

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 19, 2017

Advice Letter 5149

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

**Subject: Monthly Minimum Charges for Partially Bypass Customers
Under Schedule No. GT-TLS**

Dear Mr. van der Leeden:

Advice Letter 5149 is effective as of July 9, 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

June 9, 2017

Advice No. 5149
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Monthly Minimum Charges for Partially Bypass Customers Under
Schedule No. GT-TLS**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission or CPUC) six customer-specific Monthly Minimum Charges, as shown in Attachment A.

Background

On November 20, 2009, the Commission issued Decision (D.) 09-11-006 approving and adopting, with certain modifications, the terms and conditions of the Settlement Agreement in Phase 2 of the Biennial Cost Allocation Proceeding for SoCalGas (Settlement).¹

Among other things, D.09-11-006 adopted a new rate schedule, Intrastate Transportation Service for Transmission Level Customers (GT-TLS), which included a provision requiring SoCalGas to calculate a Monthly Minimum Charge for each Partially Bypass customer taking service under GT-TLS and to seek approval of these charges by Advice Letter.² Partially Bypass customers are customers who take

¹ D.09-11-006 at 55, Ordering Paragraph (OP) 1.

² Schedule No. GT-TLS specifies, "The Monthly Minimum Charge shall apply to a Bypass customer only. The Monthly Minimum Charge shall recover the Utility's actual Customer-related service costs. Customer-related service costs shall be limited to actual operations and maintenance costs of the metering equipment and other related facilities at the Customer's meter(s) that are owned and operated by the Utility necessary to deliver gas in accordance with the Utility's rules and procedures, good industry practice, and governmental regulations. The Utility shall determine actual Customer related service costs for each eligible Customer not later than 30 days following a request by the Customer and shall seek CPUC approval of the resulting Monthly Minimum Charge by Advice Letter." The approved Monthly Minimum

service from both SoCalGas and an alternate gas transportation service provider, i.e., customers who partially bypass utility service. SoCalGas currently has four customers with Commission-approved Monthly Minimum Charges.³

Monthly Minimum Charge Changes Requested

In this Advice Letter, SoCalGas is proposing to:

1. Calculate a new minimum charge for two customers who will be starting partial bypass service with SoCalGas;
2. Update the charge for an existing facility where there has been a change in company ownership; and
3. Update the charge for three existing partially bypass customers.⁴

SoCalGas' analysis and determination of the Monthly Minimum Charge for these customers is provided in Confidential Attachment A.

According to the D.09-11-006, the purpose of the Monthly Minimum Charge is "to recover customer specific service costs (e.g., metering, regulation, billing, etc.)."⁵ These charges are to be based on actual operations and maintenance costs of the metering equipment and other related facilities at each individual customer's meter(s) that are owned and operated by SoCalGas. The charges cover activities that are necessary to deliver gas in accordance with SoCalGas' rules and procedures, good industry practice, and governmental regulations.

The Monthly Minimum Charge does not include replacement of major components of SoCalGas' measurement and regulation equipment. In the event that such replacement is required in the future in order to continue to provide gas service,

Charge for each Customer shall apply whenever the total of the combined reservation and volumetric transportation charges does not exceed the monthly minimum charge.

³ See Advice Nos. 4062, 4136 and 4284, approved on March 3, 2010, August 20, 2010 and December 28, 2011, respectively.

⁴ As noted in Advice Nos. 4062, 4136 and 4284, SoCalGas would request by advice filing approval to update these Monthly Minimum Charge as necessary to recover actual costs as they may increase from time to time.

⁵ See June 2, 2009 *Joint Motion for Adoption of Settlement Agreement and Suspension of Hearing Schedule for Phase Two Issues*, Attachment 1, TLS Customer Class Rate Design, Section 4.e., p.3. See also D.09-11-006 at 55, OP 1 ("The June 2, 2009 joint motion to adopt the Settlement Agreement in Phase Two of this proceeding is granted, and except as provided for in OP 3 below, the terms and conditions of the Settlement Agreement (as set forth in Appendix A of this decision, *in Attachments 1 to 4 to Appendix A in the joint motion*, and in the rates and cost allocations shown in Appendix B and Appendix C of this decision), are adopted...) (emphasis added).

SoCalGas shall install the necessary equipment at the customer's expense, or, if requested by the customer, discontinue service.⁶

SoCalGas will request by advice filing approval to update these Monthly Minimum Charge as necessary to recover actual costs as they may increase from time to time.

Confidentiality

Due to the confidential nature of the information in Attachment A, a declaration requesting confidential treatment is included. The Minimum Charges provided in Attachment A are only being provided to Energy Division under the confidentiality provisions of General Order (GO) 66-C, Section 583 of the Public Utilities Code, and D.16-08-024.

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 June 29, 2017. 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 CPUC's Energy Division Tariff Unit (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 CPUC.

