

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 24, 2018

Advice Letter 5330-G

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

**SUBJECT: Schedule No. GT-SWGX – Exchange Wholesale Natural Gas Service –
Exchange Rate**

Dear Mr. van der Leeden:

Advice Letter 5330-G is effective as of August 1, 2018.

Sincerely,

A handwritten signature in black ink 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

July 30, 2018

Advice No. 5330
(U 904 G)

Subject: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service - Exchange Rate

Public Utilities Commission of the State of California

Southern California Gas Company (SoCalGas) hereby submits for the California Public Utilities Commission (Commission) revisions to its Schedule No. GT-SWGX (GT-SWGX), Exchange Wholesale Natural Gas Service applicable to Southwest Gas Corporation (Southwest), as shown on Attachment A.

Purpose

This submittal revises the rate (Exchange Rate) SoCalGas charges Southwest for exchange transportation service pursuant to GT-SWGX. The Exchange Rate recovers certain exchange fees charged by Pacific Gas and Electric Company (PG&E) to SoCalGas, plus SoCalGas' system balancing costs, and applies only to gas quantities delivered to Southwest through delivery points served by PG&E.

Background

In Decision (D.) 09-10-036 the Commission adopted an exchange contract between SoCalGas and PG&E and a transportation contract between SoCalGas and Southwest. These contracts govern SoCalGas' service to, and rates for, Southwest. Pursuant to that decision, the PG&E exchange fee shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee.¹ Whenever either the PG&E exchange fee changes and/or SoCalGas' system balancing cost adder (SBCA) changes, the

¹ D.09-10-036, mimeo., at 18 (Finding of Fact No. 18).

Exchange Rate between SoCalGas and Southwest also will change as stated in GT-SWGX and in the transportation contract between SoCalGas and Southwest.²

On June 21, 2018 and June 19, 2018, the Commission approved PG&E's Advice No. 3919-G-A and SoCalGas' Advice No. 5294-A, respectively, resulting in a change in the PG&E exchange fee and the SBCA.

Requested Revision

This submittal increases the Exchange Rate in GT-SWGX from 9.753¢/therm to 11.765¢/therm, which is the sum of the new PG&E exchange fee of 11.473¢/therm and the new SoCalGas SBCA of 0.292¢/therm. The calculation of the SBCA for the Southwest contract is shown on Attachment B.

Pursuant to the contract between SoCalGas and Southwest adopted in D.09-10-036, the revised Exchange Rate charged by SoCalGas to Southwest becomes effective "on the first day of the second month following CPUC approval of the applicable changes."³ Since the tariff changes were approved as of June 21, 2018 and June 19, 2018, pursuant to the contract between SoCalGas and Southwest, the new Exchange Rate will become effective on August 1, 2018.

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 August 19, 2018. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attn: 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 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.

² D.09-10-036, mimeo., Attachment B – Master Services Contract, Schedule A, Intrastate Transmission Service, Section 7.E.4(b).

³ D.09-10-036, mimeo., Attachment C – Southwest Exchange Gas Delivery Agreement between PG&E and SoCalGas, Section 5.2.

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, Section 7.3.1. SoCalGas respectfully requests the tariff sheets submitted herein be effective on August 1, 2018 the date specified in the two Commission-approved contracts governing SoCalGas' service to Southwest.

Notice

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list in A.08-12-006, SoCalGas/PG&E/Southwest Wholesale Transportation and Exchange Agreements. Address change requests to the GO 96-B service list should be directed by e-mail to tariffs@socalgas.com or call 213-244-2837. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or by e-mail at process_office@cpuc.ca.gov.

Ronald van der Leeden
Director – Regulatory Affairs

Attachment

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) #: 5330

Subject of AL: Schedule No. GT-SWGX - Exchange Wholesale Natural Gas Service - Exchange Rate

Keywords (choose from CPUC listing): Agreements; Contracts

AL type: Monthly Quarterly Annual One-Time Other: Periodic

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

Decision No. 09-10-036

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 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: 8/1/18

No. of tariff sheets: 3

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: Schedule No. GT-SWGX and TOCs

Service affected and changes proposed¹: 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 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. 5330

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 55332-G	Schedule No. GT-SWGX, EXCHANGE WHOLESALE NATURAL GAS SERVICE, Sheet 1	Revised 53899-G
Revised 55333-G	TABLE OF CONTENTS	Revised 55316-G
Revised 55334-G	TABLE OF CONTENTS	Revised 55320-G

Schedule No. GT-SWGX
EXCHANGE WHOLESALE NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for exchange transportation service exchange with Pacific Gas and Electric Company ("PG&E") in order to serve Southwest Gas Corporation's ("Customer") PG&E Points of Delivery located in Customer's service territory in southern California.

TERRITORY

Delivery points shall be as specified in the executed Master Services Contract, Schedule A, Intrastate Transmission Service, dated December 10, 2008 ("Contract").

RATES

Exchange Fee Charges

Exchange Rate, per therm 11.765¢

As specified in the Contract, the Exchange Rate recovers certain exchange fees charged by PG&E to Utility plus Utility's system balancing costs, and applies only to gas quantities delivered through Points of Delivery served by PG&E. Pursuant to the Contract, the Exchange Rate shall automatically change if the Commission approves modification to any of the tariffed components of the formula used to determine the exchange fee.

Pisgah Meter Station Charges

Pisgah Meter Station Charge, per month \$27,505

As specified in the Contract, Pisgah Meter Station Charges are monthly charges associated with the Pisgah Meter Station Upgrade.

One-Time Lump-Sum True Up Charge\$238,523

As specified in the Contract, a one-time lump-sum charge will be paid to enable SoCalGas to recover actual Pisgah Meter Station Upgrade costs during the months before the Pisgah Meter Station Charges are trued up. This charge will cover August 2011 through August 2013.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities used in developing prior periods' exchange charges.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5330
 DECISION NO. 09-10-036

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Jul 30, 2018
 EFFECTIVE Aug 1, 2018
 RESOLUTION NO. _____

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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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(Continued)

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ATTACHMENT B

Advice No. 5330

**Calculation of System Balancing Cost
Adder (SBCA) for Southwest Gas Contract**

**ATTACHMENT B
Advice No. 5330**

**Calculation of System Balancing Cost
Adder (SBCA) for Southwest Gas Contract**

	Actual Rate 3/10/2017	Proposed Rate 7/11/2018	Difference	Source
Storage - Load Balancing (\$000's)	\$17,201	\$27,353	\$10,152	AL 5294-A
Total Company Use Gas Storage Load Balancing (\$000's)	\$867	\$801	(\$66)	AL 5294-A
FF&U Rate	1.74%	1.74%	(\$0)	
FF&U (\$000's)	\$15	\$14	(\$1)	
Total Storage Load Balance Cost (\$000's)	\$18,083	\$28,168	\$10,085	
Average Year Throughput w/EOR (Mth/yr)	9,648,574	9,648,574	(\$0)	AL 5294-A
System Balance Cost Adder SBCA (\$/th)	\$0.00187	\$0.00292	\$0.00105	
PGE Exchange Rate (\$/th)	\$0.09566	\$0.11473	\$0.01907	PGE AL 3919-G, Disposition Letter 06/21/18
G-SWGX Rate (\$/th)	\$0.09753	\$0.11765	\$0.02011	