

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 7, 2017

Advice Letter 5101-G

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

SUBJECT: Clean-Up Filing to Revise Schedule No. G-IMB

Dear Mr. van der Leeden:

Advice Letter 5101-G is effective as of April 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
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RvanderLeeden@semprautilities.com

March 2, 2017

Advice No. 5101
(U 904 G)

Public Utilities Commission of the State of California

Subject: Clean-Up Filing to Revise Schedule No. G-IMB

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) a revision to its Schedule No. G-IMB, Transportation Imbalance Service, applicable throughout its service territory, as shown on Attachment A.

Purpose

This clean-up filing revises SoCalGas' Schedule No. G-IMB to add clarification to the calculation of the daily balancing standby rate and to add curtailment events to the list of events in which the daily balancing standby rate applies.

Background

On June 27, 2014, SoCalGas and San Diego Gas & Electric Company filed Application (A.) 14-06-021, which requested approval for new low Operational Flow Order (OFO) and Emergency Flow Order (EFO) requirements. These new requirements, which were approved by Decision (D.) 15-06-004, included five low OFO stages and one EFO stage, which, when triggered, would require customers to deliver gas within set tolerances or be assessed noncompliance charges. SoCalGas filed Advice No. (AL) 4822 on June 29, 2015 to implement the low OFO and EFO tariff modifications. AL 4822 was ultimately approved by Resolution G-3511, effective December 3, 2015. One of the tariffs included in AL 4822 was Schedule No. G-IMB, which was modified to remove then-existing provisions related to winter balancing rules and replace them with a daily balancing standby rate that would be in effect when a Stage 5 low OFO or EFO was called. The daily balancing standby rate, which would apply to quantities of gas not in compliance with a Stage 5 low OFO or an EFO, was described as the InterContinental Exchange (ICE) Day-Ahead Index (including FF&U and brokerage fee)

for the SoCal-Citygate, rounded up to the next whole dollar. Rather than include the actual rate in the tariff, since it could theoretically change every day, SoCalGas planned to post the daily balancing standby rate to its Electronic Bulletin Board, SoCalGas ENVOY[®], every time a Stage 5 low OFO or EFO was called so that customers would understand the applicable rate.

On June 26, 2015, SoCalGas and SDG&E filed A.15-06-020, requesting authority to revise their curtailment procedures. On July 14, 2016, the Commission adopted D.16-07-008, which approved a settlement agreement submitted by SoCalGas, SDG&E, and five other parties, and on October 25, 2016, SoCalGas filed AL 5050 to implement the required tariff modifications, which became effective on November 1, 2016. One of these modifications was to the Curtailment Violations section of Rule No. 23 (Sheet 8), which was revised, in part, to state that (emphasis added) “(f) or other than a customer operating emergency as set forth in Section C.3, customers failing to curtail on request will be assessed a penalty of \$5.00 per therm **plus the daily balancing standby rate defined in Schedule No. G-IMB** for the duration of the curtailment episode.”

Given the Commission’s findings in the low OFO decision (D.15-06-004) and the curtailment decision (D.16-07-008), the Daily Balancing Standby Rate will now be used for noncompliance with a Stage 5 low OFO, an EFO, or a curtailment. Because of this, SoCalGas believes customers would be well-served if the language used to describe the daily balancing standby rate in Schedule No. G-IMB included additional clarity.

Revisions to Schedule No. G-IMB

SoCalGas is revising Schedule No. G-IMB as shown in redline below to clarify the daily balancing standby rate’s calculation and to add curtailment events to the list of events in which the daily balancing standby rate applies. This clarification is being made for transparency and does not otherwise change any rate charged to any customer.

