

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 7, 2019

Advice Letter 5383

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

SUBJECT: Rule No. 39, Access to the SoCalGas Pipeline System, Interconnection Agreements from Deviation

Dear Mr. van der Leeden:

Advice Letter 5383 is withdrawn as requested per your letter dated May 7, 2019.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
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

May 7, 2019

Mr. Edward F. Randolph
Director, Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Withdrawal of SoCalGas Advice No. (AL) 5383 - Rule No. 39, Access to the SoCalGas Pipeline System, Interconnection Agreements Form Deviation

Southern California Gas Company (SoCalGas) hereby withdraws AL 5383, submitted on November 19, 2018. The purpose of AL 5383 was to request approval by the California Public Utilities Commission (Commission or CPUC) for a deviation from Rule No. 39 to permit Lakeside Pipeline LLC (Lakeside) to use California Producer forms instead of the base forms and revise its tariff.

Since AL 5383 was submitted, SoCalGas AL 5432, Establishment of Contracts with the Selected Dairy Biomethane Pilot Projects, Pursuant to Decision (D.) 17-12-004, included an executed agreement with Lakeside.¹

AL 5432 effectively renders the request for a deviation from Rule No. 39 for Lakeside in AL 5383 moot. Therefore, pursuant to General Order 96-B, General Rule 5.3, SoCalGas hereby withdraws AL 5383.

¹ AL 5432 was submitted on March 5, 2019, approved by the Commission on April 30, 2019, and effective April 4, 2019.

Sincerely,



FOR

Ronald van der Leeden
Director, Regulatory Affairs

cc: Energy Division Tariff Unit
All recipients of AL 5383



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 19, 2018

Advice No. 5383
(U 904 G)

Public Utilities Commission of the State of California

Subject: Rule No. 39, Access to the SoCalGas Pipeline System, Interconnection Agreements Form Deviation

Purpose

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission or CPUC) a request to deviate from Rule No. 39, Access to the SoCalGas Pipeline System, requirements to permit Lakeside Pipeline LLC ("Lakeside") to use the California Producer Interconnection Agreement (CPIA), California Producer Operational Balancing Agreement (CPOBA), California Producer Interconnect Collectible System Upgrade Agreement (CPICUSA), and the California Producer Agreement to Transfer Ownership (CPATO) (the CPIA, CPOBA, CPICUSA, and CPATO are collectively referred to herein as "CP Forms") instead of the Interconnection Agreement (IA), Operational Balancing Agreement (OBA), and Interconnect Collectible System Upgrade Agreement (ICSUA) (the IA, OBA and ICSUA are referred to herein as "Base Forms") and revise its tariff, List of Contracts and Deviations, as shown on Attachment A.

Background

SoCalGas Rule No. 39 specifies that SoCalGas and the interconnector must execute the Base Forms unless the interconnector is a California Producer. If the interconnector is a California Producer, then SoCalGas and the interconnector must execute the CP Forms.

The Base Forms were established pursuant to Decision (D.) 06-09-039 in the Gas Market Order Instituting Rulemaking (R.) 04-01-025. The CP Forms were established in D.07-08-029 as a result of Application (A.) 04-08-018, SoCalGas Application to Establish Regulatory Authority Over the Access for Natural Gas Provided by California Gas Producers. In implementing D.07-08-029, SoCalGas established a definition for a California Producer based on the gas deliveries associated with natural gas from oil and/or gas wells, which is contained in SoCalGas Tariff Rule No. 1.¹ Biomethane

¹ SoCalGas Rule No. 1 defines a California Producer as "An entity which produces natural gas in association with crude oil (associated natural gas) or non-associated natural gas from oil

interconnections were not contemplated as part of D.06-09-039 or D.07-08-029.

Since the issuance of D.06-09-039 and D.07-08-029, the State of California has and continues to provide policy support for developing the renewable gas market and has directed the Commission and other state agencies to implement policies that promote renewable gas market development. For example, Assembly Bill (AB) 1900 (Gatto, 2012) and the resulting Section 399.24 of the Public Utilities Code require the Commission to adopt policies and programs that promote the in-state production and distribution of biomethane. AB 2313 (Williams, 2016) and the resulting Section 784.2 of the Public Utilities Code require the Commission to consider options to further the goals of Section 399.24, including enabling utility ratebased investment in infrastructure to interconnect biomethane facilities with the natural gas pipeline. Additionally, Senate Bill (SB) 1383 (Lara, 2016) provides for broad policy support to enable the reduction of short lived climate pollutant (SLCP) emissions, including dairy-sourced methane emissions, and specifically identifies the need to demonstrate the viability of pipeline-injected renewable gas as a strategy to meet its SLCP emission reduction goals. Lastly, SB 1440 requires the California Public Utilities Commission (CPUC), in consultation with the State Air Resources Board (ARB), "...to consider adopting specific biomethane procurement targets or goals for each gas corporation." Biomethane procurement goals will provide market stability, increase production, drive down costs over time and in time develop new gasification and other renewable gas technologies.

