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

October 12, 2017

Edmund G. Brown Jr., Governor



Advice Letter 5180

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

Subject: August 2017 Buy-Back Rates

Dear Mr. van der Leeden:

Advice Letter 5180 is effective as of August 31, 2017.

Sincerely, General Randoph

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*

August 31, 2017

Advice No. 5180 (U 904 G)

Public Utilities Commission of the State of California

Subject: August 2017 Buy-Back Rates

Southern California Gas Company (SoCalGas) hereby submits for filing revisions to its tariff schedules, applicable throughout its service territory, as shown on Attachment A.

<u>Purpose</u>

This routine monthly filing updates the Buy-Back Rates in Schedule No. G-IMB for August 2017.

Background

As authorized in Schedule No. G-IMB - Transportation Imbalance Service, the Buy-Back Rates are established effective the last day of each month.

The Buy-Back Rates will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the 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.

Information

During the month August, 50% of the Adjusted Core Procurement Charge, G-CPA, is lower than the lowest incremental cost of gas. Therefore, the Buy-Back Rates for August 2017 are being revised accordingly. The work paper showing details of the calculation of these rates is incorporated herein as Attachment B.

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets. Pursuant to Resolution G-3316, the August 2017 Standby Procurement Charges will be filed by a separate Advice Letter at least one day prior to September 25, 2017.

Protest

Anyone may protest this Advice Letter to the California Public Utilities 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 September 20, 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 should 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 and therefore respectfully requests that the tariff sheets filed herein be made effective August 31, 2017, to coincide with SoCalGas' Adjusted Core Procurement Charge filing in Advice No. 5172, dated July 31, 2017.

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 213-244-2837.

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 \Box GAS	Phone #: (213) 24	4-3837		
PLC HEAT WATER	E-mail: <u>ROrtiz@se</u>	mprautilities.com		
EXPLANATION OF UTILITY T	YPE	(Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas				
	VATER = Water			
Advice Letter (AL) #: _5180				
Subject of AL: August 2017 Buy-Back	Rates			
Keywords (choose from CPUC listing):	Preliminary State	ment. Core. Compliance		
AL filing type: \boxtimes Monthly \square Quarter	*			
If AL filed in compliance with a Comm	•			
D.89-11-060 and D.90-09-089, et al.		π .		
	d AI 2 If as identif	futhe prior AL No. N/A		
Does AL replace a withdrawn or reject				
Summarize differences between the AI	and the prior with	drawn or rejected AL ¹ : <u>N/A</u>		
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: 8/31/17		No. of tariff sheets: 6		
Estimated system annual revenue effe	(0/), N/A			
·				
Estimated system average rate effect (
(residential, small commercial, large C		showing average rate effects on customer classes iting).		
Tariff schedules affected: Preliminary	Statement, Part II;	Schedule G-IMB, and TOC's		
Service affected and changes proposed ¹ : <u>N/A</u>				
Pending advice letters that revise the same tariff sheets: <u>5153, 5168, 5171, and 5177</u>				
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 Southern California Gas Company				
Attention: Tariff Unit		Attention: Ray B. Ortiz		
505 Van Ness Ave.,		555 West 5 th Street, GT14D6		
San Francisco, CA 94102		Los Angeles, CA 90013-1011		
EDTariffUnit@cpuc.ca.gov		<u>ROrtiz@semprautilities.com</u> Fariffs@socalgas.com		

¹ Discuss in AL if more space is needed.

ATTACHMENT A Advice No. 5180

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 54255-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 54231-G
Revised 54256-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 54178-G
Revised 54257-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 54232-G
Revised 54258-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 54180-G
Revised 54259-G	TABLE OF CONTENTS	Revised 54233-G
Revised 54260-G	TABLE OF CONTENTS	Revised 54234-G

LOS ANGELES, CALIFORNIA CANCELING

89-11-060 & 90-09-089,

et al.

DECISION NO.

6H6

Revised CAL. P.U.C. SHEET NO. 54 Revised CAL. P.U.C. SHEET NO. 54

54255-G 54231-G

Aug 31, 2017

EFFECTIVE

RESOLUTION NO.

	Γ Sheet 6		
SUM	<u>PART II</u> MARY OF RATES AND CHA	RGES	
<u></u>	(Continued)		
WHOLESALE (Continued)			
Schedule GT-TLS (ECOGAS)			
GT-12CA, Class-Average Volur			
Volumetric Charge		1.464¢	
GT-12RS, Reservation Rate Opt			
Reservation Rate, per therm per			
Usage Charge, per therm			
Volumetric Transportation Char			
Volumetric Transportation Charge	ge for Bypass Customers	1.976¢	
PROCUREMENT CHARGE			
Schedule G-CP			
Non-Residential Core Procureme	ent Charge, per therm	35.213¢	
Non-Residential Cross-Over Rat			
Residential Core Procurement C			
Residential Cross-Over Rate, per			
Adjusted Core Procurement Cha	rge, per therm	35.005¢	
IMBALANCE SERVICE			
Standby Procurement Charge			
Core Retail Standby (SP-CR)			
		53.314¢	
July 2017			
Noncore Retail Standby (SP-			
June 2017	· · · · · · · · · · · · · · · · · · ·	53.372¢	
August 2017		TBD*	
Wholesale Standby (SP-W)			
June 2017		53.372¢	
July 2017		48.581¢	
August 2017		TBD*	
*To be determined (TBD). P	ursuant to Resolution G-3316, t	he Standby Charges will be filed by	
	ast one day prior to September		
	(Continued)		
(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY CAL. PUC)	
DVICE LETTER NO. 5180	Dan Skopec	DATE FILED Aug 31, 2017	