Daily Balancing Standby Rates

When a Stage 5 Low Operational Flow Order (Low OFO) or Emergency Flow Order (EFO) is declared, quantities not in compliance with the daily imbalance tolerance are purchased at the daily balancing standby rate. **When a curtailment is declared, quantities determined by the Utility to be in violation of curtailment are charged (not purchased) at the daily balancing standby rate. There will be no commodity transfer to the curtailed customer in return for receiving this charge.**

The daily balancing standby rate shall be equal **to the InterContinental Exchange (ICE) Day-Ahead Index for SoCal-Citygate multiplied by FF&U plus brokerage fee (i.e., [(ICE Day-Ahead Index for SoCal-Citygate)*(FF&U)] + [brokerage fee]),** ~~(including F&U and brokerage fee) for SoCal-Citygate,~~ rounded up to the next whole dollar, for each day a Stage 5 Low OFO, ~~or~~ EFO, **or curtailment** is issued. Authorized FF&U will not be added to any daily balancing standby charge for the Utility Gas Procurement Department to the extent that it is collected elsewhere.

SoCalGas FF&U Factors and Brokerage Fees

	FF&U	Brokerage Fee (\$/Dth)
Core	1.017370	0.0208
Noncore	1.017370	0.0266
Wholesale	1.014339	0.0266

Protest

Anyone may protest this AL 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 AL, which is March 22, 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

Copies 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: Ray B. Ortiz
Tariff Manager - GT14D6
555 West Fifth Street
Los Angeles, CA 90013-1011
Facsimile No. (213) 244-4957
E-mail: ROrtiz@SempraUtilities.com

Effective Date

SoCalGas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B and therefore respectfully requests that this AL be made effective April 1, 2017, which is 30 days after the date filed.

Notice

A copy of this AL is being sent to SoCalGas' GO 96-B service list and the Commission's service lists for A.14-06-021 and A.15-06-020. 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

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: Ray B. Ortiz

Phone #: (213) 244-3837

E-mail: ROrtiz@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) #: 5101

Subject of AL: Clean-Up Filing to Revise Schedule No. G-IMB

Keywords (choose from CPUC listing): Standby Service, Curtailment

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

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

N/A

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: 4/1/17

No. of tariff sheets: 7

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: Schedule No. G-IMB 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: Ray B. Ortiz
555 West 5th Street, GT14D6
Los Angeles, CA 90013-1011
ROrtiz@semprautilities.com
Tariffs@socalgas.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A
Advice No. 5101

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 53786-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 53748-G
Revised 53787-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 4	Revised 51646-G*
Revised 53788-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 52894-G
Revised 53789-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 6	Revised 53521-G
Revised 53790-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 7	Revised 52895-G
Revised 53791-G	TABLE OF CONTENTS	Revised 53774-G
Revised 53792-G	TABLE OF CONTENTS	Revised 53779-G

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 3

(Continued)

RATES (Continued)

Buy-Back Rate

This rate is applied to customer's cumulative positive transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 8 percent tolerance band. The Buy-Back Rate is established effective the last day of each month and will be the lower of 1) the lowest incremental cost of gas purchased by the Utility during the month the excess imbalance was incurred; or 2) 50% of the applicable Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, during the month such excess imbalance was incurred.

Retail Service:

BR-R Buy-Back Rate, per therm

December 2016	17.059¢
January 2017	20.939¢
February 2017	19.035¢

Wholesale Service:

BR-W Buy-Back Rate, per therm

December 2016	17.008¢
January 2017	20.877¢
February 2017	18.978¢

If the incremental cost of gas is the basis for the Standby or Buy-Back Rates, the Utility will provide CPUC the necessary work papers for such cost. Such documentation will be provided under confidentiality pursuant to General Order 66-C and Section 583 of the Public Utilities Code.

Daily Balancing Standby Rates

When a Stage 5 Low Operational Flow Order (Low OFO) or Emergency Flow Order (EFO) is declared, quantities not in compliance with the daily imbalance tolerance are purchased at the daily balancing standby rate. When a curtailment is declared, quantities determined by the Utility to be in violation of curtailment are charged (not purchased) at the daily balancing standby rate. There will be no commodity transfer to the curtailed customer in return for receiving this charge.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5101
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 2, 2017
 EFFECTIVE Apr 1, 2017
 RESOLUTION NO. _____

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 4

(Continued)

RATES (Continued)

Daily Balancing Standby Rates (Continued)

The daily balancing standby rate shall be equal to the InterContinental Exchange (ICE) Day-Ahead Index for SoCal-Citygate multiplied by FF&U plus brokerage fee (i.e., [(ICE Day-Ahead Index for SoCal-Citygate)*(FF&U)] + [brokerage fee]), rounded up to the next whole dollar, for each day a Stage 5 Low OFO, EFO, or curtailment is issued. Authorized FF&U will not be added to any daily balancing standby charge for the Utility Gas Procurement Department to the extent that is collected elsewhere.

