

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 14, 2016

**Advice Letter 5053**

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

**Subject: Update of Public Purpose Program Surcharge Rates  
Effective January 1, 2017**

Dear Mr. van der Leeden:

Advice Letter 5053 is effective as of January 1, 2017.

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*

October 31, 2016

Advice No. 5053  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Update of Public Purpose Program Surcharge Rates Effective  
January 1, 2017**

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 on Attachment A.

**Purpose**

This Advice Letter submits updated Public Purpose Program (PPP) surcharge rates to be effective January 1, 2017. As described below, the PPP surcharge rates are based on the adopted volumes and allocation changes pursuant to Decision (D.) 16-10-004 in SoCalGas' 2016 Triennial Cost Allocation Proceeding Phase 2 (TCAP).

**Background**

This filing is being made in compliance with Ordering Paragraph (OP) 22 of D.04-08-010, in Rulemaking (R.) 02-10-001, to update on an annual basis SoCalGas' surcharge rates to fund PPP programs, as authorized by Assembly Bill (AB) 1002. AB 1002 directs the Commission to establish a gas surcharge annually to fund certain natural gas related public purpose programs: energy efficiency, low-income assistance programs such as California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA), and Research and Development (R&D). Revenues collected from the surcharge are remitted to the State Board of Equalization (BOE), and are ultimately appropriated back to the utilities or other entities designated by the Commission to administer public purpose programs.

The Commission issued D.04-08-010 that addressed both the Phase 1 surcharge implementation issues and Phase 2 administration of public purpose R&D. Pursuant to

OP 10, SoCalGas is using the surcharge formula adopted in the Decision for calculating the gas PPP surcharge rates. SoCalGas is using information provided by the Commission's Energy Division for calculating the gas surcharge rate as it relates to: (1) the Commission and BOE administrative costs, (2) SoCalGas' portion of the statewide R&D budget, and (3) a three-year average of the interstate pipeline volumes from 2013 through 2015 to be used in computation of the surcharge rates as directed in D.04-08-010. With the approval of SoCalGas' TCAP, SoCalGas is using the adopted TCAP volumes in calculating 2017 surcharge rates for the customer classes as shown in the table below.

| Billing Determinants            | Volumes (Mth)                 |                           |
|---------------------------------|-------------------------------|---------------------------|
|                                 | For Allocating Non-CARE Costs | For Allocating CARE Costs |
| Residential                     | 2,432,432                     | 1,820,253                 |
| G10-Commerical and Industrial   | 1,011,927                     | 1,008,315                 |
| Nonresidential Air Conditioning | 772                           | 772                       |
| Gas Engine                      | 20,699                        | 20,699                    |
| <b>Subtotal Core</b>            | <b>3,465,830</b>              | <b>2,850,039</b>          |
| G30-Commerical and Industrial   | 1,514,535                     | 1,514,535                 |
| <b>Total</b>                    | <b>4,980,365</b>              | <b>4,364,574</b>          |

Also, with D.09-11-006, SoCalGas eliminated the allocation of R&D costs to customer classes that do not pay the G-PPPS rate and updated the Equal Percent Marginal Cost allocator to Equal Percent Authorized Margin.

### **Revised Schedule No. G-PPPS**

Schedule No. G-PPPS, as shown in Attachment A, updates the PPP surcharge rates for the costs detailed in the table below. SoCalGas' projection of low-income program costs for 2017 reflects the estimated 2017 CARE customer subsidy costs and funding authorized in D.15-12-024 and D.16-06-018, since a Decision is currently pending for Application (A.) 14-11-011, Approval of Low-Income Assistance Programs and Budgets for Program Years 2015-2017. If a final Decision is approved by the Commission before the end of the year, SoCalGas may file a supplemental Advice Letter to update rates to include the approved funding for program year 2017 for both CARE and ESA programs.

