

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 6, 2016

Advice Letter 5013

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

**Subject: Schedule No. GT-SWGX – Exchange Wholesale Natural
Gas Service – Exchange Rate**

Dear Mr. van der Leeden:

Advice Letter 5013 is effective as of September 1, 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

August 15, 2016

Advice No. 5013
(U 904 G)

Subject: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service - Exchange Rate

Public Utilities Commission of the State of California

Southern California Gas Company (SoCalGas) hereby submits for filing with the California Public Utilities Commission (Commission) revisions to its Schedule No. GT-SWGX (GT-SWGX), Exchange Wholesale Natural Gas Service applicable to Southwest Gas Corporation (Southwest), as shown on Attachment A.

Purpose

This filing revises the rate (Exchange Rate) SoCalGas charges Southwest for exchange transportation service pursuant to GT-SWGX. The Exchange Rate recovers certain exchange fees charged by Pacific Gas and Electric Company (PG&E) to SoCalGas, plus SoCalGas' system balancing costs, and applies only to gas quantities delivered to Southwest through delivery points served by PG&E.

Background

In Decision (D.) 09-10-036 the Commission adopted an exchange contract between SoCalGas and PG&E and a transportation contract between SoCalGas and Southwest. These contracts govern SoCalGas' service to, and rates for, Southwest. Pursuant to that decision, the PG&E exchange fee shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee.¹ Whenever either the PG&E exchange fee changes and/or SoCalGas' system balancing cost adder (SBCA) changes, the

¹ D.09-10-036, mimeo., at 18 (Finding of Fact No. 18).

Exchange Rate between SoCalGas and Southwest also will change as stated in GT-SWGX and in the transportation contract between SoCalGas and Southwest.²

On July 21, 2016, the Commission approved PG&E's Advice 3727-G. This advice filing changed PG&E's transportation rates, which in turn resulted in a new exchange fee charged by PG&E to SoCalGas.

Requested Revision

This filing increases the Exchange Rate in GT-SWGX from 4.361¢/therm to 11.175¢/therm, which is the sum of the newly calculated PG&E exchange fee of 11.060¢/therm and the current SoCalGas SBCA of 0.115¢/therm. The calculation of the SBCA for the Southwest contract is shown on Attachment B.

Pursuant to the contract between SoCalGas and Southwest adopted in D.09-10-036, the revised Exchange Rate charged by SoCalGas to Southwest becomes effective "on the first day of the second month following CPUC approval of the applicable changes."³ Since the PG&E tariff changes were approved as of July 21, 2016, pursuant to the contract between SoCalGas and Southwest, the new Exchange Rate will become effective on September 1, 2016.

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, which is September 4, 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
Attn: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of Energy Division Tariff Unit (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.

² D.09-10-036, mimeo., Attachment B – Master Services Contract, Schedule A, Intrastate Transmission Service, Section 7.E.4(b).

³ D.09-10-036, mimeo., Attachment C – Southwest Exchange Gas Delivery Agreement between PG&E and SoCalGas, Section 5.2.

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 General Order (GO) 96-B, Section 7.3.1. SoCalGas respectfully requests the tariff sheets filed herein be effective on September 1, 2016, the date specified in the two Commission-approved contracts governing SoCalGas' service to Southwest.

Notice

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list in A.08-12-006, SoCalGas/PG&E/Southwest Wholesale Transportation and Exchange Agreements. Address change requests to the GO 96-B should be directed by electronic mail to 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.

Ronald van der Leeden
Director – Regulatory Affairs

Attachment

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) #: 5013

Subject of AL: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service - Exchange Rate

Keywords (choose from CPUC listing): Agreements; Contracts

AL filing type: Monthly Quarterly Annual One-Time Other Periodic

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

D.09-10-036

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: 9/1/16

No. of tariff sheets: 3

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: GT-SWGX and TOCs

Service affected and changes proposed¹: N/A

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

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. 5013

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 53025-G	Schedule No. GT-SWGX, EXCHANGE WHOLESALE NATURAL GAS SERVICE, Sheet 1	Revised 52595-G
Revised 53026-G	TABLE OF CONTENTS	Revised 53017-G
Revised 53027-G	TABLE OF CONTENTS	Revised 53018-G

Schedule No. GT-SWGX
EXCHANGE WHOLESALE NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for exchange transportation service exchange with Pacific Gas and Electric Company ("PG&E") in order to serve Southwest Gas Corporation's ("Customer") PG&E Points of Delivery located in Customer's service territory in southern California.

TERRITORY

Delivery points shall be as specified in the executed Master Services Contract, Schedule A, Intrastate Transmission Service, dated December 10, 2008 ("Contract").

RATES

Exchange Fee Charges

Exchange Rate, per therm 11.175¢

As specified in the Contract, the Exchange Rate recovers certain exchange fees charged by PG&E to Utility plus Utility's system balancing costs, and applies only to gas quantities delivered through Points of Delivery served by PG&E. Pursuant to the Contract, the Exchange Rate shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee.

Pisgah Meter Station Charges

Pisgah Meter Station Charge, per month \$27,505

As specified in the Contract, Pisgah Meter Station Charges are monthly charges associated with the Pisgah Meter Station Upgrade.

One-Time Lump-Sum True Up Charge\$238,523

As specified in the Contract, a one-time lump-sum charge will be paid to enable SoCalGas to recover actual Pisgah Meter Station Upgrade costs during the months before the Pisgah Meter Station Charges are trued up. This charge will cover August 2011 through August 2013.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities used in developing prior periods' exchange charges.

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

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5013
 DECISION NO. 09-10-036

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Aug 15, 2016
 EFFECTIVE Sep 1, 2016
 RESOLUTION NO. _____

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GT-F	Firm Intrastate Transportation Service	52824-G,52825-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	52826-G,52827-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,52828-G,52829-G,52830-G,52831-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)

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ATTACHMENT B

Advice No. 5013

Calculation of System Balancing Cost Adder (SBCA) for Southwest Gas Contract

	Actual Rate 5/13/2016	Proposed Rate 8/4/2016	Difference	Source
Storage - Load Balancing \$000	\$10,260	\$10,260	\$0	
Total Company Use Gas Storage Load Balancing \$000	\$924	\$924	\$0	
FF&U Rate	1.76%	1.76%	0.00%	
FF&U \$000's	\$16	\$16	\$0	
Total Storage Load Balance Cost \$000	\$11,200	\$11,200	\$0	
Average Year Throughput w/EOR/ Mth/yr	9,748,592	9,748,592	0	
System Balance Cost Adder SBCA \$/th	\$0.00115	\$0.00115	\$0.00000	
PGE Exchange Rate \$/th	\$0.04246	\$0.11060	\$0.06814	PGE AL3727
G-SWGX Rate \$/th	\$0.04361	\$0.11175	\$0.06814	