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

June 4, 2018

Advice Letter 5285-G

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

## SUBJECT: April 2018 Buy-Back Rates.

Dear Mr. van der Leeden:

Advice Letter 5285-G is effective as of April 30, 2018.

Sincerely,

Edward Ramloph

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 <u>RvanderLeeden@semprautilities.com</u>

April 30, 2018

Advice No. 5285 (U 904 G)

Public Utilities Commission of the State of California

# Subject: April 2018 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 April 2018.

## **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 April, 50% of the Adjusted Core Procurement Charge, G-CPA, is lower than the lowest incremental cost of gas. Therefore, the Buy-Back Rates for April 2018 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 April 2018 Standby Procurement Charges will be filed by a separate Advice Letter at least one day prior to May 25, 2018.

## 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 May 20, 2018. 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 April 30, 2018, to coincide with SoCalGas' Adjusted Core Procurement Charge filing in Advice No. 5274, dated March 30, 2018.

# <u>Notice</u>

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 <u>Tariffs@socalgas.com</u> 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:	Utility type: Contact Person: Ray B. Ortiz				
$\Box$ ELC $\boxtimes$ GAS	Phone #: (213) 244-3837				
$\square$ PLC $\square$ HEAT $\square$ WATER	E-mail: <u>ROrtiz@se</u>	emprautilities.com			
EXPLANATION OF UTILITY T	•	(Date Filed/ Received Stamp by CPUC)			
ELC = Electric GAS = Gas		(But The Received Stamp by OF CO)			
	VATER = Water				
Advice Letter (AL) #: 5285					
Subject of AL: April 2018 Buy-Back Ra					
Subject of AL. April 2016 Buy-Back Ka					
Keywords (choose from CPUC listing):	°				
AL filing type: 🛛 Monthly 🗌 Quarter	0				
If AL filed in compliance with a Comm	ission order, indicat	te relevant Decision/Resolution #:			
D.89-11-060 and D.90-09-089, et al.					
Does AL replace a withdrawn or rejected	ed AL? If so, identi	fy the prior AL No. <u>N/A</u>			
Summarize differences between the AI	and the prior with	drawn or rejected AL <sup>1</sup> : <u>N/A</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: <u>4/30/18</u>		No. of tariff sheets: <u>6</u>			
Estimated system annual revenue effe	ct: (%): N/A				
Estimated system average rate effect (					
• •		showing average rate effects on customer classes			
(residential, small commercial, large C		8 8			
Tariff schedules affected: Preliminary	0	0			
Turm schedules anected. Tremmury Statement, Fart II, Schedule & 1005, and 1005					
Service affected and changes proposed <sup>1</sup> : N/A					
Pending advice letters that revise the same tariff sheets: 5273 and 5283					
<u> </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.,	5	555 West 5 <sup>th</sup> Street, GT14D6			
San Francisco, CA 94102		Los Angeles, CA 90013-1011			
EDTariffUnit@cpuc.ca.gov		ROrtiz@semprautilities.com			
	1	<u> Fariffs@socalgas.com</u>			

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

## ATTACHMENT A Advice No. 5285

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 54924-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet	Revised 54915-G
Revised 54925-G	6 PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 54853-G
Revised 54926-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 54916-G
Revised 54927-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 54855-G
Revised 54928-G	TABLE OF CONTENTS	Revised 54917-G
Revised 54929-G	TABLE OF CONTENTS	Revised 54918-G