SoCalGas FF&U Factors and Brokerage Fees

	FF&U	Brokerage Fee (\$/Dth)
Core	1.017370	0.0208
Noncore	1.017370	0.0266
Wholesale	1.014339	0.0266

Revision of Rates

The Standby Procurement Charge and the Buy-Back Rate shall be established effective the last day of each month. The Daily Balancing Standby Rate shall be established on ICE's Day Ahead Index.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this rate schedule are contained in Rule No. 1.
2. Imbalances of customers other than the Utility Gas Procurement Department or ESPs will be calculated by combining all of a customer's meters served under the same order control code, not by account or individual delivery point. The order control code is used by the Utility to group those facilities identified by the customer for determining the customer's imbalances. In the case of the Utility Gas Procurement Department the applicable Daily Forecast Quantity will be used. In the case of ESPs their applicable Daily Contract Quantity (DCQ) will be used.
3. Immediately each month when actual meter usage information becomes available, an adjustment to the Utility Gas Procurement Department's imbalance account will be made to account for any differences between actual consumption of the core customers and the Daily Forecast Quantity, company use and LUAF.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5101
 DECISION NO.

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Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

(Continued)

SPECIAL CONDITIONS (Continued)

4. Immediately each month when actual meter usage information becomes available, an adjustment to the ESP's imbalance account will be made to account for any differences between actual consumption of the core customers and the DCQ.
5. Customers may not use imbalance trading to offset imbalances in excess of the daily imbalance tolerances applicable during an OFO or EFO event.
6. Customers may trade their monthly imbalances with other customers. Customer's cumulative imbalances will be stated on the customer's monthly bill. The customer's bill will serve as notice of current imbalances. Beginning at 7:00 a.m., Pacific Clock Time (PCT), on the 25th calendar day in the month of notification, customers may enter EBB to trade imbalances with other customers. Customers within the tolerance band may trade any quantities so long as the 8% tolerance band is not exceeded. Customers outside the tolerance band may trade quantities up to a maximum of their excess imbalance (quantities outside of tolerance) plus the 8% tolerance band. The Utility will notify participants through EBB or other notice once the trade is validated. The trading period will end at 11:59 p.m. PCT on the last calendar day of the same month. During the month of February, the trading period begins at 7:00 a.m. PCT on the 23rd of the month and ends at 11:59 p.m. PCT on the last calendar day of the month. The trading periods are as follows:

January 25-31	May 25-31	September 25-30
February 23-28 (or 29)	June 25-30	October 25-31
March 25-31	July 25-31	November 25-30
April 25-30	August 25-31	December 25-31

7. Imbalance trades may be submitted through EBB or by facsimile using the Imbalance Trading Agreement Form (Form No. 6544) and must be received by the Utility by the close of the trading period.

To submit an imbalance trade by facsimile, both parties must complete and send by facsimile a copy of the Imbalance Trading Agreement Form to the Utility. The Utility will then confirm the trade and adjust the participants' imbalance accounts. A processing charge of \$13.73 will be charged by the Utility for each imbalance trade submitted by facsimile using the Imbalance Trading Agreement Form. No processing charge will apply to an EBB subscriber for imbalance trades submitted by facsimile at a time the EBB system is unavailable for use by the subscriber.

8. Customers may opt to participate in the EBB's interactive trading platform in which imbalance trading parties may buy and/or sell imbalance gas. Instructions are provided on the EBB website.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5101
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 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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(TO BE INSERTED BY UTILITY)
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 DECISION NO.
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ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 2, 2017
 EFFECTIVE Apr 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.

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