |
|--------------------------|---|-------------------------------------|
| Revised 52434-G | PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6 | Revised 52412-G |
| Revised 52435-G | Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2 | Revised 52376-G |
| Revised 52436-G | TABLE OF CONTENTS | Revised 52426-G |
| Revised 52437-G | TABLE OF CONTENTS | Revised 52427-G |

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 6

(Continued)

WHOLESALE (Continued)

Schedule GT-TLS (ECOGAS)

| | |
|---|--------|
| GT-12CA, Class-Average Volumetric Rate Option | |
| Volumetric Charge | 1.306¢ |
| GT-12RS, Reservation Rate Option | |
| Reservation Rate, per therm per day | 0.546¢ |
| Usage Charge, per therm | 0.571¢ |
| Volumetric Transportation Charge for Non-Bypass Customers | 1.502¢ |
| Volumetric Transportation Charge for Bypass Customers | 1.763¢ |

PROCUREMENT CHARGE

Schedule G-CP

| | |
|--|---------|
| Non-Residential Core Procurement Charge, per therm | 22.712¢ |
| Non-Residential Cross-Over Rate, per therm | 22.712¢ |
| Residential Core Procurement Charge, per therm | 22.712¢ |
| Residential Cross-Over Rate, per therm | 22.712¢ |
| Adjusted Core Procurement Charge, per therm | 21.011¢ |

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

| | |
|---------------------|---------|
| December 2015 | 45.153¢ |
| January 2016 | 39.997¢ |
| February 2016 | 34.682¢ |

Noncore Retail Standby (SP-NR)

| | |
|---------------------|---------|
| December 2015 | 45.259¢ |
| January 2016 | 40.103¢ |
| February 2016 | 34.788¢ |

Wholesale Standby (SP-W)

| | |
|---------------------|---------|
| December 2015 | 45.259¢ |
| January 2016 | 40.103¢ |
| February 2016 | 34.788¢ |

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4939
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 22, 2016
 EFFECTIVE Mar 22, 2016
 RESOLUTION NO. G-3316

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Standby Procurement Charge

This charge is applied to customer's cumulative negative transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Standby Procurement Charge is posted at least one day in advance of each corresponding imbalance trading period for noncore/wholesale and core transport agents (CTAs). It is calculated at 150% of the highest daily border price index at the Southern California border beginning on the first day of the month that the imbalance is created to five days prior to the start of each corresponding imbalance trading period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.160¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index – Southern California Border Average" and "ICE Daily Indices – SoCal Border."

Core Retail Service:

SP-CR Standby Rate, per therm

| | |
|---------------------|---------|
| December 2015 | 45.153¢ |
| January 2016 | 39.997¢ |
| February 2016 | 34.682¢ |

Noncore Retail Service:

SP-NR Standby Rate, per therm

| | |
|---------------------|---------|
| December 2015 | 45.259¢ |
| January 2016 | 40.103¢ |
| February 2016 | 34.788¢ |

Wholesale Service:

SP-W Standby Rate per therm

| | |
|---------------------|---------|
| December 2015 | 45.259¢ |
| January 2016 | 40.103¢ |
| February 2016 | 34.788¢ |

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(TO BE INSERTED BY UTILITY)
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Dan Skopec
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 Regulatory Affairs

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 RESOLUTION NO. G-3316

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| G-AMOP | Residential Advanced Meter Opt-Out Program | 51577-G,51578-G |
| G-CP | Core Procurement Service | 47480-G,52423-G,52424-G,52401-G,37933-G |
| GT-F | Firm Intrastate Transportation Service | 52205-G,52206-G,52065-G,52066-G |
| | for Distribution Level Customers | 52067-G,52068-G,52069-G,52070-G,52071-G |
| | | 52072-G,52073-G,52074-G,52075-G |
| GT-I | Interruptible Intrastate Transportation Service | 52207-G,52208-G,52077-G |
| | for Distribution Level Customers | 52078-G,52079-G,52080-G,52081-G |
| GT-TLS | Intrastate Transportation Service for Transmission Level Customers | 45321-G,52209-G,52210-G,52211-G,52212-G |
| | | 52083-G,52084-G,52085-G,52086-G,52087-G |
| | | 52088-G,52089-G,52090-G,52091-G,45335-G |
| | | 45336-G,45337-G,45338-G,45339-G |
| GT-SWGX | Wholesale Natural Gas Service | 51270-G,45341-G |
| G-IMB | Transportation Imbalance Service | 51643-G,52435-G,52377-G,51646-G |
| | | 51647-G,51648-G,51154-G,43325-G,47880-G |
| G-OSD | Off-System Delivery Service | 47345-G*,47346-G,48315-G,47348-G |
| G-BTS | Backbone Transportation Service | 48084-G,47349-G,52213-G,52100-G |
| | | 47176-G,49399-G,47178-G,47179-G,47180-G,47181-G |
| | | 47182-G,47183-G,47184-G,47185-G,50484-G,50485-G,50486-G |
| G-POOL | Pooling Service | 47188-G,47189-G,42278-G |
| G-BSS | Basic Storage Service | 43337-G,52369-G,45767-G,45768-G |
| | | 45769-G,45770-G |
| G-AUC | Auction Storage Service | 43338-G,32709-G,32710-G,32711-G |
| | | 32712-G,32713-G,36314-G,32715-G |
| G-LTS | Long-Term Storage Service | 32716-G,32717-G,52370-G,45771-G |
| | | 45772-G,45773-G |
| G-TBS | Transaction Based Storage Service | 45355-G,43340-G,52371-G,45775-G |
| | | 45776-G |
| G-CBS | UDC Consolidated Billing Service | 51155-G,34072-G,34073-G,33095-G |
| G-SMT | Secondary Market Transactions of Storage Rights | 45359-G,50343-G,45361-G |
| G-TCA | Transportation Charge Adjustment | 52214-G |
| G-CCC | Greenhouse Gas California Climate Credit | 52092-G |
| GO-BCUS | Biogas Conditioning/Upgrade Services | 51156-G,51157-G,51158-G,51159-G |
| | | 51160-G,51161-G,51162-G,51163-G |

