



Ronald van der Leeden
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July 26, 2018

Advice No. 5315-A
(U 904 G)

Public Utilities Commission of the State of California

Subject: Supplement - June 2018 Buy-Back Rates

Southern California Gas Company (SoCalGas) hereby submits revisions to its tariff schedules, applicable throughout its service territory, as shown on Attachment A. This supplemental Advice Letter replaces Advice No. (AL) 5315, submitted on June 29, 2018, in its entirety to set the Buy-Back Rates for June 2018 at the revised lowest incremental cost of gas.

Purpose

This routine submittal updates the Buy-Back Rates in Schedule No. G-IMB for June 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.

In AL 5315, the lowest incremental cost of gas purchased by the Utility during the month of June 2018 was based on the price on the offer date, which included a foreign currency exchange rate. The actual lowest incremental cost of gas was based on the foreign currency exchange rate on the settlement transaction date in late-July. AL 5315-A revises lowest incremental cost of gas based on the foreign currency exchange rate on the settlement transaction date.

Information

During the month of June, the lowest incremental cost of gas, which is 8.603 cents per therm, is lower than 50% of the Adjusted Core Procurement Charge, G-CPA. Therefore, the Buy-Back rates for June 2018 are being set at the lowest incremental cost of gas. 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 June 2018 Standby Procurement Charges will be submitted by a separate Advice Letter at least one day prior to July 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 August 15, 2018. There is no restriction on who may submit 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 (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 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 submitted herein be made effective June 30, 2018, to coincide with SoCalGas' Adjusted Core Procurement Charge submittal in Advice No. 5302, dated May 31, 2018.

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 via e-mail to Tariffs@socalgas.com or call 213-244-2837.

Ronald van der Leeden
Director – Regulatory Affairs

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER SUBMITTAL 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 Submitted/ Received Stamp by CPUC)

Advice Letter (AL) #: 5315-A

Subject of AL: Supplement - June 2018 Buy-Back Rates

Keywords (choose from CPUC listing): Preliminary Statement, Core, Compliance

AL filing type: Monthly Quarterly Annual One-Time Other

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

D.89-11-060 and D.90-09-089, et al.

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No. N/A

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: 6/30/18

No. of tariff sheets: 6

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: Preliminary Statement, Part II; Schedule G-IMB, and TOC's

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 5327

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, 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. 5315-A

| Cal. P.U.C. Sheet No. | Title of Sheet | Cancelling Cal. P.U.C. Sheet No. |
|--------------------------|---|-------------------------------------|
| Revised 55323-G | PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6 | Revised 55257-G Revised 55250-G |
| Revised 55324-G | PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7 | Revised 55258-G Revised 55165-G |
| Revised 55325-G | Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2 | Revised 55259-G Revised 55251-G |
| Revised 55326-G | Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3 | Revised 55260-G Revised 55167-G |
| Revised 55327-G | TABLE OF CONTENTS | Revised 55261-G Revised 55252-G |
| Revised 55328-G | TABLE OF CONTENTS | Revised 55262-G Revised 55253-G |

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 6

(Continued)

WHOLESALE (Continued)

Schedule GT-TLS (ECOGAS)

| | |
|---|--------|
| GT-12CA, Class-Average Volumetric Rate Option | |
| Volumetric Charge | 1.924¢ |
| GT-12RS, Reservation Rate Option | |
| Reservation Rate, per therm per day | 0.611¢ |
| Usage Charge, per therm | 0.978¢ |
| Volumetric Transportation Charge for Non-Bypass Customers | 2.213¢ |
| Volumetric Transportation Charge for Bypass Customers | 2.598¢ |

PROCUREMENT CHARGE

Schedule G-CP

| | |
|--|---------|
| Non-Residential Core Procurement Charge, per therm | 29.770¢ |
| Non-Residential Cross-Over Rate, per therm | 29.770¢ |
| Residential Core Procurement Charge, per therm | 29.770¢ |
| Residential Cross-Over Rate, per therm | 29.770¢ |
| Adjusted Core Procurement Charge, per therm | 29.562¢ |

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

| | | |
|------------------|---------|---|
| April 2018 | 37.191¢ | D |
| May 2018 | 41.278¢ | T |
| June 2018 | TBD* | T |

