PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



March 3, 2017

Advice Letters 5071-G and 5071-G-A

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

## SUBJECT: November 2016 Standby Procurement Charges

Dear Mr. van der Leeden:

Advice Letters 5071-G and 5071-G-A are effective as of December 21, 2016.

Sincerely,

Edward Ramlogan

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 <u>RvanderLeeden@semprautilities.com</u>

December 21, 2016

Advice No. 5071 (U 904 G)

Public Utilities Commission of the State of California

# Subject: November 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.

# <u>Purpose</u>

This routine monthly filing updates the Standby Procurement Charges in Schedule No. G-IMB for November 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:

- 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 "NGI'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 November 2016 (covering the period November 1, 2016, to December 20, 2016), the highest daily border price index at the Southern California border is \$0.38095 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.57409 per therm for noncore retail service and all wholesale service, and \$0.57303 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 January 10, 2017. 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 shall 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: Ray B. Ortiz Tariff Manager - GT14D6 555 West Fifth Street Los Angeles, CA 90013-1011 Facsimile No. (213) 244-4957 E-Mail: <u>ROrtiz@semprautilities.com</u>

# **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 December 21, 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 December 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. SOL	JTHERN CALIFO	RNIA GAS COMPANY (U 904G)	
Utility type:	Contact Person: <u>Ray B. Ortiz</u>		
$\Box$ ELC $\boxtimes$ GAS	Phone #: (213) <u>244-3837</u>		
PLC HEAT WATER	E-mail: <u>ROrtiz@se</u>	<u>mprautilities.com</u>	
EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)			
LC = Electric GAS = Gas			
PLC = Pipeline HEAT = Heat WATER = Water			
Advice Letter (AL) #: <u>5071</u>			
Subject of AL: <u>November 2016 Standb</u>	<u>y Procurement Cha</u>	rges	
Keywords (choose from CPUC listing):	Preliminary Staten	nent; Standby Service; Procurement	
AL filing type: 🛛 Monthly 🗌 Quarter	ly 🗌 Annual 🗌 On	e-Time 🗌 Other	
If AL filed in compliance with a Comm	•		
G-3316			
Does AL replace a withdrawn or reject	ed AL? If so. identi	fy the prior AL No	
Summarize differences between the AI		· · ·	
Does AL request confidential treatmen	t? If so, provide exp	lanation: <u>No</u>	
Resolution Required? 🗌 Yes 🛛 No		Tier Designation: 🛛 1 🗌 2 🔲 3	
Requested effective date: <u>12/21/16</u>		No. of tariff sheets: <u>4</u>	
Estimated system annual revenue effe	ct: (%): <u>N/A</u>		
Estimated system average rate effect (	%): <u>N/A</u>		
		showing average rate effects on customer classes	
(residential, small commercial, large C	/I, agricultural, ligh	ting).	
Tariff schedules affected: Preliminary	Statement, Part II;	Schedule G-IMB; and TOCs	
Service affected and changes proposed <sup>1</sup> : <u>N/A</u>			
Pending advice letters that revise the same tariff sheets: 5031, 5048, 5061, and 5062			
Protests and all other correspondence this filing, unless otherwise authorize		are due no later than 20 days after the date of on, and shall be sent to:	
CPUC, Energy Division Southern California Gas Company			
Attention: Tariff Unit		Attention: Ray B. Ortiz	
505 Van Ness Ave.,		555 West 5 <sup>th</sup> Street, GT14D6	
San Francisco, CA 94102		Los Angeles, CA 90013-1011	
EDTariffUnit@cpuc.ca.gov		ROrtiz@semprautilities.com	
	<u>1</u>	<u>[ariffs@socalgas.com</u>	

<sup>&</sup>lt;sup>1</sup> Discuss in AL if more space is needed.

## ATTACHMENT A Advice No. 5071

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 53565-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 53545-G
Revised 53566-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 53486-G
Revised 53567-G	TABLE OF CONTENTS	Revised 53559-G
Revised 53568-G	TABLE OF CONTENTS	Revised 53560-G