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

PART II   SUMMARY OF RATES AND CHARGES   (Continued)   /HOLESALE (Continued)   Schedule GT-TLS (ECOGAS)   GT-12CA, Class-Average Volumetric Rate Option   Volumetric Charge   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   ROCUREMENT CHARGE	0.611¢ 0.978¢ 2.213¢
<u>VHOLESALE</u> (Continued) <u>Schedule GT-TLS</u> (ECOGAS)   GT-12CA, Class-Average Volumetric Rate Option   Volumetric Charge   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	0.611¢ 0.978¢ 2.213¢
<u>VHOLESALE</u> (Continued) <u>Schedule GT-TLS</u> (ECOGAS)   GT-12CA, Class-Average Volumetric Rate Option   Volumetric Charge   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	0.611¢ 0.978¢ 2.213¢
GT-12CA, Class-Average Volumetric Rate Option Volumetric Charge 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	0.611¢ 0.978¢ 2.213¢
GT-12CA, Class-Average Volumetric Rate Option Volumetric Charge 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	0.611¢ 0.978¢ 2.213¢
Volumetric Charge 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	0.611¢ 0.978¢ 2.213¢
Reservation Rate, per therm per day Usage Charge, per therm Volumetric Transportation Charge for Non-Bypass Customers Volumetric Transportation Charge for Bypass Customers	0.978¢ 2.213¢
Usage Charge, per therm Volumetric Transportation Charge for Non-Bypass Customers Volumetric Transportation Charge for Bypass Customers	0.978¢ 2.213¢
Volumetric Transportation Charge for Non-Bypass Customers Volumetric Transportation Charge for Bypass Customers	2.213¢
Volumetric Transportation Charge for Bypass Customers	
	2.598¢
ROCUREMENT CHARGE	
Schedule G-CP	
Non-Residential Core Procurement Charge, per therm	. 22.450¢
Non-Residential Cross-Over Rate, per therm	. 22.451¢
Residential Core Procurement Charge, per therm	. 22.450¢
Residential Cross-Over Rate, per therm	. 22.451¢
Adjusted Core Procurement Charge, per therm	. 22.242¢
MBALANCE SERVICE	
Standby Procurement Charge	
Core Retail Standby (SP-CR)	
February 2018	53.916¢
March 2018	
April 2018	
Noncore Retail Standby (SP-NR)	
February 2018	53.974¢
March 2018	44.816¢
April 2018	
Wholesale Standby (SP-W)	
February 2018	53.974¢
March 2018	
April 2018	
*To be determined (TBD). Pursuant to Resolution G-3316, the Stan	dhy Charges will be filed by
	uby Charges will be filed by
a separate advice letter at least one day prior to May 25.	

(Continued)

ISSUED BY Dan Skopec Vice President Regulatory Affairs

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

wholesale (BK-W)	
February 2018	17.603¢
March 2018	
April 2018	
1	,

#### STORAGE SERVICE

Schedule G-BSS (Basic Storage Service)

Reservation Charges

Annual Inventory, per decatherm reserved	21.400¢/year
Annual Withdrawal, per decatherm/day reserved	\$11.584/year
Daily Injection, per decatherm/day reserved	. 9.425¢/day

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

#### <u>Schedule G-AUC</u> (Auction Storage Service)

Reservation Charges	
Annual Inventory, per decatherm reserved	(1)
Annual Withdrawal, per decatherm/day reserved	(1)
Daily Injection, per decatherm/day reserved	(1)

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

(Continued)

(TO BE INSERTED BY CAL. PUC)				
SUBMITTED	Apr 30, 2018			
EFFECTIVE	Apr 30, 2018			
RESOLUTION NO.				

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54926-G 54916-G CAL. P.U.C. SHEET NO.

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

Sheet 2

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(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  $0.208 \varphi$  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	
February 2018	53.916¢
March 2018	
April 2018	TBD*
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
February 2018	53.974¢
March 2018	44.816¢
April 2018	TBD*
Wholesale Service:	
SP-W Standby Rate per therm	
February 2018	53.974¢
March 2018	44.816¢
April 2018	TBD*
-	

\*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 May 25.

(Continued)

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

(TO BE INSERTED BY CAL. PUC)				
DATE FILED	Apr 30, 2018			
EFFECTIVE	Apr 30, 2018			
RESOLUTION N	10.			

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54855-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 March 2018 ...... 14.471¢ April 2018 ...... 11.121¢ R Wholesale Service: BR-W Buy-Back Rate, per therm D March 2018 ...... 14.428¢ April 2018 ..... 11.088¢ 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) Apr 30, 2018 ADVICE LETTER NO. 5285 **Dan Skopec** SUBMITTED Apr 30, 2018 DECISION NO. 89-11-060 & 90-09-089. Vice President EFFECTIVE

**Regulatory Affairs** 

**RESOLUTION NO.** 

#### TABLE OF CONTENTS

#### (Continued)

G-AMOP	Residential Advanced Meter Opt-Out Program .	51577-G,51578-G
G-CP GT-NC	Core Procurement Service	,54907-G,54908-G,54879-G,37933-G
01110	Distribution Level Customers54591-G	54592-G 53322-G 53323-G 53324-G
		53325-G,53326-G
GT-TLS	Intrastate Transportation Service for	00020 0,00020 0
01 125	Transmission Level Customers53327-G	54593-G 54594-G 54595-G 54596-G
		,53332-G,53333-G,53334-G,53335-G
		53336-G,53337-G,53338-G
GT-SWGX	Wholesale Natural Gas Service	
G-IMB	Transportation Imbalance Service	
0 1112		53788-G,54511-G,53790-G
G-OSD	Off-System Delivery Service4	
G-BTS	Backbone Transportation Service	
0 110		,47178-G,47179-G,53466-G,53467-G
		,47185-G,50484-G,50485-G,50486-G
G-POOL	Pooling Service	
G-BSS	Basic Storage Service	
0 000		45769-G,45770-G
G-AUC	Auction Storage Service	
0 1100		32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service	
0 210	Long Term Storage Service	45772-G,45773-G
G-TBS	Transaction Based Storage Service	
0 100	Transaction Based Storage Service Internet	52897-G,52898-G
G-CBS	UDC Consolidated Billing Service	
G-SMT	Secondary Market Transactions	01100 0,01012 0,01010 0,00000 0
0 500	of Storage Rights	45359-G 50343-G 45361-G
G-TCA	Transportation Charge Adjustment	
GTER	Transportation Charge Augustinent	
G-CCC	Greenhouse Gas California Climate Credit	
GO-BCUS	Biogas Conditioning/Upgrade Services	51156-G 51157-G 51158-G 51159-G
	Diegue conditioning opplaate ber flees	51160-G,51161-G,51162-G,51163-G
		cc. c,cc. c,cc. c,cc. c,cc.

