

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 6, 2016

Advice Letter 5018-G

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

SUBJECT: July 2016 Standby Procurement Charges

Dear Mr. van der Leeden:

Advice Letter 5018-G is effective as of August 23, 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 23, 2016

Advice No. 5018
(U 904 G)

Public Utilities Commission of the State of California

Subject: July 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 July 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 July 2016 (covering the period July 1, 2016, to August 20, 2016), the highest daily border price index at the Southern California border is \$0.34405 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.51874 per therm for noncore retail service and all wholesale service, and \$0.51768 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 September 12, 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 General Order (GO) 96-B. SoCalGas respectfully requests that the tariff sheets filed herein be made effective August 23, 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 August 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) #: 5018

Subject of AL: July 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: 8/23/16

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: 4993 and 4998

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. 5018

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 53069-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 53003-G
Revised 53070-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 52910-G
Revised 53071-G	TABLE OF CONTENTS	Revised 53017-G
Revised 53072-G	TABLE OF CONTENTS	Revised 53018-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	1.297¢
GT-12RS, Reservation Rate Option	
Reservation Rate, per therm per day	0.557¢
Usage Charge, per therm	0.547¢
Volumetric Transportation Charge for Non-Bypass Customers	1.492¢
Volumetric Transportation Charge for Bypass Customers	1.751¢

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm	35.628¢
Non-Residential Cross-Over Rate, per therm	35.628¢
Residential Core Procurement Charge, per therm	35.628¢
Residential Cross-Over Rate, per therm	35.628¢
Adjusted Core Procurement Charge, per therm	35.468¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

May 2016	42.762¢
June 2016	46.651¢
July 2016	51.768¢

Noncore Retail Standby (SP-NR)

May 2016	42.868¢
June 2016	46.757¢
July 2016	51.874¢

Wholesale Standby (SP-W)

May 2016	42.868¢
June 2016	46.757¢
July 2016	51.874¢

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5018
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Aug 23, 2016
 EFFECTIVE Aug 23, 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

May 2016	42.762¢
June 2016	46.651¢
July 2016	51.768¢

Noncore Retail Service:

SP-NR Standby Rate, per therm

May 2016	42.868¢
June 2016	46.757¢
July 2016	51.874¢

Wholesale Service:

SP-W Standby Rate per therm

May 2016	42.868¢
June 2016	46.757¢
July 2016	51.874¢

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 2H11

ISSUED BY
Dan Skopec
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 Regulatory Affairs

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GT-I	Interruptible Intrastate Transportation Service	52826-G,52827-G,52077-G
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GT-SWGX	Wholesale Natural Gas Service	52595-G,45341-G
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		45772-G,45773-G
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ISSUED BY
Dan Skopec
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 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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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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ATTACHMENT B

ADVICE NO. 5018

**RATE CALCULATION WORK PAPER
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING
EFFECTIVE July 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 July 23, 2016

07/23/16 NGI’s Daily Gas Price Index (NDGPI) = \$0.34400 per therm

07/23/16 Intercontinental Exchange Daily Indices (ICEDI) = \$0.34410 per therm

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

HDBPI = \$0.34405 per therm

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

SP-CR = 150% x \$0.34405 + \$0.00160 = \$0.51768

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

SP-NR = 150% x \$0.34405 + \$0.00266 = \$0.51874

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

SP-W = 150% x \$0.34405 + \$0.00266 = \$0.51874