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4939
 DECISION NO.
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ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 22, 2016
 EFFECTIVE Mar 22, 2016
 RESOLUTION NO. G-3316

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.

| <u>GENERAL</u> | <u>Cal. P.U.C. Sheet No.</u> |
|--|---|
| Title Page | 40864-G |
| Table of Contents--General and Preliminary Statement | 52437-G,52053-G,52218-G |
| Table of Contents--Service Area Maps and Descriptions | 41970-G |
| Table of Contents--Rate Schedules | 52425-G,52436-G,52407-G |
| Table of Contents--List of Cities and Communities Served | 51971-G |
| Table of Contents--List of Contracts and Deviations | 51971-G |
| Table of Contents--Rules | 51681-G,52143-G |
| Table of Contents--Sample Forms | 51497-G,52363-G,51537-G,51750-G,50598-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 | 52409-G,52410-G,52411-G,52183-G,52184-G,52434-G 52375-G,46431-G,46432-G,52164-G,52384-G,52385-G,52386-G,52189-G |
| Part III Cost Allocation and Revenue Requirement | 52190-G,50447-G,50448-G |
| Part IV Income Tax Component of Contributions and Advances | 52273-G,24354-G |
| Part V Balancing Accounts | |
| Description and Listing of Balancing Accounts | 51893-G |
| Purchased Gas Account (PGA) | 51641-G,49672-G |
| Core Fixed Cost Account (CFCA) | 51352-G,51353-G |
| Noncore Fixed Cost Account (NFCA) | 51354-G,51642-G,51356-G |
| Enhanced Oil Recovery Account (EORA) | 49712-G |
| Noncore Storage Balancing Account (NSBA) | 50450-G,50451-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 |
| Research Development and Demonstration Surcharge Account (RDDGSA)..... | 40888-G |
| Demand Side Management Balancing Account (DSMBA)..... | 45194-G,41153-G |
| Direct Assistance Program Balancing Account (DAPBA) | 40890-G |
| Integrated Transmission Balancing Account (ITBA) | 49313-G |

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Dan Skopec
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 RESOLUTION NO. G-3316

ATTACHMENT B

ADVICE NO. 4939

**RATE CALCULATION WORK PAPER
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING
EFFECTIVE FEBRUARY 2016**

G-IMB Standby Procurement Charge Calculation

The highest daily border price index is an average of the highest prices from
“NGI’s Daily Gas Price Index - Southern California Border Average” and
“Intercontinental Exchange Daily Indices - SoCal Border.”

The highest daily border price index for the period was on February 1, 2016

02/01/16 NGI’s Daily Gas Price Index (NDGPI) = \$0.23000 per therm

02/01/16 Intercontinental Exchange Daily Indices (ICEDI) = \$0.23029 per therm

Highest Daily Border Price Index (HDBPI) = (NDGPI + ICE) / 2

HDBPI = \$0.23015 per therm

SP-CR (Core Retail) = 150% x HDBPI + Core Brokerage Fee

SP-CR = 150% x \$0.23015 + \$0.00160 = \$0.34682

SP-NR (Noncore Retail) = 150% x HDBPI + Noncore Brokerage Fee

SP-NR = 150% x \$0.23015 + \$0.00266 = \$0.34788

SP-W (Wholesale) = 150% x HDBPI + Noncore Brokerage Fee

SP-W = 150% x \$0.23015 + \$0.00266 = \$0.34788