

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 27, 2018

Advice Letter 5392

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

SUBJECT: Update of Schedule No. G-MSUR, Transported Gas Municipal Surcharge

Dear Mr. van der Leeden:

Advice Letter 5392 is effective as of April 1, 2019.

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
Fax: 213.244.4957

RvanderLeeden@semprautilities.com

November 30, 2018

Advice No. 5392
(U 904 G)

Public Utilities Commission of the State of California

Subject: Update of Schedule No. G-MSUR, Transported Gas Municipal Surcharge

Southern California Gas Company (SoCalGas) hereby requests approval by the California Public Utilities Commission (Commission or CPUC) to update Schedule No. G-MSUR, as shown on Attachment A.

Purpose

The purpose of this submittal is to update the effective date of SoCalGas' Schedule No. G-MSUR due to the delay in the implementation of SoCalGas' approved Advice No. (AL) 5342-A, Supplement - 1% Franchise Surcharge for Gas Customers within the City of Long Beach and Update of Schedule No. G-MSUR, Transported Gas Municipal Surcharge.¹

Background

In AL 5342-A, SoCalGas received approval from the Commission to: 1) apply a 1% franchise fee surcharge to the bills of SoCalGas customers in Long Beach, a charter city, as provided in the Franchise Agreement that specifies the terms and conditions of the franchise declared by the City Council of Long Beach on June 12, 2018 by Ordinance No. 40; and 2) update Schedule No. G-MSUR to reflect a 1% franchise surcharge for gas customers within the City of Long Beach, effective January 1, 2019. SoCalGas deemed that the franchise fee surcharge is a reasonable way cover increased franchise fees imposed by the City of Long Beach without unduly burdening other SoCalGas customers.

The execution of the Franchise Agreement was contingent upon Commission approval of the 1% franchise fee surcharge; however, before SoCalGas can begin collecting the 1% franchise fee surcharge from customers in Long Beach, a final approval by the City

¹ AL 5342-A, was submitted on October 18, 2018 and approved on November 6, 2018 with a pending effective date of January 1, 2019.

Counsel of Long Beach and Mayor's signature are required to make the Franchise Agreement official. The City of Long Beach estimates that the final approval of the Franchise agreement will occur in mid-March of 2019. Due to the delay in the approval of the Franchise Agreement, SoCalGas requests the revision of the pending effective date of the approved application of the 1% franchise fee surcharge to the bills of SoCalGas customers in Long Beach and revisions to Schedule No. G-MSUR in AL 5342-A from January 1, 2019 to April 1, 2019.

Proposed Revision to Schedule No. G-MSUR

Currently, the municipal surcharge percentage applicable to customers within Long Beach is 1.4136%. As provided in the Franchise Agreement that specifies the terms and conditions of the franchise by the City Council of Long Beach in AL 5342-A, the proposed municipal surcharge percentage applicable to customers within Long Beach is increased by 1%, resulting in a total municipal surcharge percentage of 2.4136%.

Upon Commission approval, effective April 1, 2019, SoCalGas proposes to update the surcharge percentage rates in Schedule No. G-MSUR to add the new total municipal surcharge percentage of 2.4136% for Long Beach by adding a new surcharge percentage entry and related footnote, as shown on Attachment A. This submittal supersedes the requested effective date of January 1, 2019 for revisions to Schedule No. G-MSUR in AL 5342-A.

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 December 20, 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

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 2 (effective after staff approval) pursuant to General Order (GO) 96-B. SoCalGas requests that this submittal be approved on December 31, 2018, which is 31 days from the date submitted, with the tariffs effective on April 1, 2019.