The non-low income components of the PPP surcharge rates reflect the 2017 R&D budget of \$11.7 million, forecasted \$784 thousand R&D funding undercollection compared to the prior year's authorized budget level, and the 2017 energy efficiency funding as authorized in D.15-01-23 and D.15-08-033.

**Proposed 2017 PPP Revenue Requirement**  
\$000

|   | CARE Costs          | Non-CARE Costs      | Admin Costs     | Total               |
|---|---------------------|---------------------|-----------------|---------------------|
| <u>2017 Program Budgets</u>                                       |                     |                     |                 |                     |
| ESAP  |                     | \$ 132,417.2        |                 | \$ 132,417.2        |
| CARE  | \$ 136,665.7        |                     |                 | \$ 136,665.7        |
| EE  |                     | \$ 85,705.0         |                 | \$ 85,705.0         |
| RDD   |                     | \$ 11,698.7         |                 | \$ 11,698.7         |
| <u>Administration costs</u>                                       |                     |                     |                 |                     |
| CARE  | \$ 16,491.5         |                     |                 | \$ 16,491.5         |
| BOE   |                     |                     | \$ 519.6        | \$ 519.6            |
| CPUC  |                     |                     | \$ -            | \$ -                |
| <u>Balancing Account Amortization - (Over) / under collection</u> |                     |                     |                 |                     |
| DSMBA   |                     | \$ -                |                 | \$ -                |
| DAPBA   |                     | \$ (167.9)          |                 | \$ (167.9)          |
| CAREA   | \$ (40,792.1)       |                     |                 | \$ (40,792.1)       |
| RDDGSA (excluding interest)                                       |                     | \$ 783.5            |                 | \$ 783.5            |
| <b>Total PPP Costs</b>  | <b>\$ 112,365.1</b> | <b>\$ 230,436.5</b> | <b>\$ 519.6</b> | <b>\$ 343,321.2</b> |

The PPP rates are listed for CARE and Non-CARE customers by major customer class, and reflect changes to the CARE and R&D components of the gas PPP surcharge. The 2017 PPP surcharge revenue requirement is higher by \$11 million (or 3.35 percent) compared to the 2016 PPP surcharge revenue requirement, which is primarily due to a reduction in the amortization of an overcollected balance for the California Alternate Rates for Energy Account (CAREA) and increased forecasted CARE subsidies. As of September 2016, there is a residual balance of \$167 thousand resulting from the amortization of the 2009-2011 ESA program cycle. SoCalGas proposes to amortize this amount as part of 2017 rates, transfer any residual balance at the end of 2017 to the current program cycle, and close the 2009-2011 ESA program cycle.

D.14-08-030 authorized recovery for the additional funding approved for the 2012-2014 program cycle for ESA and CARE of \$35 million and the recovery of the \$3 million carryback for the 2009-2011 ESA program cycle. In Advice No. 4884, SoCalGas proposed to defer recovery of this funding until a final Decision is adopted by the Commission for A.14-11-011. In addition, SoCalGas filed Advice No. 5023 on September 1, 2016 proposing to refund \$11.3 million of unspent funds recorded in its Demand Side Management Balancing Account (DSMBA). At the end of 2015, the DSMBA for the EE program had an overcollected balance of \$81.9 million.

If the Commission approves final Decisions on A.14-11-011 and Phase 2 of R.13-11-005 that may indicate how to handle unspent funds and/or Advice No. 5023 prior to year-end, SoCalGas may file a supplemental Advice Letter to update rates to include

the additional funding of \$38 million and refund unspent funds as directed by the Commission. The impact of the updated PPP surcharge rates, by major customer class, is shown on Attachment B.

The comparison of the current PPP revenue requirement to the proposed 2017 PPP revenue requirement, as shown in the table above, is detailed in Attachment C.

