#### PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



March 8, 2018

**Advice Letter 5224-G** 

Ray Ortiz Southern California Gas 555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011

**SUBJECT:** November 2017 Buy-Back Rates

Dear Mr. Ortiz:

Advice Letter 5224-G is effective as of November 30, 2017.

Sincerely,

Edward Randolph

Director, Energy Division

Edward Randoft



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

November 30, 2017

Advice No. 5224 (U 904 G)

Public Utilities Commission of the State of California

#### **Subject: November 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.

#### **Purpose**

This routine monthly filing updates the Buy-Back Rates in Schedule No. G-IMB for November 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 the 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 of November, 50% of the Adjusted Core Procurement Charge, G-CPA, is lower than the lowest incremental cost of gas. Therefore, the Buy-Back Rates for November 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 November 2017 Standby Procurement Charges will be filed by a separate Advice Letter at least one day prior to December 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 December 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: 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 and therefore respectfully requests that the tariff sheets filed herein be made effective November 30, 2017, to coincide with SoCalGas' Adjusted Core Procurement Charge filing in Advice No. 5210, dated October 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 service list should be directed by electronic mail to <a href="mailto:Tariffs@socalgas.com">Tariffs@socalgas.com</a> 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. SOUTHERN CALIFORNIA GAS COMPANY (U 904G)			
Utility type:	Contact Person: Ray B. Ortiz		
$\square$ ELC $\boxtimes$ GAS	Phone #: (213) 24	4-3837	
☐ PLC ☐ HEAT ☐ WATER	E-mail: ROrtiz@semprautilities.com		
EXPLANATION OF UTILITY TY	EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas	(		
	WATER = Water		
Advice Letter (AL) #: 5224			
Subject of AL: November 2017 Buy-Ba	ck Rates		
<b>Keywords (choose from CPUC listing):</b>	Preliminary State	ment, Core, Compliance	
AL filing type: $oxed{oxed}$ Monthly $oxed{oxed}$ Quarterly	ly 🗌 Annual 🗌 On	e-Time 🗌 Other	
If AL filed in compliance with a Commi	ission order, indicat	e relevant Decision/Resolution #:	
D.89-11-060 and D.90-09-089, et al.			
Does AL replace a withdrawn or rejecte	ed AL? If so, identif	fy the prior AL No. N/A	
Summarize differences between the AL			
	- u v p	<u></u>	
Does AL request confidential treatmen	t? If so, provide exp	lanation: No	
Resolution Required?  Yes No Tier Designation: 1 2 3			
Requested effective date: 11/30/17		No. of tariff sheets: 6	
Estimated system annual revenue effect	ct: (%): <u>N/A</u>		
Estimated system average rate effect (9	%): 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: Preliminary Statement, Part II; Schedule G-IMB, and TOC's			
Service affected and changes proposed <sup>1</sup>	: N/A		
Pending advice letters that revise the same tariff sheets: 5187, 5190, 5206, 5209, and 5221			
Protests and all other correspondence this filing, unless otherwise authorize	regarding this AL d by the Commission	are due no later than 20 days after the date of on, and shall be sent to:	
CPUC, Energy Division	· ·		
Attention: Tariff Unit		Attention: Ray B. Ortiz	
505 Van Ness Ave.,		55 West 5th Street, GT14D6	
San Francisco, CA 94102		Los Angeles, CA 90013-1011	
EDTariffUnit@cpuc.ca.gov		ROrtiz@semprautilities.com	
	<u> 1</u>	<u> [ariffs@socalgas.com</u>	

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

# ATTACHMENT A Advice No. 5224

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 54476-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet	Revised 54463-G
Revised 54477-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 54386-G
Revised 54478-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 54464-G
Revised 54479-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 54388-G
Revised 54480-G	TABLE OF CONTENTS	Revised 54465-G
Revised 54481-G	TABLE OF CONTENTS	Revised 54466-G

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

54476-G 54463-G

PRELIMINARY STATEMENT PART II **SUMMARY OF RATES AND CHARGES** 

Sheet 6

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(Continued)

Schedule GT-TLS (ECOGAS) GT-12CA, Class-Average Volumetric Rate Option Volumetric Charge	1.464¢
GT-12RS, Reservation Rate Option Reservation Rate, per therm per day Usage Charge, per therm Volumetric Transportation Charge for Non-Bypass Customers Volumetric Transportation Charge for Bypass Customers	0.521¢ 1.683¢
PROCUREMENT CHARGE  Schedule G-CP	1.970¢

enedate & CI	
Non-Residential Core Procurement Charge, per therm	31.754¢
Non-Residential Cross-Over Rate, per therm	32.272¢
Residential Core Procurement Charge, per therm	31.754¢
Residential Cross-Over Rate, per therm	32.272¢
Adjusted Core Procurement Charge, per therm	31.464¢

#### IMBALANCE SERVICE

#### Standby Procurement Charge Core Retail Standby (SP-CR)

Core Retail Standby (SI -CR)	
September 2017	53.571¢
October 2017	65.481¢
November 2017	TBD*
Noncore Retail Standby (SP-NR)	
September 2017	53.629¢
October 2017	65.539¢
November 2017	TBD*
Wholesale Standby (SP-W)	
September 2017	53.629¢
October 2017	65.539¢
November 2017	TBD*

<sup>\*</sup>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 December 25.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5224 DECISION NO. 89-11-060 & 90-09-089, et al. 6H8

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

(TO BE INSERTED BY CAL. PUC) Nov 30, 2017 DATE FILED Nov 30, 2017 EFFECTIVE RESOLUTION NO.

