PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



May 2, 2016 Advice Letter: 4942-G

Southern California Gas Company Attention: Sid Newsom 555 West Fifth Street, GT14D6 Los Angeles, CA 90013-1011

SUBJECT: March 2016 Buy-Back Rates

Dear Mr. Newsom:

Advice Letter 4942-G is effective as of March 31, 2016.

Sincerely,

Edward Randolph

Director, Energy Division

Edward Randofah



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 30, 2016

Advice No. 4942 (U 904 G)

Public Utilities Commission of the State of California

Subject: March 2016 Buy-Back Rates

Southern California Gas Company (SoCalGas) hereby submits for filing revisions to its tariff schedules, applicable throughout its service territory, as shown on Attachment A.

<u>Purpose</u>

This routine monthly filing updates the Buy-Back Rates in Schedule No. G-IMB for March 2016.

Background

As authorized in Schedule No. G-IMB - Transportation Imbalance Service, the Buy-Back Rates are established effective the last day of each month.

The Buy-Back Rates will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the imbalance was incurred; or 2) 50% of the applicable Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, during the month such excess imbalance was incurred.

Information

During the month of March, 50% of the Adjusted Core Procurement Charge, G-CPA, is lower than the lowest incremental cost of gas. Therefore, the Buy-Back Rates for March 2016 are being set accordingly. The work paper showing details of the calculation of these rates is incorporated herein as Attachment B.

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets. Pursuant to Resolution G-3316, the March 2016 Standby Procurement Charges will be filed by separate Advice Letter at least one day prior to April 25, 2016.

Protest

Anyone may protest this Advice Letter to the California Public Utilities 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 19, 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 (<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 and therefore respectfully requests that the tariff sheets filed herein be made effective March 31, 2016, to coincide with SoCalGas' Adjusted Core Procurement Charge filing in Advice No. 4932, dated February 29, 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:	Contact Person: Sid Newsom		
☐ ELC ☐ GAS	Phone #: (213) 244-2846		
☐ PLC ☐ HEAT ☐ WATER	E-mail: SNewsom@semprautilities.com		
EXPLANATION OF UTILITY TY	ΓΥΡΕ (Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas			
PLC = Pipeline HEAT = Heat W	WATER = Water		
Advice Letter (AL) #: 4942			
Subject of AL: March 2016 Buy-Back I	Rates		
Keywords (choose from CPUC listing):	Preliminary State	ment, Core, Compliance	
AL filing type: ⋈ Monthly □ Quarter	ly 🗌 Annual 🗌 On	e-Time 🗌 Other	
If AL filed in compliance with a Commi	ission order, indicat	e relevant Decision/Resolution #:	
D.89-11-060 and D.90-09-089, et al.			
Does AL replace a withdrawn or rejecte	ed AL? If so, identif	fy the prior AL No. N/A	
•		drawn or rejected AL¹: N/A	
	1	J	
Does AL request confidential treatmen	t? If so, provide exp	lanation: No	
Resolution Required? Yes No		Tier Designation: ⊠ 1 □ 2 □ 3	
Requested effective date: 3/31/2016		No. of tariff sheets: 6	
Estimated system annual revenue effective	ct: (%): <u>N/A</u>		
Estimated system average rate effect (%): <u>N/A</u>		
When rates are affected by AL, include (residential, small commercial, large C.		showing average rate effects on customer classes ting).	
Tariff schedules affected: Preliminary			
Service affected and changes proposed	: N/A		
Pending advice letters that revise the s	same tariff sheets:	4939	
Dustosta and all allers	. ma eta m. 12	one due no lotor the sport less than the sport	
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		outhern California Gas Company	
Attention: Tariff Unit		Attention: Sid Newsom	
505 Van Ness Ave.,		55 West 5th Street, GT14D6	
San Francisco, CA 94102 Los Angeles, CA 90013-1011			
EDTariffUnit@cpuc.ca.gov SNewsom@semprautilities.com Tariffs@socalgas.com			

¹ Discuss in AL if more space is needed.

ATTACHMENT A Advice No. 4942

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 52448-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet	Revised 52434-G
Revised 52449-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 52375-G
Revised 52450-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 52435-G
Revised 52451-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 52377-G
Revised 52452-G	TABLE OF CONTENTS	Revised 52436-G
Revised 52453-G	TABLE OF CONTENTS	Revised 52437-G

Revised Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO. 52448-G 52434-G

Sheet 6

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PRELIMINARY STATEMENT **PART II SUMMARY OF RATES AND CHARGES**

(Continued)

WHOLESALE (Continued)
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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¢
•	

CANCELING

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)	
January 2016	39.997¢
February 2016	34.682¢
March 2016	TBD*
Noncore Retail Standby (SP-NR)	
January 2016	40.103¢
February 2016	34.788¢
March 2016	TBD*
Wholesale Standby (SP-W)	
January 2016	40.103¢
February 2016	34.788¢
March 2016	TBD*

^{*}To be determined (TBD). Pursuant to Resolution G-3316, the Standby Charges will be filed by a separate advice letter at least one day prior to April 25.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4942 89-11-060 & 90-09-089, DECISION NO. et al 6H9

ISSUED BY **Dan Skopec** Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) DATE FILED Mar 30, 2016 Mar 31, 2016 **EFFECTIVE** RESOLUTION NO.