LOS ANGELES, CALIFORNIA CANCELING Revised

6H6

CAL. P.U.C. SHEET NO. 53 CAL. P.U.C. SHEET NO. 53

53565-G 53545-G

С

С

С

D

RESOLUTION NO. G-3316

PREI	LIMINARY STATEMEN	Г	Sheet 6
<b></b>	PART II	2 9 2 2 9	
SUMMAR	Y OF RATES AND CHA	<u>RGES</u>	
	(Continued)		
<u>WHOLESALE</u> (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 .			
Usage Charge, per therm			
Volumetric Transportation Charge for			
Volumetric Transportation Charge for	Bypass Customers	2.004¢	
PROCUREMENT CHARGE			
Schedule G-CP Non Pacidential Core Procurement C	hargo par therm	25 5774	
Non-Residential Core Procurement Cl Non-Residential Cross-Over Rate, per			
Residential Core Procurement Charge			
Residential Cross-Over Rate, per ther	-		
Adjusted Core Procurement Charge, p			
IMBALANCE SERVICE			
Standby Procurement Charge			
Core Retail Standby (SP-CR)			
September 2016			
October 2016		,	
November 2016 Noncore Retail Standby (SP-NR)			
September 2016		45.883¢	
October 2016			
November 2016		,	
Wholesale Standby (SP-W)			
September 2016		45.883¢	
October 2016			
November 2016		57.409¢	
	(Continued)		
(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE II	NSERTED BY CAL. PUC)
ADVICE LETTER NO. 5071	Dan Skopec	DATE FILED	Dec 21, 2016
DECISION NO.	Vice President	EFFECTIVE	Dec 21, 2016

**Regulatory Affairs** 

LOS ANGELES, CALIFORNIA CANCELING

53566-G 53486-G CAL. P.U.C. SHEET NO.

### Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

С

С

С

D

(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  $0.266 \varphi$  per therm for noncore retail service and all wholesale service, and  $0.160 \notin$  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."

45.777¢
45.777ø
57.303¢
45.883¢
45.883¢
57.409¢
45.883¢
45.8839
57.409¢

(Continued)

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

(TO BE INSERTED BY CAL. PUC)		
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UI-NC	Distribution Level Customers53320-C	53321 C 53322 C 53323 C 53324 C
	Distribution Level Customers	53325-G,53326-G
GT-TLS	Intrastate Transportation Service for	55525-0,55520-0
UI-ILS	Transmission Level Customers53327-G	52229 C 52220 C 52220 C 52221 C
		,5332-G,5333-G,53334-G,53335-G
	55551-0	53336-G,53337-G,53338-G
GT-SWGX	Wholesale Natural Gas Service	
		,
G-IMB	Transportation Imbalance Service	
		52894-G,53521-G,52895-G
G-OSD	Off-System Delivery Service	
G-BTS	Backbone Transportation Service	
		,47178-G,47179-G,47180-G,47181-G
		6,47185-G,50484-G,50485-G,50486-G
G-POOL	Pooling Service	
G-BSS	Basic Storage Service	
		45769-G,45770-G
G-AUC	Auction Storage Service	
		32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service	
		45772-G,45773-G
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G-SMT	Secondary Market Transactions	
	of Storage Rights	
G-TCA	Transportation Charge Adjustment	
G-CCC	Greenhouse Gas California Climate Credit	52092-G
GO-BCUS	Biogas Conditioning/Upgrade Services	51156-G 51157-G 51158-G 51159 G
00-0005	Diogas Conditioning/Opgrade Scivices	51160-G,51161-G,51162-G,51163-G
		51100-0,51101-0,51102-0,51105-0

(Continued)

ISSUED BY Dan Skopec Vice President 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.

#### **GENERAL**

Cal. P.U.C. Sheet No.

Title Daga	
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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	
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Noncore Fixed Cost Account (NFCA)	
Enhanced Oil Recovery Account (EORA)	
Noncore Storage Balancing Account (NSBA)	
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Gas Cost Rewards and Penalties Account (GCRPA)	
Pension Balancing Account (PBA)	
Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) . 52942-G,52943-G	
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Demand Side Management Balancing Account (DSMBA)	
Direct Assistance Program Balancing Account (DAPBA)	
Integrated Transmission Balancing Account (ITBA)	

(Continued)

ISSUED BY Dan Skopec Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)		
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## ATTACHMENT B

## ADVICE NO. 5071

# RATE CALCULATION WORK PAPER SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING EFFECTIVE NOVEMBER 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 December 7, 2016

12/07/16 NGI's Daily Gas Price Index (NDGPI) = \$0.38100 per therm

12/07/16 Intercontinental Exchange Daily Indices (ICEDI) = \$0.38089 per therm

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

HDBPI = \$0.38095 per therm

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

**SP-CR** = 150% x \$0.38095 + \$0.00160 = **\$0.57303** 

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

**SP-NR** = 150% x \$0.38095 + \$0.00266 = **\$0.57409** 

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

**SP-W** = 150% x \$0.38095 + \$0.00266 = **\$0.57409**