LOS ANGELES, CALIFORNIA CANCELING Revi

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

54477-G 54386-G

Sheet 7

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# PRELIMINARY STATEMENT <u>PART II</u> <u>SUMMARY OF RATES AND CHARGES</u>

(Continued)

#### <u>IMBALANCE SERVICE</u> (Continued)

Core and Noncore Retail (BR-R)

 September 2017
 16.764 ¢ 

 October 2017
 15.862 ¢ 

 November 2017
 15.732 ¢ 

Wholesale (BR-W)

 September 2017
 16.714 ¢ 

 October 2017
 15.814 ¢ 

 November 2017
 15.685 ¢ 

#### STORAGE SERVICE

#### Schedule G-BSS (Basic Storage Service)

#### **Reservation Charges**

In-Kind Energy Charge for quantity delivered for injection during the year

The In-Kind Energy Charge shall be adjusted as necessary on the basis of a three-year rolling average of actual fuel use.

#### Schedule G-AUC (Auction Storage Service)

#### Reservation Charges

(1) Charge shall be equal to the awarded price bid by the customer.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5224 DECISION NO. 89-11-060 & 90-09-089, et al.

ISSUED BY

Dan Skopec

Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Nov 30, 2017

EFFECTIVE Nov 30, 2017

RESOLUTION NO.

Sheet 2

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

#### Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

(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 0.208¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "Natural Gas Intelligence's (NGI's) Daily Gas Price Index – Southern California Border Average" and "SNL Energy's Daily Indices - SoCal Border."

#### Core Retail Service:

SP-CR Standby Rate, per therm	
September 2017	53.571¢
October 2017	65.481¢
November 2017	TBD*
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
September 2017	
October 2017	65.539¢
November 2017	TBD*
Wholesale Service:	
SP-W Standby Rate per therm	
September 2017	53.629¢
October 2017	65.539¢
November 2017	TBD*

<sup>\*</sup>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 December 25.

(Continued)

(TO BE INSERTED BY UTILITY) 5224 ADVICE LETTER NO. 89-11-060 & 90-09-089. DECISION NO. et al. 2H8

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

(TO BE INSERTED BY CAL. PUC) Nov 30, 2017 DATE FILED Nov 30, 2017 **EFFECTIVE** RESOLUTION NO.

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LOS ANGELES, CALIFORNIA CANCELING REV

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

54479-G 54388-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	16761	_
September 2017		D
October 2017	15.862¢	
November 2017	15.732¢	R
Wholesale Service:		

#### BR-W Buy-Back Rate, per therm

September 2017	16.714¢
October 2017	
November 2017	15.685¢

R

D

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)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5224 DECISION NO. 89-11-060 & 90-09-089, et al.

ISSUED BY

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Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Nov 30, 2017

EFFECTIVE Nov 30, 2017

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LOS ANGELES, CALIFORNIA CANCELING

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(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5224 DECISION NO. 89-11-060 & 90-09-089, et al. 2H6

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

(TO BE INSERTED BY CAL. PUC) Nov 30, 2017 DATE FILED Nov 30, 2017 **EFFECTIVE** RESOLUTION NO.

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

54481-G 54466-G

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#### TABLE OF CONTENTS

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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Integrated Transmission Balancing Account (ITBA)

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5224 DECISION NO. 89-11-060 & 90-09-089, et al.

ISSUED BY

Dan Skopec

Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Nov 30, 2017

EFFECTIVE Nov 30, 2017

RESOLUTION NO.

#### ATTACHMENT B

#### **ADVICE NO. 5224**

# RATE CALCULATION WORKPAPER BASED ON ADVICE NO. 5210 ADJUSTED CORE PROCUREMENT CHARGE FILING EFFECTIVE NOVEMBER 1, 2017

#### **Adjusted Core Procurement Charge:**

**Retail G-CPA:** 31.464 ¢ per therm (WACOG: 30.927 ¢ + Franchise and Uncollectibles: 0.537 ¢ or [ 1.7370% \* 30.927 ¢ ] )

Wholesale G-CPA: 31.370 ¢ per therm (WACOG: 30.927 ¢ + Franchise: 0.443 ¢ or [ 1.4339% \* 30.927 ¢ ] )

#### **GIMB Buy-Back Rates**

**BR-R** = 50% of Retail G-CPA: 50% \* 31.464 cents/therm = **15.732** cents/therm

**BR-W** = 50% of Wholesale G-CPA: 50% \* 31.370 cents/therm = **15.685** cents/therm