Revised Revised CANCELING

CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

52449-G 52375-G

Sheet 7

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PRELIMINARY STATEMENT

PART II SUMMARY OF RATES AND CHARGES

(Continued)

<u>IMBALANCE SERVICE</u> (Continued)

Buy-Back Rate

Core and Noncore Retail (BR-R)

January 2016	13.591¢
February 2016	13.072¢
March 2016	10.506¢

Wholesale (BR-W)

January 2016	13.554¢
February 2016	13.035¢
March 2016	10.477¢

STORAGE SERVICE

Schedule G-BSS (Basic Storage Service)

Reservation Charges

Annual Inventory, per decatherm reserved	21.400¢/year
Annual Withdrawal, per decatherm/day reserved\$	11.584/year
Daily Injection, per decatherm/day reserved	9.425¢/day

In-Kind Energy Charge for quantity delivered for injection during the year

The In-Kind Energy Charge shall be adjusted as necessary on the basis of a three-year rolling average of actual fuel use.

Schedule G-AUC (Auction Storage Service)

Reservation Charges

Annual Inventory, per decatherm reserved	(1)
Annual Withdrawal, per decatherm/day reserved	(1)
Daily Injection, per decatherm/day reserved	(1)

(1) Charge shall be equal to the awarded price bid by the customer.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4942 DECISION NO. 89-11-060 & 90-09-089, et al 7H9

ISSUED BY Dan Skopec Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Mar 30, 2016 DATE FILED Mar 31, 2016 EFFECTIVE RESOLUTION NO.

Revised Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

52450-G 52435-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

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(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 0.266ϕ per therm for noncore retail service and all wholesale service, and 0.160ϕ 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."

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('Ore	Retail	V.C	TT/ICA.
COLC	ixcian	\sim	A VICC.

SP-CR Standby Rate, per therm	
January 201639.997¢	D
February 201634.682¢	
March 2016TBD*	Т
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
January 201640.103¢	D
February 201634.788¢	
March 2016TBD*	Т
Wholesale Service:	
SP-W Standby Rate per therm	
January 201640.103¢	D
February 201634.788¢	
March 2016TBD*	Т

*To be determined (TBD). Pursuant to Resolution G-3316, the Standby Charges will be filed by a separate advice letter at least one day prior to April 25.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4942 DECISION NO. 89-11-060 & 90-09-089, et al

ISSUED BY

Dan Skopec

Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Mar 30, 2016

EFFECTIVE Mar 31, 2016

RESOLUTION NO.

Revised Revised

CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

52451-G 52377-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 3

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(Continued)

RATES (Continued)

Buy-Back Rate

This rate is applied to customer's cumulative positive transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Buy-Back Rate is established effective the last day of each month and will be the lower of 1) the lowest incremental cost of gas purchased by the Utility during the month the excess imbalance was incurred; or 2) 50% of the applicable Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, during the month such excess imbalance was incurred.

Retail Service:

BR-R Buy-Back Rate, per therm	
January 2016	13.591¢
February 2016	13.072¢

Wholesale Service:

BR-W Buy-Back Rate, per therm

January 2016	13.554¢
February 2016	
March 2016	•

If the incremental cost of gas is the basis for the Standby or Buy-Back Rates, the Utility will provide CPUC the necessary work papers for such cost. Such documentation will be provided under confidentiality pursuant to General Order 66-C and Section 583 of the Public Utilities Code.

Daily Balancing Standby Rates

When a Stage 5 Low Operational Flow Order (Low OFO) or Emergency Flow Order (EFO) is declared, quantities not in compliance with the daily imbalance tolerance are purchased at the daily balancing standby rate. The daily balancing standby rate shall be equal the InterContinental Exchange (ICE) Day-Ahead Index (including F&U and brokerage fee) for SoCal-Citygate, rounded up to the next whole dollar, for each day a Stage 5 Low OFO or EFO is issued. Authorized F&U will not be added to any daily balancing standby charge for the Utility Gas Procurement Department to the extent that it is collected elsewhere

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4942 DECISION NO. 89-11-060 & 90-09-089, et al

ISSUED BY

Dan Skopec

Vice President

Regulatory Affairs

LOS ANGELES, CALIFORNIA CANCELING Revised

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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4942 DECISION NO. 89-11-060 & 90-09-089, et al 2H10

ISSUED BY **Dan Skopec** Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Mar 30, 2016 DATE FILED Mar 31, 2016 EFFECTIVE RESOLUTION NO.

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Revised

CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

52453-G 52437-G

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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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(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4942 DECISION NO. 89-11-060~&~90-09-089, et al

ISSUED BY

Dan Skopec

Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Mar 30, 2016

EFFECTIVE Mar 31, 2016

RESOLUTION NO.

ATTACHMENT B

ADVICE NO. 4942

RATE CALCULATION WORKPAPER BASED ON ADVICE NO. 4932 ADJUSTED CORE PROCUREMENT CHARGE FILING EFFECTIVE MARCH 1, 2016

Adjusted Core Procurement Charge:

Retail G-CPA: 21.011 ¢ per therm (WACOG: 20.647 ¢ + Franchise and Uncollectibles: 0.364 ¢ or [1.7638% * 20.647 ¢])

Wholesale G-CPA: 20.953 ¢ per therm (WACOG: 20.647 ¢ + Franchise: 0.306 ¢ or [1.4809% * 20.647 ¢])

GIMB Buy-Back Rates

BR-R = 50% of Retail G-CPA: 50% * 21.011 cents/therm = **10.506** cents/therm

BR-W = 50% of Wholesale G-CPA: 50% * 20.953 cents/therm = **10.477** cents/therm