Lakeside has stated that its dairy based biogas production is similar to California Producer production and that the CP Forms are more appropriate for their biogas. As a result, Lakeside has requested it be allowed to use the CP Forms.²

The CPUC similarly approved SoCalGas Advice No. 5217, Rule No. 39, Access to the SoCalGas Pipeline System, Interconnection Agreements Form Deviation on December 14, 2017 for Calgren Dairy Fuels, LLC.³

Proposed Revisions

SoCalGas requests Commission approval to allow SoCalGas and Lakeside to enter into the CP Forms in lieu of the Base Forms. Lakeside will be included in SoCalGas' tariff, List of Contracts and Deviations, as shown on Attachment A.

This submittal will not increase any rate or charge or cause the withdrawal of service.

and/or gas wells and is interconnected with the Utility's pipeline system."

² Both D.06-09-039 and D.07-08-029 envisioned deviations from the form agreements via an advice letter. See D.06-09-039 at p. 88 ("These standardized agreements should be considered the standard template, with deviations obtained through the advice letter process."). See *also* D.07-08-029 at p. 81, Conclusion of Law 4 ("SoCalGas and the producers should have the flexibility to negotiate mutually acceptable deviations to the IA and OBA, as adopted in this decision, through the filing on an advice letter.") and p. 83. Ordering Paragraph 3.a ("SoCalGas and the California producers may negotiate mutually acceptable deviations to the adopted Interconnection Agreement and Operational Balancing Agreement through the filing on an advice letter.").

³ <https://www.socalgas.com/regulatory/tariffs/tm2/pdf/5217.pdf>

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 protests must be made in writing and received within 20 days of the date of this Advice Letter, which is December 9, 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 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 a Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. Therefore, SoCalGas respectfully requests that this Advice Letter be approved on December 19, 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 R.04-01-025, Gas Market Rulemaking. 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. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or via e-mail at ProcessOffice@cpuc.ca.gov.

Ronald van der Leeden
Director - Regulatory Affairs



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: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

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

ATTACHMENT A
Advice No. 5383

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 55654-G	LIST OF CONTRACTS AND DEVIATIONS, Sheet 3	Revised 54789-G
Revised 55655-G	TABLE OF CONTENTS	Revised 54790-G
Revised 55656-G	TABLE OF CONTENTS	Revised 55653-G

LIST OF CONTRACTS AND DEVIATIONS

(Continued)

<u>Name and Location of Customer</u>	<u>Type or Class of Service</u>	<u>Date of</u>		<u>Commission Authorization No. and Date</u>	<u>Most Comparable Regular Tariff Schedule</u>	
		<u>Execution</u>	<u>Expiration</u>		<u>No.</u>	<u>Contract Differences</u>
US Government Basic Ordering Agreement Cont #N62473-13-G-1402	Residential/ Commercial/ Industrial	8-7-13	3 years (Two 1-year extensions may be granted)	AL 4633 G.O. 96-B Sec. 8.2.3	-	Basic Ordering Agreement
US Government (GSA) Cont# GS-00P-14-BSD-1054	General	3-1-14	10 years	AL 4634 G.O. 96-B Sec. 8.2.3	-	Areawide Public Utility Contract
California High-Speed Rail Authority (CHSRA)	Commercial	7-1-14	Indefinite	AL 4946 G.O. 96-B Sec. 8.2.3	-	Master Agreement to accommodate the California High-Speed Rail Project
CalGren Dairy Fuels, LLC (Calgren)	Commercial	-	Indefinite	AL 5217 12-13-17	-	Rule No. 39 deviation to allow the use of the California Producer Agreement Forms
CalGren Dairy Fuels, LLC (Calgren)	Commercial	-	Indefinite	AL 5263 03-30-18	-	Rule No. 39 deviation to allow the use of the California Producer Agreement Forms
Lakeside Pipeline, LLC (Lakeside)	Interconnector	-	Indefinite	AL 5383 12-19-18	-	Rule No. 39 deviation to allow the use of the California Producer Agreement Forms

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5383
 DECISION NO.
 3W9

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Nov 19, 2018
 EFFECTIVE _____
 RESOLUTION NO. _____

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 45165-G,49508-G,45167-G

LIST OF CONTRACTS AND DEVIATIONS 36974-G,50345-G,55654-G

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(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 5383
 DECISION NO.

1W5

ISSUED BY

Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

SUBMITTED Nov 19, 2018
 EFFECTIVE _____
 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-G
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Table of Contents--Service Area Maps and Descriptions	53356-G
Table of Contents--Rate Schedules	55647-G,55648-G,55629-G
Table of Contents--List of Cities and Communities Served	54790-G
Table of Contents--List of Contracts and Deviations	55655-G
Table of Contents--Rules	54910-G,55652-G
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PRELIMINARY STATEMENT

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Part III Cost Allocation and Revenue Requirement	55141-G,50447-G,55142-G
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Part V Balancing Accounts	
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Integrated Transmission Balancing Account (ITBA)	49313-G

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5383
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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