Noncore Retail Standby (SP-NR)

| | | |
|------------------|---------|---|
| April 2018 | 37.249¢ | D |
| May 2018 | 41.336¢ | T |
| June 2018 | TBD* | T |

Wholesale Standby (SP-W)

| | | |
|------------------|---------|---|
| April 2018 | 37.249¢ | D |
| May 2018 | 41.336¢ | T |
| June 2018 | TBD* | T |

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

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5315-A
 DECISION NO. 89-11-060 & 90-09-089,
 645 et al

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Jul 26, 2018
 EFFECTIVE Jun 30, 2018
 RESOLUTION NO. _____

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 7

(Continued)

IMBALANCE SERVICE (Continued)

Buy-Back Rate

Core and Noncore Retail (BR-R)

| | | |
|------------------|---------|---|
| April 2018 | 11.121¢ | D |
| May 2018 | 12.771¢ | R |
| June 2018 | 8.603¢ | R |

Wholesale (BR-W)

| | | |
|------------------|---------|---|
| April 2018 | 11.088¢ | D |
| May 2018 | 12.733¢ | R |
| June 2018 | 8.603¢ | R |

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 |

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

| | |
|-------------------------------|--------|
| Rate, percent reduction | 2.400% |
|-------------------------------|--------|

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

| | |
|---|-----|
| 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 UTILITY)
 ADVICE LETTER NO. 5315-A
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 748 et al

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Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(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

| | | |
|------------------|---------|---|
| April 2018 | 37.191¢ | D |
| May 2018 | 41.278¢ | T |
| June 2018 | TBD* | T |

Noncore Retail Service:

SP-NR Standby Rate, per therm

| | | |
|------------------|---------|---|
| April 2018 | 37.249¢ | D |
| May 2018 | 41.336¢ | T |
| June 2018 | TBD* | T |

Wholesale Service:

SP-W Standby Rate per therm

| | | |
|------------------|---------|---|
| April 2018 | 37.249¢ | D |
| May 2018 | 41.336¢ | T |
| June 2018 | TBD* | T |

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

(Continued)

(TO BE INSERTED BY UTILITY)
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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

| | | |
|------------------|---------|---|
| April 2018 | 11.121¢ | D |
| May 2018 | 12.771¢ | |
| June 2018 | 8.603¢ | R |

Wholesale Service:

BR-W Buy-Back Rate, per therm

| | | |
|------------------|---------|---|
| April 2018 | 11.088¢ | D |
| May 2018 | 12.733¢ | |
| June 2018 | 8.603¢ | 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. The daily balancing standby rate is not applicable to High OFOs.

(Continued)

(TO BE INSERTED BY UTILITY)
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| G-CP | Core Procurement Service | 47480-G,55238-G,55239-G,55191-G,37933-G |
| GT-NC | Intrastate Transportation Service for Distribution Level Customers | 54591-G,54592-G,53322-G,53323-G,53324-G 53325-G,53326-G |
| GT-TLS | Intrastate Transportation Service for Transmission Level Customers | 53327-G,54593-G,54594-G,54595-G,54596-G 53331-G,53332-G,53333-G,53334-G,53335-G 53336-G,53337-G,53338-G |
| GT-SWGX | Wholesale Natural Gas Service | 53899-G,45341-G |
| G-IMB | Transportation Imbalance Service | 52891-G,55325-G,55326-G,54239-G 53788-G,54511-G,55073-G |
| G-OSD | Off-System Delivery Service | 47345-G*,47346-G,53183-G,47348-G |
| G-BTS | Backbone Transportation Service | 48084-G,47349-G,54597-G,54849-G 47176-G,49399-G,47178-G,47179-G,53466-G,53467-G 53468-G,53469-G,53470-G,47185-G,50484-G,50485-G,50486-G |
| G-POOL | Pooling Service | 47188-G,47189-G,42278-G |
| G-BSS | Basic Storage Service | 43337-G,54753-G,45767-G,45768-G 45769-G,45770-G |
| G-AUC | Auction Storage Service | 43338-G,32709-G,32710-G,32711-G 32712-G,32713-G,36314-G,32715-G |
| G-LTS | Long-Term Storage Service | 32716-G,32717-G,54754-G,45771-G 45772-G,45773-G |
| G-TBS | Transaction Based Storage Service | 45355-G,43340-G,54755-G,45775-G 52897-G,52898-G |
| G-CBS | UDC Consolidated Billing Service | 51155-G,54820-G,34073-G,54821-G |
| G-SMT | Secondary Market Transactions of Storage Rights | 45359-G,50343-G,45361-G |
| G-TCA | Transportation Charge Adjustment | 54598-G |
| G-CCC | Greenhouse Gas California Climate Credit | 52092-G |
| GO-BCUS | Biogas Conditioning/Upgrade Services | 51156-G,51157-G,51158-G,51159-G 51160-G,51161-G,54919-G,54920-G,54921-G |