Summary of the authorized allocation methods used for each of the programs:

| <b><u>Program</u></b> | <b><u>Allocation Method</u></b>    |
|-----------------------|------------------------------------|
| Energy Efficiency     | Direct Benefits Allocation         |
| CARE                  | Equal Cents Per Therm              |
| ESA                   | Direct Benefits Allocation         |
| R&D                   | Equal Percent of Authorized Margin |

### **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 this Advice Letter was filed with the Commission, which is November 20, 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

Copies 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 should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B.

This filing is consistent with D.04-08-010 and, therefore, SoCalGas respectfully requests that this filing be approved on December 1, 2016, which is more than 30 days after the date filed, for implementation and inclusion in rates effective on January 1, 2017.

**Notice**

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B and Commission's service list in A.12-08-010, A.12-07-003, A.11-05-018, A.08-07-022, A.08-05-025, and A.08-02-001. Address change requests to the GO 96-B service list 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).

Work papers have been provided to the Energy Division pursuant to D.04-08-010. Copies of the workpapers can be made available to other parties upon request by contacting the Tariff Manager at the address in the Protest section above.

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Ron 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 904-G)**

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) #: 5053

Subject of AL: Update of Public Purpose Program Surcharge Rates Effective January 1, 2017

Keywords (choose from CPUC listing): Preliminary Statement

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

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

D.04-08-010, D.09-11-006, and D.16-10-004

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: 1/1/17 (Tariffs); 12/1/16 (AL)

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-PPPS and TOCs

Service affected and changes proposed<sup>1</sup>: 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](mailto:EDTariffUnit@cpuc.ca.gov)

**Southern California Gas Company**

**Attention: Sid Newsom**

**555 West Fifth 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. 5053

| Cal. P.U.C.<br>Sheet No. | Title of Sheet   | Cancelling Cal.<br>P.U.C. Sheet No. |
|--------------------------|--|-------------------------------------|
| Revised 53394-G          | PRELIMINARY STATEMENT, PART II,<br>SUMMARY OF RATES AND CHARGES, Sheet<br>10 | Revised 52164-G                     |
| Revised 53395-G          | Schedule No. G-PPPS, PUBLIC PURPOSE<br>PROGRAMS SURCHARGE, Sheet 1           | Revised 52009-G                     |
| Revised 53396-G          | TABLE OF CONTENTS  | Revised 53229-G                     |
| Revised 53397-G          | TABLE OF CONTENTS  | Revised 53393-G                     |

PRELIMINARY STATEMENT  
 PART II  
SUMMARY OF RATES AND CHARGES

Sheet 10

(Continued)

TAX SURCHARGE TO FUND PUBLIC PURPOSE PROGRAMS

| <u>Schedule G-PPPS</u>  | <u>Tax Surcharge</u>                         |                          |
|---|--|--------------------------|
|   | <u>For all service, per meter, per month</u> |                          |
| <u>Customer Served Under the</u><br><u>Following Rate Schedules</u> | <u>CARE Customer***</u>                      | <u>Non-CARE Customer</u> |
|   | <u>(¢/therm)</u>                             | <u>(¢/therm)</u>         |
| Core  |  |                          |
| Residential   | 7.268  | 9.842                    |
| Commercial/Industrial   | 4.560  | 7.134                    |
| Gas Air Conditioning  | 8.331  | 10.906                   |
| Gas Engine  | N/A  | 6.834                    |
| Natural Gas Vehicle   | N/A  | 2.574                    |
| Noncore   |  |                          |
| Commercial/Industrial   | N/A  | 3.042                    |

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SURCHARGE TO FUND PUC UTILITIES REIMBURSEMENT ACCOUNT

|                            |        |
|----------------------------|--------|
| <u>Schedule G-SRF</u>      |        |
| Surcharge, per therm ..... | 0.093¢ |

TRANSPORTED GAS MUNICIPAL SURCHARGE

|   |          |
|---|----------|
| <u>Schedule G-MSUR</u>  |          |
| Outside the City of Los Angeles .....   | 1.4136%  |
| Within the Cities of San Buenaventura (Ventura), Huntington Beach,<br>Visalia and Bakersfield ..... | 2.4136%* |
| Within the City of Los Angeles .....  | 2.0000%  |

