

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 13, 2018

Advice Letter 5363

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 5363 is effective as of November 1, 2018.

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
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RvanderLeeden@semprautilities.com

October 2, 2018

Advice No. 5363
(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) three customer-specific Monthly Minimum Charges, 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).¹

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.² Bypass customers are customers who take service from both

¹ D.09-11-006 at 55, Ordering Paragraph (OP) 1.

² 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.³

Monthly Minimum Charge Changes Requested

In this Advice Letter, SoCalGas is proposing to:

1. Calculate the minimum charge for three customers who will be starting partial bypass service with SoCalGas.

SoCalGas' analysis and determination of the Monthly Minimum Charge for these customers 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.)."⁴ 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.⁵

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

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

⁴ 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 Ordering Paragraph 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).

⁵ *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 letter submittal approval to update these Monthly Minimum Charges 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-D and D.17-09-023.

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 22, 2018. 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). 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 2 (effective after staff approval) pursuant to GO 96-B. Therefore, SoCalGas respectfully requests that this advice letter become effective for service on November 1, 2018, which is 30 calendar days after the date submitted.

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.15-07-014. Address change requests to the GO 96-B service list should be directed by electronic mail to 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.

Ronald van der Leeden
Director – Regulatory Affairs

Attachment



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

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

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

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 Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City: State:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

**BEFORE THE PUBLIC UTILITIES
COMMISSION OF THE STATE OF CALIFORNIA**

**DECLARATION OF RASHA PRINCE
REGARDING CONFIDENTIALITY OF CERTAIN DATA/DOCUMENTS
PURSUANT TO D.17-09-023**

I, Rasha Prince, do declare as follows:

1. I am Director of Commercial and Industrial Services for Southern California Gas Company (“SoCalGas”). I have been delegated authority to sign this declaration by Sharon Tomkins, Vice President of Customer Solutions and Strategy for SoCalGas. I have reviewed the confidential information included within the Attachment A to the Advice Letter No. 5363 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 in this Declaration and, if called upon to testify, I could and would testify to the following based upon my personal knowledge and/or information and belief.

2. I hereby provide this Declaration in accordance with Decision (“D.”) 17-09-023 and General Order (“GO”) 66-D to demonstrate that the confidential information (“Protected Information”) provided in the Attachment A to the Advice Letter is within the scope of data protected as confidential under applicable law.

3. In accordance with the narrative justification described in Attachment A to this Declaration, 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 2nd day of October 2018, at Los Angeles.

A handwritten signature in black ink, reading "Rasha Prince". The signature is written in a cursive style with a horizontal line underneath the text.

Rasha Prince

Director – Commercial and Industrial Services

ATTACHMENT A

SoCalGas Request for Confidentiality on the following information in its response to “Monthly Minimum Charges for Bypass Customers Under Schedule No. GT-TLS”

Location of Protected Information	Legal Citations	Narrative Justification
Grey shaded cells in Attachment A to Advice Letter for Monthly Minimum Charges for Bypass Customers Under Schedule No. GT-TLS	California Public Records Act (CPRA) Exemption, Gov’t Code § 6254.7(d) (Trade Secrets) CPRA Exemption § 6254(k) Evid. Code § 1060 (trade secrets are privileged) Civil Code § 3426 et seq. (relating to trade secrets)	Information regarding customer-specific annual O&M labor cost, annual O&M non-labor cost, annual Meter Replacement 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 operating information which a competitor could use as an advantage.

ATTACHMENT A

Advice No. 5363

**Monthly Minimum Charge for Southern California Gas
Company Partially Bypassed Customers— Holmes
Western (Santiago), Seneca Resources Corp (Sunset),
and Seneca Resources Corp (Hoyt)**

**Provided to the Commission under the Confidential
and Protected Materials Provisions Pursuant to
Public Utilities General Order 66-D and D.17-09-023**