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

⁶ *Id.* at Attachment 2, Uncontested Proposals, Section 33 ("Adopt SDG&E/SoCalGas' proposal that, to the extent a bypass customer requests a new service line or meter from SDG&E or SoCalGas for standby service, SDG&E or SoCalGas will install the service line or meter at the customer's expense, and the customer will be subject to the previously described 24-month usage evaluation.")

Effective Date

SoCalGas believes this advice letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after Energy Division Staff approval) pursuant to the CPUC's GO 96-B. SoCalGas respectfully requests that this become effective on July 9, 2017, which is 30 calendar days after the date of filing.

Notice

A copy of this advice letter is being sent to SoCalGas' GO 96-B service list and the CPUC's service list in A.15-07-014. Address change requests to the service list should be directed by electronic mail to tariffs@socalgas.com or call 213-244-2837. For changes to all other service lists, please contact the CPUC's Process Office at 415-703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

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) #: 5149

Subject of AL: Monthly Minimum Charges for Partially Bypass Customers Under Schedule No. GT-TLS

Keywords (choose from CPUC listing): Contracts

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

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

D.09-11-006

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: 7/9/17

No. of tariff sheets: 0

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: N/A

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. 5149

**MONTHLY MINIMUM CHARGES FOR PARTIALLY BYPASSED
CUSTOMERS UNDER SCHEDULE NO. GT-TLS**

Adopted by D.09-11-006

**Provided to the Commission under the Confidential and
Protected Materials Provisions Pursuant to Public Utilities
Code Section 583, General Order 66-C, and D.16-08-024**

**Monthly Minimum Charges for Southern California
Gas Company Partially Bypassed Customers – Tables 1 and 2**

Table 1: Monthly Minimum Charges for Southern California Gas
Company Partially Bypassed Customers – Summary

Table 2: Monthly Minimum Charges for Southern California Gas
Company Partially Bypassed Customers - Details

Table 2.1: Sentinel Peak

Table 2.2: Chevron 26C

Table 2.3: Blythe Energy

Table 2.4: Midway Sunset

Table 2.5: Aera Energy South Belridge Cogen

Table 2.6: Alon Bakersfield Property, Inc.

**BEFORE THE PUBLIC UTILITIES
COMMISSION OF THE STATE OF CALIFORNIA**

**DECLARATION OF RASHA PRINCE
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.16-08-024**

I, Rasha Prince, do declare as follows:

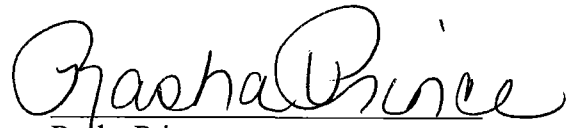
1. I am the Director of Commercial and Industrial Services for Southern California Gas Company (“SoCalGas”). I have been delegated authority to sign this declaration by Lisa Alexander, Vice President of Customer Solutions and Communications. I have reviewed the Advice Letter titled “Monthly Minimum Charge for Bypass Customers Under Schedule No. GT-TLS”, submitted concurrently herewith (the “Advice Letter”). I am personally familiar with the facts and representations in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or belief.

2. I hereby provide this Declaration in accordance with Decision (“D.”) 16-08-024 to demonstrate that the confidential information (“Protected Information”) provided in the Advice Letter is within the scope of data protected as confidential under applicable law, and pursuant to Public Utilities Code (“PUC”) § 583 and General Order (“GO”) 66-C, as described in Attachment A.

3. In accordance with the legal authority described herein, the Protected Information should be protected from public disclosure.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 8th day of June, 2017, at Los Angeles.

A handwritten signature in cursive script that reads "Rasha Prince". The signature is written in black ink and is positioned above the printed name and title.

Rasha Prince
Director, Commercial and Industrial
Services
Southern California Gas Company

ATTACHMENT A

SoCalGas Request for Confidentiality On the following Protected Information in its Advice Letter titled “Monthly Minimum Charges for Bypass Customers Under Schedule No. GT-TLS”

| Location of Protected Information | Legal Authority | Narrative Justification |
|---|--|---|
| <p>Advice Letter for Monthly Minimum Charges for Bypass Customers Under Schedule No. GT-TLS, Grey Shaded Cells in Attachment A:</p> <p>Annual O&M labor costs, annual O&M non-labor costs, annual Turbine Meter Module Replacement Costs, Customer Account Costs, and Total Monthly Minimum Charges for all customers in the Advice Letter’s Attachment A</p> | <p>Non-Public Company Financial Information/Market Sensitive Information:</p> <p>Gov’t Code §§6254(k), 6254.7(d); Evid. Code §1060; Civil Code §3426 <i>et seq.</i></p> <p>GO 66-C, Section 2.2(b) (“unfair business advantage”)</p> | <p>Information regarding customer-specific annual O&M labor cost, annual O&M non-labor cost, annual Turbine Meter Module Replacement Cost, Customer Accounts Cost, and Total Monthly Minimum Charge is market sensitive information that, if revealed, could place the customer at an unfair business disadvantage because it provides specific cost information regarding the customer’s O&M costs and Monthly Minimum Charge.</p> |