\* Includes 1% franchise fee surcharge for City of Ventura customers pursuant to D. 07-10-024, for City of Huntington Beach customers pursuant to Resolution G-3452, City of Visalia pursuant to Advice No. 4418, and City of Bakersfield pursuant to Advice No. 4569.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5053  
 DECISION NO. 04-08-010, 09-11-006,  
 & 16-10-004

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

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Oct 31, 2016  
 EFFECTIVE Jan 1, 2017  
 RESOLUTION NO. \_\_\_\_\_

Schedule No. G-PPPS  
PUBLIC PURPOSE PROGRAMS SURCHARGE

Sheet 1

APPLICABILITY

Applicable to all gas sales and transportation services rendered under all tariff rate schedules authorized by the Commission. Customers will have a gas public purpose program (PPP) surcharge as a separate line item on their bills unless they are exempt\* (e.g. Electric Generation including cogeneration, Enhanced Oil Recovery, Wholesale service, and consumption of natural gas which California is prohibited from taxing under the United States Constitution or the California Constitution, as referenced in Section 896 of the Public Utilities Code. (See also the California Energy Resources Surcharge Regulation Sections 2315 and 2316 as identifying exempt customers.) California Alternate Rates for Energy (CARE) customers will receive the surcharge excluding CARE program costs along with applicable customers receiving sales for street lighting.

TERRITORY

This schedule is applicable within the entire territory served by Utility.

RATES

| Customer Served Under the<br>Following Rate Schedules | PPP Surcharge**<br>For all service, per meter, per month |                                |
|---|--|--------------------------------|
|   | CARE Customer***<br>(¢/therm)                            | Non-CARE Customer<br>(¢/therm) |
| Core  |  |                                |
| Residential   | 7.268  | 9.842                          |
| Commercial/Industrial                                 | 4.560  | 7.134                          |
| Gas Air Conditioning                                  | 8.331  | 10.906                         |
| Gas Engine  | N/A  | 6.834                          |
| Natural Gas Vehicle                                   | N/A  | 2.574                          |
| Noncore   |  |                                |
| Commercial/Industrial                                 | N/A  | 3.042                          |

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\* Commission Resolution G-3303, dated December 21, 2000, references Sections 896, 897, and 898 of Assembly Bill (AB) 1002 regarding consumers of natural gas who are exempt from the tax surcharge. Section 896 states "Consumption means the use or employment of natural gas. Consumption does not include the use or employment of natural gas to generate power for sale or use of gas for enhanced oil recovery, natural gas utilized in cogeneration technology projects to produce electricity, or natural gas that is produced in California and transported on a proprietary pipeline. Consumption does not include the consumption of natural gas which this state is prohibited from taxing under the United States Constitution or the California Constitution." Section 897 states "Nothing in this article impairs the rights and obligations of parties to contracts approved by the Commission, as the rights and obligations were interpreted as of January 1, 1998." Section 898 is in reference to a municipality, district, or

(Continued)

(TO BE INSERTED BY UTILITY)  
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 DECISION NO. 04-08-010, 09-11-006,  
 & 16-10-004

ISSUED BY  
**Dan Skopec**  
 Vice President  
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 DATE FILED Oct 31, 2016  
 EFFECTIVE Jan 1, 2017  
 RESOLUTION NO. \_\_\_\_\_

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| G-PPPS | Public Purpose Programs Surcharge .....       | 53395-G,39517-G,39518-G                 | T |
| G-SRF  | Surcharge to Fund Public Utilities Commission |   |   |
|        | Utilities Reimbursement Account .....         | 52165-G                                 |   |
| G-MHPS | Surcharge to Fund Public Utilities Commission |   |   |
|        | Master Metered Mobile Home Park Gas Safety    |   |   |
|        | Inspection and Enforcement Program .....      | 32828-G                                 |   |
| G-MSUR | Transported Gas Municipal Surcharge .....     | 52997-G,25006-G                         |   |
| G-PAL  | Operational Hub Services .....                | 45363-G,45364-G,45365-G                 |   |
| G-CPS  | California Producer Service .....             | 49713-G,51219-G,49715-G,49716-G         |   |
|        |   | 49717-G,49718-G,53227-G,53228-G,49721-G |   |