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5315-A
 DECISION NO. 89-11-060 & 90-09-089,
 et al
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 EFFECTIVE Jun 30, 2018
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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.

GENERAL

Cal. P.U.C. Sheet No.

| | | |
|--|---|---|
| Title Page | 40864-G | |
| Table of Contents--General and Preliminary Statement | 55328-G,54637-G,54888-G,55223-G | T |
| Table of Contents--Service Area Maps and Descriptions | 53356-G | |
| Table of Contents--Rate Schedules | 55240-G,55327-G,55203-G | T |
| Table of Contents--List of Cities and Communities Served | 54790-G | |
| Table of Contents--List of Contracts and Deviations | 54790-G | |
| Table of Contents--Rules | 54744-G,55221-G | |
| Table of Contents--Sample Forms | 54967-G,54383-G,51537-G,54745-G,54746-G,52292-G | |

PRELIMINARY STATEMENT

| | | |
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| Part I General Service Information | 45597-G,24332-G,54726-G,24334-G,48970-G | |
| Part II Summary of Rates and Charges | 55224-G,55225-G,55226-G,54569-G,54570-G,55323-G 55324-G,46431-G,46432-G,54550-G,55174-G,55175-G,55176-G,54575-G | T T |
| Part III Cost Allocation and Revenue Requirement | 54576-G,50447-G,53583-G | |
| 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 | |
| Purchased Gas Account (PGA) | 52769-G,53254-G | |
| Core Fixed Cost Account (CFCA) | 53433-G,53434-G,54507-G,53436-G | |
| Noncore Fixed Cost Account (NFCA) | 53255-G,54508-G,54509-G | |
| Enhanced Oil Recovery Account (EORA) | 49712-G | |
| 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) | 40881-G | |
| Pension Balancing Account (PBA) | 54544-G,52941-G | |
| Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) .. | 54545-G,52943-G | |
| Research Development and Demonstration Surcharge Account (RDDGSA)..... | 40888-G | |
| Demand Side Management Balancing Account (DSMBA)..... | 45194-G,41153-G | |
| Direct Assistance Program Balancing Account (DAPBA) | 52583-G,52584-G | |
| Integrated Transmission Balancing Account (ITBA) | 49313-G | |

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 DECISION NO. 89-11-060 & 90-09-089,
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ATTACHMENT B

ADVICE NO. 5315-A

**RATE CALCULATION WORKPAPER
BASED ON ADVICE NO. 5302
ADJUSTED CORE PROCUREMENT CHARGE FILING
EFFECTIVE JUNE 1, 2018**

Adjusted Core Procurement Charge:

Retail G-CPA: **29.562** ¢ per therm
(WACOG: 29.057 ¢ + Franchise and Uncollectibles:
0.505 ¢ or [1.7370% * 29.057 ¢])

Wholesale G-CPA: **29.474** ¢ per therm
(WACOG: 29.057 ¢ + Franchise:
0.417 ¢ or [1.4339% * 29.057 ¢])

Lowest incremental cost of gas purchased during June 2018 is
8.603 cents/therm, which is lower than the following:

GIMB Buy-Back Rates

BR-R = 50% of Retail G-CPA:
50% * 29.562 cents/therm = **14.781** cents/therm

BR-W = 50% of Wholesale G-CPA:
50% * 29.474 cents/therm = **14.737** cents/therm

Therefore: **BR-R** and **BR-W** = **8.603** cents/therm