

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 3, 2017

**Advice Letter 5061-G**

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

**SUBJECT: October 2016 Standby Procurement Charges**

Dear Mr. van der Leeden:

Advice Letter 5061-G is effective as of November 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](mailto:RvanderLeeden@semprautilities.com)

November 22, 2016

Advice No. 5061  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: October 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 October 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 October 2016 (covering the period October 1, 2016, to November 20, 2016), the highest daily border price index at the Southern California border is \$0.30411 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.45883 per therm for noncore retail service and all wholesale service, and \$0.45777 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 December 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](mailto: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](mailto: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 November 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 November 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](mailto:tariffs@socalgas.com) or call 213-244-3387.

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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) #: 5061

Subject of AL: October 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 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: 11/22/16

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 proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: 5031, 5048, and 5051

**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 5<sup>th</sup> 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. 5061

| Cal. P.U.C.<br>Sheet No. | Title of Sheet  | Cancelling Cal.<br>P.U.C. Sheet No. |
|--------------------------|---|-------------------------------------|
| Revised 53480-G          | PRELIMINARY STATEMENT, PART II,<br>SUMMARY OF RATES AND CHARGES, Sheet<br>6 | Revised 53405-G                     |
| Revised 53481-G          | Schedule No. G-IMB, TRANSPORTATION<br>IMBALANCE SERVICE, Sheet 2            | Revised 53365-G                     |
| Revised 53482-G          | TABLE OF CONTENTS   | Revised 53419-G                     |
| Revised 53483-G          | TABLE OF CONTENTS   | Revised 53420-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 .....   | 1.485¢ |
| GT-12RS, Reservation Rate Option                                |        |
| Reservation Rate, per therm per day .....                       | 0.617¢ |
| Usage Charge, per therm .....                                   | 0.654¢ |
| Volumetric Transportation Charge for Non-Bypass Customers ..... | 1.707¢ |
| Volumetric Transportation Charge for Bypass Customers .....     | 2.004¢ |

PROCUREMENT CHARGE

Schedule G-CP

|  |         |
|--|---------|
| Non-Residential Core Procurement Charge, per therm ..... | 32.305¢ |
| Non-Residential Cross-Over Rate, per therm .....         | 32.305¢ |
| Residential Core Procurement Charge, per therm .....     | 32.305¢ |
| Residential Cross-Over Rate, per therm .....             | 32.305¢ |
| Adjusted Core Procurement Charge, per therm .....        | 32.145¢ |

IMBALANCE SERVICE

Standby Procurement Charge

|                                |         |
|--------------------------------|---------|
| Core Retail Standby (SP-CR)    |         |
| August 2016 .....              | 51.340¢ |
| September 2016 .....           | 45.777¢ |
| October 2016 .....             | 45.777¢ |
| Noncore Retail Standby (SP-NR) |         |
| August 2016 .....              | 51.446¢ |
| September 2016 .....           | 45.883¢ |
| October 2016 .....             | 45.883¢ |
| Wholesale Standby (SP-W)       |         |
| August 2016 .....              | 51.446¢ |
| September 2016 .....           | 45.883¢ |
| October 2016 .....             | 45.883¢ |

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(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5061  
 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Nov 22, 2016  
 EFFECTIVE Nov 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 8 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

|                      |         |
|----------------------|---------|
| August 2016 .....    | 51.340¢ |
| September 2016 ..... | 45.777¢ |
| October 2016 .....   | 45.777¢ |

Noncore Retail Service:

SP-NR Standby Rate, per therm

|                      |         |
|----------------------|---------|
| August 2016 .....    | 51.446¢ |
| September 2016 ..... | 45.883¢ |
| October 2016 .....   | 45.883¢ |

Wholesale Service:

SP-W Standby Rate per therm

|                      |         |
|----------------------|---------|
| August 2016 .....    | 51.446¢ |
| September 2016 ..... | 45.883¢ |
| October 2016 .....   | 45.883¢ |

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(TO BE INSERTED BY UTILITY)  
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 Vice President  
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(TO BE INSERTED BY CAL. PUC)  
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 EFFECTIVE Nov 22, 2016  
 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,53416-G,53417-G,53390-G,37933-G   |
| GT-NC   | Intrastate Transportation Service for<br>Distribution Level Customers ..... | 53320-G,53321-G,53322-G,53323-G,53324-G<br>53325-G,53326-G  |
| GT-TLS  | Intrastate Transportation Service for<br>Transmission Level Customers ..... | 53327-G,53328-G,53329-G,53330-G,52831-G<br>53331-G,53332-G,53333-G,53334-G,53335-G<br>53336-G,53337-G,53338-G                                 |
| GT-SWGX | Wholesale Natural Gas Service .....   | 53190-G,45341-G   |
| G-IMB   | Transportation Imbalance Service .....                                      | 52891-G,53481-G,53366-G,51646-G<br>52894-G,52670-G,52895-G  |
| G-OSD   | Off-System Delivery Service .....   | 47345-G*,47346-G,53183-G,47348-G  |
| G-BTS   | Backbone Transportation Service .....                                       | 48084-G,47349-G,53111-G,53224-G<br>47176-G,49399-G,47178-G,47179-G,47180-G,47181-G<br>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<br>45769-G,45770-G  |
| G-AUC   | Auction Storage Service .....   | 43338-G,32709-G,32710-G,32711-G<br>32712-G,32713-G,36314-G,32715-G  |
| G-LTS   | Long-Term Storage Service .....   | 32716-G,32717-G,52370-G,45771-G<br>45772-G,45773-G  |
| G-TBS   | Transaction Based Storage Service .....                                     | 45355-G,43340-G,52896-G,45775-G<br>52897-G,52898-G  |
| G-CBS   | UDC Consolidated Billing Service .....                                      | 51155-G,34072-G,34073-G,33095-G   |
| G-SMT   | Secondary Market Transactions<br>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<br>51160-G,51161-G,51162-G,51163-G  |

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 RESOLUTION NO. G-3316

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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 .....     | 53483-G,53175-G,53176-G,53117-G         | T |
| Table of Contents--Service Area Maps and Descriptions .....    | 53356-G                                 |   |
| Table of Contents--Rate Schedules .....                        | 53418-G,53482-G,53400-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 .....                                 | 53359-G,53360-G                         |   |
| Table of Contents--Sample Forms .....                          | 52558-G,53361-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 .....                                | 53402-G,53403-G,53404-G,53080-G,53081-G,53480-G<br>53364-G,46431-G,46432-G,52164-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,53254-G  |   |
| Core Fixed Cost Account (CFCA) .....                                      | 53073-G,53074-G,53075-G  |   |
| Noncore Fixed Cost Account (NFCA) .....                                   | 53255-G,52668-G,53256-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  |   |

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**ATTACHMENT B**

**ADVICE NO. 5061**

**RATE CALCULATION WORK PAPER  
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING  
EFFECTIVE October 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 October 20, 2016

**10/20/16 NGI’s Daily Gas Price Index (NDGPI) = \$0.30400 per therm**

**10/20/16 Intercontinental Exchange Daily Indices (ICEDI) = \$0.30422 per therm**

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

**HDBPI = \$0.30411 per therm**

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

**SP-CR = 150% x \$0.30411 + \$0.00160 = \$0.45777**

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

**SP-NR = 150% x \$0.30411 + \$0.00266 = \$0.45883**

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

**SP-W = 150% x \$0.30411 + \$0.00266 = \$0.45883**