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 5053  
 DECISION NO. 04-08-010, 09-11-006,  
 & 16-10-004

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ISSUED BY

**Dan Skopec**  
 Vice President  
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Oct 31, 2016  
 EFFECTIVE Jan 1, 2017  
 RESOLUTION NO. \_\_\_\_\_

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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.

GENERAL

Cal. P.U.C. Sheet No.

|  |   |   |
|--|---|---|
| Title Page .....   | 40864-G                                 |   |
| Table of Contents--General and Preliminary Statement .....     | 53397-G,53175-G,53176-G,53117-G         | T |
| Table of Contents--Service Area Maps and Descriptions .....    | 41970-G                                 |   |
| Table of Contents--Rate Schedules .....                        | 53391-G,53392-G,53396-G                 | T |
| 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 .....                                 | 52360-G,52904-G                         |   |
| Table of Contents--Sample Forms .....                          | 52558-G,52363-G,51537-G,51833-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 .....                                | 53369-G,53370-G,53371-G,53080-G,53081-G,53372-G<br>53364-G,46431-G,46432-G,53394-G,53373-G,53374-G,53375-G,53086-G | T |
| Part III Cost Allocation and Revenue Requirement .....                    | 52973-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 .....                       | 52939-G  |   |
| Purchased Gas Account (PGA) .....   | 52769-G,52770-G  |   |
| Core Fixed Cost Account (CFCA) .....                                      | 53073-G,53074-G,53075-G  |   |
| Noncore Fixed Cost Account (NFCA) .....                                   | 51354-G,52668-G,52669-G  |   |
| Enhanced Oil Recovery Account (EORA) .....                                | 49712-G  |   |
| Noncore Storage Balancing Account (NSBA) .....                            | 52886-G,52887-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) .....                                     | 52940-G,52941-G  |   |
| Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) . | 52942-G,52943-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) .....                 | 52583-G,52584-G  |   |
| Integrated Transmission Balancing Account (ITBA) .....                    | 49313-G  |   |

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5053  
 DECISION NO. 04-08-010, 09-11-006,  
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ISSUED BY  
**Dan Skopec**  
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(TO BE INSERTED BY CAL. PUC)  
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## Attachment B

Advice No. 5053

### SUMMARY OF PPP SURCHARGE RATES SOUTHERN CALIFORNIA GAS COMPANY SCG PPPS Update Filing for 1-1-2017 Rates

| Customer<br>Class        | CARE Customers  |                 |                   |                 | Non-CARE Customers |           |              |          |
|--------------------------|-----------------|-----------------|-------------------|-----------------|--------------------|-----------|--------------|----------|
|                          | 1/1/2016        | 1/1/2017        | \$/th Change      | % Change        | 1/1/2016           | 1/1/2017  | \$/th Change | % Change |
| ( a )                    | ( b )           | ( c )           | ( d )             | ( e )           | ( f )              | ( g )     | ( h )        | ( i )    |
| <b><u>Core</u></b>       |                 |                 |                   |                 |                    |           |              |          |
| 1. Residential           | \$0.07607       | \$0.07268       | (\$0.00339)       | -4%             | \$0.09955          | \$0.09842 | (\$0.00112)  | -1%      |
| 2. Commercial/Industrial | \$0.04779       | \$0.04560       | (\$0.00220)       | -5%             | \$0.07127          | \$0.07134 | \$0.00007    | 0%       |
| 3. Gas Air Conditioning  | \$0.07794       | \$0.08331       | \$0.00537         | 7%              | \$0.10142          | \$0.10906 | \$0.00764    | 8%       |
| 4. Gas Engine            | N/A             | N/A             | N/A               | N/A             | \$0.07518          | \$0.06834 | (\$0.00684)  | -9%      |
| 5. Natural Gas Vehicle   | N/A             | N/A             | N/A               | N/A             | \$0.02347          | \$0.02574 | \$0.00227    | 10%      |
| <b><u>Noncore</u></b>    |                 |                 |                   |                 |                    |           |              |          |
| 6. Commercial/Industrial | N/A             | N/A             | N/A               | N/A             | \$0.02811          | \$0.03042 | \$0.00231    | 8%       |
|                          | <u>1/1/2016</u> | <u>1/1/2017</u> | <u>Rev Change</u> | <u>% Change</u> |                    |           |              |          |
|                          | \$000           | \$000           | \$000             | %               |                    |           |              |          |
| 7. Total PPP Revenue     | \$332,206       | \$343,321       | \$11,115          | 3%              |                    |           |              |          |