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ISSUED BY Dan Skopec Vice President Regulatory Affairs (TO BE INSERTED BY CAL. PUC) DATE FILED <u>Apr 30, 2018</u> EFFECTIVE <u>Apr 30, 2018</u> RESOLUTION NO.

### 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.

#### **GENERAL**

Cal. P.U.C. Sheet No.

Title Page 40864-0	τ
Title Page40864-0Table of ContentsGeneral and Preliminary Statement54929-G,54637-G,54668-G,54725-0	G I
Table of ContentsService Area Maps and Descriptions 53356-0	G L
Table of ContentsRate Schedules	G I
Table of ContentsList of Cities and Communities Served	
Table of ContentsList of Contracts and Deviations	
Table of ContentsRules	
Table of ContentsSample Forms 53958-G,53707-G,51537-G,53998-G,54253-G,52292-G	
PRELIMINARY STATEMENT	
Part I General Service Information 45597-G,24332-G,54726-G,24334-G,48970-G	ũ
Part II Summary of Rates and Charges	J J
54925-G,46431-G,46432-G,54550-G,54862-G,54863-G,54864-G,54575-G	
57725-0,70751-0,70752-0,575002-0,57005-0,57007-0,57575757	J   1
Part III Cost Allocation and Revenue Requirement 54576-G,50447-G,53583-G	ũ
Part IV Income Tax Component of Contributions and Advances 52273-G,24354-G	£
Part V Balancing Accounts	
Description and Listing of Balancing Accounts 52939-G,54130-G	G
Purchased Gas Account (PGA)	
Core Fixed Cost Account (CFCA) 53433-G,53434-G,54507-G,53436-G	G
Noncore Fixed Cost Account (NFCA)	
Enhanced Oil Recovery Account (EORA)	
Noncore Storage Balancing Account (NSBA) 52886-G,52887-G	
California Alternate Rates for Energy Account (CAREA) 45882-G,45883-G	
Hazardous Substance Cost Recovery Account (HSCRA) 40875-G, 40876-G, 40877-G	
Gas Cost Rewards and Penalties Account (GCRPA)	
Pension Balancing Account (PBA)	
Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) 54545-G,52943-G	
Research Development and Demonstration Surcharge Account (RDDGSA)	
Demand Side Management Balancing Account (DSMBA)	
Direct Assistance Program Balancing Account (DAPBA)	
Integrated Transmission Balancing Account (ITBA)	
	-

ISSUED BY Dan Skopec Vice President

**Regulatory Affairs** 

(Continued)

(TO BE INSERTED BY CAL. PUC) DATE FILED <u>Apr 30, 2018</u> EFFECTIVE <u>Apr 30, 2018</u> RESOLUTION NO.

## ATTACHMENT B

## ADVICE NO. 5285

# RATE CALCULATION WORKPAPER BASED ON ADVICE NO. 5274 ADJUSTED CORE PROCUREMENT CHARGE FILING EFFECTIVE APRIL 1, 2018

## **Adjusted Core Procurement Charge:**

Retail G-CPA:			<b>22.242</b> ¢ per therm		
(WACOG: 21.862	¢ + Franchise and Uncollectibles:				
0.380 ¢ or [ 1.7370% * 21.862 ¢ ]				¢ ])	
Wholesale G-CPA:		<b>22.175</b> ¢ per therm			
(WACOG:	21.862	¢ +	Franchise:		

# 0.313 ¢ or [ 1.4339% \* 21.862 ¢ ] )

## **GIMB Buy-Back Rates**

<b>BR-R</b> = 50% of Retail G-CPA:						
50%	*	22.242	cents/therm	=	11.121	cents/therm
<b>BR-W</b> = 50% of Wholesale G-CPA:						
50%	*	22.175	cents/therm	=	11.088	cents/therm