Vice President

Regulatory Affairs

LOS ANGELES, CALIFORNIA CANCELING Revised CAL. P.U.C. SHEET NO. 54178-G

PRE	LIMINARY STATEMENT	Sheet 7	
SUMMAR	<u>PART II</u> RY OF RATES AND CHAR	GES	
	(Continued)		
IMBALANCE SERVICE (Continued)			
<u>Buy-Back Rate</u> Core and Noncore Retail (BR-R)			
June 2017 July 2017		*	D
August 2017		· · · · · · · · · · · · · · · · · · ·	R
Wholegels (PR W)			
Wholesale (BR-W) June 2017			D
July 2017			
August 2017			R
STORAGE SERVICE			
Schedule G-BSS (Basic Storage Service)		
Reservation Charges Annual Inventory, per decatherm Annual Withdrawal, per decatherm Daily Injection, per decatherm/day	n/day reserved	\$11.584/year	
In-Kind Energy Charge for quantity of Rate, percent reduction			
The In-Kind Energy Charge shall average of actual fuel use.	be adjusted as necessary or	n the basis of a three-year rolling	
Schedule G-AUC (Auction Storage Serv	rice)		
Reservation Charges Annual Inventory, per decatherm Annual Withdrawal, per decatherr Daily Injection, per decatherm/day	n/day reserved		
(1) Charge shall be equal to the award	led price bid by the custome	r.	
	(Continued)		
(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY CAL. PUC)	
ADVICE LETTER NO. 5180	Dan Skopec	DATE FILED <u>Aug 31, 2017</u>	
DECISION NO. 89-11-060 & 90-09-089,	Vice President	EFFECTIVE Aug 31, 2017	_
7H6 et al.	Regulatory Affairs	RESOLUTION NO.	

LOS ANGELES, CALIFORNIA CANCELING

54257-G 54232-G CAL. P.U.C. SHEET NO.

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

D

Т

D

Т

D

Т

Т

Т

(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 0.208ϕ 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."

SP-CR Standby Rate, per therm	
June 2017	53.314¢
July 2017	
August 2017	
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
June 2017	53.372¢
July 2017	
August 2017	TBD*
Wholesale Service:	
SP-W Standby Rate per therm	
June 2017	53.372¢
July 2017	-
August 2017	

*To be determined (TBD). Pursuant to Resolution G-3316, the Standby Charges will be filed by a separate advice letter at least one day prior to September 25.

(Continued)

(TO BE INSERTED BY CAL. PUC)			
DATE FILED	Aug 31, 2017		
EFFECTIVE	Aug 31, 2017		
RESOLUTION NO.			

LOS ANGELES, CALIFORNIA CANCELING

et al.

3H6

54180-G CAL. P.U.C. SHEET NO.

Schedule No. G-IMB Sheet 3 TRANSPORTATION IMBALANCE SERVICE (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 D July 2017 17.578¢ August 2017 17.503¢ R Wholesale Service: BR-W Buy-Back Rate, per therm June 2017 19.324¢ D July 2017 17.525¢ R 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. (Continued) ISSUED BY (TO BE INSERTED BY CAL. PUC) (TO BE INSERTED BY UTILITY) Aug 31, 2017 ADVICE LETTER NO. 5180 **Dan Skopec** DATE FILED Aug 31, 2017 DECISION NO. 89-11-060 & 90-09-089. Vice President EFFECTIVE

Regulatory Affairs

RESOLUTION NO.

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ISSUED BY Dan Skopec Vice President Regulatory Affairs (TO BE INSERTED BY CAL. PUC) DATE FILED <u>Aug 31, 2017</u> EFFECTIVE <u>Aug 31, 2017</u> RESOLUTION NO.

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ISSUED BY Dan Skopec Vice President Regulatory Affairs

(Continued)

(TO BE INSERTED BY CAL. PUC) DATE FILED <u>Aug 31, 2017</u> EFFECTIVE <u>Aug 31, 2017</u> RESOLUTION NO.

ATTACHMENT B

ADVICE NO. 5180

RATE CALCULATION WORKPAPER BASED ON ADVICE NO. 5172 ADJUSTED CORE PROCUREMENT CHARGE FILING EFFECTIVE AUGUST 1, 2017

Adjusted Core Procurement Charge:

Retail G	35.005 ¢ per therm				
(WACOG: 3	¢ + Franchise and Uncollectibles:			ibles:	
0.598	¢ or [1.7370%	*	34.407	¢])

Wholesale G-CPA:	34.900 ¢ per therm		
(WACOG: 34.407	¢ + Franchise:		
0.493 ¢ or [1.4339%	* 34.407	¢])	

GIMB Buy-Back Rates

BR-R = 50% of Retail G-CPA:						
50%	*	35.005	cents/therm	=	17.503	cents/therm

BR-W = 50% of Wholesale G-CPA: 50% * 34.900 cents/therm = **17.450** cents/therm