

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 10, 2017

**Advice Letter 5120-G**

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

**SUBJECT: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service -  
Exchange Rate**

Dear Mr. van der Leeden:

Advice Letter 5120-G is effective as of May 1, 2017.

Sincerely,

A handwritten signature in black ink 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*

April 11, 2017

Advice No. 5120  
(U 904 G)

**Subject: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service - Exchange Rate**

Public Utilities Commission of the State of California

Southern California Gas Company (SoCalGas) hereby submits for filing with the California Public Utilities Commission (Commission) revisions to its Schedule No. GT-SWGX (GT-SWGX), Exchange Wholesale Natural Gas Service applicable to Southwest Gas Corporation (Southwest), as shown on Attachment A.

**Purpose**

This filing revises the rate (Exchange Rate) SoCalGas charges Southwest for exchange transportation service pursuant to GT-SWGX. The Exchange Rate recovers certain exchange fees charged by Pacific Gas and Electric Company (PG&E) to SoCalGas, plus SoCalGas' system balancing costs, and applies only to gas quantities delivered to Southwest through delivery points served by PG&E.

**Background**

In Decision (D.) 09-10-036 the Commission adopted an exchange contract between SoCalGas and PG&E and a transportation contract between SoCalGas and Southwest. These contracts govern SoCalGas' service to, and rates for, Southwest. Pursuant to that decision, the PG&E exchange fee shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee.<sup>1</sup> Whenever either the PG&E exchange fee changes and/or SoCalGas' system balancing cost adder (SBCA) changes, the

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<sup>1</sup> D.09-10-036, mimeo., at 18 (Finding of Fact No. 18).

Exchange Rate between SoCalGas and Southwest also will change as stated in GT-SWGX and in the transportation contract between SoCalGas and Southwest.<sup>2</sup>

On March 9, 2017 and March 16, 2017, the Commission approved PG&E's Advice No. 3791-G and SoCalGas' Advice No. 5017-A, respectively, resulting in a change in the PG&E exchange fee and the SBCA.

### **Requested Revision**

This filing decreases the Exchange Rate in GT-SWGX from 11.273¢/therm to 9.753¢/therm, which is the sum of the new PG&E exchange fee of 9.566¢/therm and the new SoCalGas SBCA of 0.187¢/therm. The calculation of the SBCA for the Southwest contract is shown on Attachment B.

Pursuant to the contract between SoCalGas and Southwest adopted in D.09-10-036, the revised Exchange Rate charged by SoCalGas to Southwest becomes effective "on the first day of the second month following CPUC approval of the applicable changes."<sup>3</sup> Since the tariff changes were approved as of March 9, 2017 and March 16, 2017, pursuant to the contract between SoCalGas and Southwest, the new Exchange Rate will become effective on May 1, 2017.

### **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 must be received within 20 days of the date of this Advice Letter, which is May 1 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  
Attn: 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 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.

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<sup>2</sup> D.09-10-036, mimeo., Attachment B – Master Services Contract, Schedule A, Intrastate Transmission Service, Section 7.E.4(b).

<sup>3</sup> D.09-10-036, mimeo., Attachment C – Southwest Exchange Gas Delivery Agreement between PG&E and SoCalGas, Section 5.2.

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](mailto:ROrtiz@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, Section 7.3.1. SoCalGas respectfully requests the tariff sheets filed herein be effective on May 1, 2017, the date specified in the two Commission-approved contracts governing SoCalGas' service to Southwest.

**Notice**

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list in A.08-12-006, SoCalGas/PG&E/Southwest Wholesale Transportation and Exchange Agreements. Address change requests to the GO 96-B should be directed by electronic mail to [tariffs@socalgas.com](mailto:tariffs@socalgas.com) or call 213-244-2837. 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).

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Ronald van der Leeden  
Director – Regulatory Affairs

Attachment

# 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) #: 5120

Subject of AL: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service - Exchange Rate

Keywords (choose from CPUC listing): Agreements; Contracts

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

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

D.09-10-036

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: 5/1/17

No. of tariff sheets: 3

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: GT-SWGX 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: Ray B. Ortiz**

**555 West 5<sup>th</sup> Street, GT14D6**

**Los Angeles, CA 90013-1011**

[ROrtiz@semprautilities.com](mailto:ROrtiz@semprautilities.com)

[Tariffs@socalgas.com](mailto:Tariffs@socalgas.com)

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

ATTACHMENT A  
Advice No. 5120

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 53899-G	Schedule No. GT-SWGX, EXCHANGE WHOLESALE NATURAL GAS SERVICE, Sheet 1	Revised 53190-G
Revised 53900-G	TABLE OF CONTENTS	Revised 53897-G
Revised 53901-G	TABLE OF CONTENTS	Revised 53898-G

Schedule No. GT-SWGX  
EXCHANGE WHOLESALE NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for exchange transportation service exchange with Pacific Gas and Electric Company ("PG&E") in order to serve Southwest Gas Corporation's ("Customer") PG&E Points of Delivery located in Customer's service territory in southern California.

TERRITORY

Delivery points shall be as specified in the executed Master Services Contract, Schedule A, Intrastate Transmission Service, dated December 10, 2008 ("Contract").

RATES

Exchange Fee Charges

Exchange Rate, per therm ..... 9.753¢

As specified in the Contract, the Exchange Rate recovers certain exchange fees charged by PG&E to Utility plus Utility's system balancing costs, and applies only to gas quantities delivered through Points of Delivery served by PG&E. Pursuant to the Contract, the Exchange Rate shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee.

Pisgah Meter Station Charges

Pisgah Meter Station Charge, per month ..... \$27,505

As specified in the Contract, Pisgah Meter Station Charges are monthly charges associated with the Pisgah Meter Station Upgrade.

One-Time Lump-Sum True Up Charge .....\$238,523

As specified in the Contract, a one-time lump-sum charge will be paid to enable SoCalGas to recover actual Pisgah Meter Station Upgrade costs during the months before the Pisgah Meter Station Charges are trued up. This charge will cover August 2011 through August 2013.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities used in developing prior periods' exchange charges.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5120  
 DECISION NO. 09-10-036

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

(TO BE INSERTED BY CAL. PUC)  
 SUBMITTED Apr 11, 2017  
 EFFECTIVE May 1, 2017  
 RESOLUTION NO. \_\_\_\_\_

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