

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



November 8, 2017

**Advice Letter 5195**

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 Bypass Customers Under  
Schedule No. GT-TLS**

Dear Mr. van der Leeden:

Advice Letter 5195 is effective as of November 2, 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](mailto:RvanderLeeden@semprautilities.com)

October 3, 2017

Advice No. 5195  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Monthly Minimum Charges for 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) one customer-specific Monthly Minimum Charge, 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).<sup>1</sup>

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 Bypass customer taking service under GT-TLS and to seek approval of these charges by Advice Letter.<sup>2</sup> Bypass customers are customers who take service from both

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<sup>1</sup> D.09-11-006 at 55, Ordering Paragraph (OP) 1.

<sup>2</sup> 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 Charge for each Customer shall apply only when the charge exceeds the total reservation

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.<sup>3</sup>

### **Monthly Minimum Charge Changes Requested**

In this Advice Letter, SoCalGas is proposing to:

1. Calculate a new minimum charge for one customer who will be starting partial bypass service with SoCalGas.

SoCalGas' analysis and determination of the Monthly Minimum Charge for this customer 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.)."<sup>4</sup> 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, SoCalGas shall install the necessary equipment at the customer's expense, or, if requested by the customer, discontinue service.<sup>5</sup>

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and volumetric transportation charges for GT-TLS service and shall be applied in lieu of the total reservation and volumetric transportation charges."

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

<sup>4</sup> 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).

<sup>5</sup> *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.").

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 October 23, 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](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 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](mailto: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 Energy Division Staff approval) pursuant to the CPUC's GO 96-B. SoCalGas respectfully requests that this become effective on November 2, 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 GO 96-B service list 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 CPUC'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](mailto: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) #: 5195

Subject of AL: Monthly Minimum Charges for 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 AL<sup>1</sup>: N/A

Does AL request confidential treatment? If so, provide explanation: See the Declaration of Confidentiality.

Resolution Required?  Yes  No

Tier Designation:  1  2  3

Requested effective date: 11/2/17

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 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. 5195**

**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 Charge for Southern California  
Gas Company Partially Bypassed Customer – Seneca 17N**

**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.

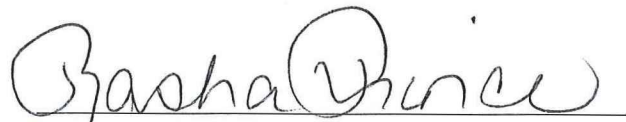
2. I hereby provide this Declaration in accordance with Decision (“D.”) 16-08-024 to demonstrate that the confidential information (“Protected Information”) provided in the Advice Letter is within the scope of data protected as confidential under applicable law, and pursuant to Public Utilities Code (“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 29th day of September 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 a horizontal line.

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&amp;M labor costs, annual O&amp;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&amp;M labor cost, annual O&amp;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&amp;M costs and Monthly Minimum Charge.</p>