**Attachment C**  
**Advice No. 5053**

**ESTIMATED REVENUE REQUIREMENT/RATE CHANGE**  
**SOUTHERN CALIFONRIA GAS COMPANY**  
**SCG PPPS Update Filing for 1-1-2017 Rates**

|                     | Current<br>\$000 |                 |              | Proposed<br>\$000 |                 |              | Revenue Requirement Incr/(Decr)<br>\$000 |                 |              |
|---------------------|------------------|-----------------|--------------|-------------------|-----------------|--------------|--|-----------------|--------------|
|                     | <u>CARE</u>      | <u>Non-CARE</u> | <u>Total</u> | <u>CARE</u>       | <u>Non-CARE</u> | <u>Total</u> | <u>CARE</u>                              | <u>Non-CARE</u> | <u>Total</u> |
| ESAP <sup>1/</sup>  |                  | 132,417         | 132,417      |                   | 132,417         | 132,417      | -  | -               | -            |
| CARE <sup>1/</sup>  | 134,285          |                 | 134,285      | 136,666           |                 | 136,666      | 2,380                                    | -               | 2,380        |
| EE <sup>2/</sup>    |                  | 85,572          | 85,572       |                   | 85,705          | 85,705       | -  | 133             | 133          |
| RDD                 |                  | 11,757          | 11,757       |                   | 11,699          | 11,699       | -  | (58)            | (58)         |
| DSMBA               |                  | -               | -            |                   | -               | -            | -  | -               | -            |
| DAPBA               |                  | -               | -            |                   | (168)           | (168)        | -  | (168)           | (168)        |
| CAREA               | (50,622)         |                 | (50,622)     | (40,792)          |                 | (40,792)     | 9,830                                    | -               | 9,830        |
| RDDGSA              |                  | 1,997           | 1,997        |                   | 784             | 784          | -  | (1,214)         | (1,214)      |
| CARE Admin          | 16,365           |                 | 16,365       | 16,491            |                 | 16,491       | 127                                      | -               | 127          |
| BOE Admin           |                  | 435             | 435          |                   | 520             | 520          | -  | 84              | 84           |
| CPUC Admin          |                  | -               | -            |                   | -               | -            | -  | -               | -            |
| Total 1/1/17 Change | \$ 100,027       | \$ 232,179      | \$ 332,206   | \$ 112,365        | \$ 230,956      | \$ 343,321   | \$ 12,338                                | \$ (1,223)      | \$ 11,115    |

<sup>1/</sup> SoCalGas' projection of program costs for 2017 reflects the estimated 2017 CARE customer subsidy costs and funding authorized in D.15-12-024 and D.16-06-018 since a Decision is currently pending for Application (A.) 14-11-011, Approval of Low-Income Assistance Programs and Budgets for Program Years

<sup>2/</sup> 2017 EE revenue requirement pursuant to D.15-01-23, including Statewide Marketing, Education, and Outreach funding pursuant to D.15-08-033.