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



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. 5392

| Cal. P.U.C. Sheet No. | Title of Sheet | Cancelling Cal. P.U.C. Sheet No. |
|--------------------------|--|---------------------------------------|
| Revised 55709-G | PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 10 | Revised 55539.1-G* Revised 54550-G |
| Revised 55710-G | Schedule No. G-MSUR, TRANSPORTED GAS MUNICIPAL SURCHARGE, Sheet 1 | Revised 55537-G Revised 52997-G |
| Revised 55711-G | TABLE OF CONTENTS | Revised 55538-G Revised 55629-G |
| Revised 55712-G | TABLE OF CONTENTS | Revised 55539-G Revised 55666-G |

PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 10

(Continued)

TAX SURCHARGE TO FUND PUBLIC PURPOSE PROGRAMS

| <u>Schedule G-PPPS</u> | <u>Tax Surcharge</u> | |
|---|--|---------------------------------------|
| | <u>For all service, per meter, per month</u> | |
| <u>Customer Served Under the</u> <u>Following Rate Schedules</u> | <u>CARE Customer***</u> (¢/therm) | <u>Non-CARE Customer</u> (¢/therm) |
| Core | | |
| Residential | 7.558 | 10.060 |
| Commercial/Industrial | 5.384 | 7.887 |
| Gas Air Conditioning | 9.938 | 12.441 |
| Gas Engine | N/A | 7.573 |
| Natural Gas Vehicle | N/A | 2.503 |
| Noncore | | |
| Commercial/Industrial | N/A | 3.058 |

SURCHARGE TO FUND PUC UTILITIES REIMBURSEMENT ACCOUNT

Schedule G-SRF

Surcharge, per therm 0.166¢

TRANSPORTED GAS MUNICIPAL SURCHARGE

Schedule G-MSUR

Outside the City of Los Angeles 1.4136%
 Within the Cities of San Buenaventura (Ventura), Huntington Beach,
 Visalia, Bakersfield, and Long Beach 2.4136%*
 Within the City of Los Angeles 2.0000%

* Includes 1% franchise fee surcharge for City of Ventura customers pursuant to D. 07-10-024, for City of Huntington Beach customers pursuant to Resolution G-3452, City of Visalia pursuant to Advice No. 4418, City of Bakersfield pursuant to Advice No. 4569, and City of Long Beach pursuant to Advice No. 5392.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 5392
 DECISION NO.

10H11

ISSUED BY

Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Nov 30, 2018
 EFFECTIVE Apr 1, 2019

RESOLUTION NO. _____

N
 N
 N

Schedule No. G-MSUR
TRANSPORTED GAS MUNICIPAL SURCHARGE

Sheet 1

APPLICABILITY

Applicable pursuant to Chapter 2.5 of Division 3 (sections 6350, et al.) of the Public Utilities Code as enacted by Senate Bill 278/Beverly (municipal Surcharge Law), to all transportation volumes of gas on the Utility system to customers outside the City of Los Angeles, except for those listed under Special Condition No. 1, and to transportation volumes of gas delivered to customers within the City of Los Angeles pursuant to Section 6.1 of Los Angeles City Ordinance No. 168164.

TERRITORY

Applicable throughout the service territory.

RATES

Surcharge Percentage:

| | |
|--|----------|
| Outside the City of Los Angeles | 1.4136% |
| Within the Cities of San Buenaventura (Ventura), Huntington Beach, Visalia, Bakersfield, and Long Beach | 2.4136%* |
| Within the City of Los Angeles | 2.0000% |

* Includes 1% franchise fee surcharge for City of Ventura customers pursuant to D. 07-10-024, for City of Huntington Beach customers pursuant to Resolution G-3452, City of Visalia pursuant to Advice No. 4418, City of Bakersfield pursuant to Advice No. 4569, and City of Long Beach pursuant to Advice No. 5392.

The municipal surcharge is calculated as the product of the following:

Applicable surcharge percentage,
 Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP,
 Gross-to-net factor of 98.5864% (to remove franchise fees included in rate G-CPA), and
 Terms of gas transported during the billing period.

SPECIAL CONDITIONS

1. The following customers located outside the City of Los Angeles are exempt from Schedule G-MSUR pursuant to the terms of SB 278:
 - a. The State of California or a political subdivision (county) thereof.
 - b. Interutility gas service, where gas is transported through the Utility service territory for consumption outside the Utility's service territory.

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(TO BE INSERTED BY UTILITY)
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 Regulatory Affairs

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TABLE OF CONTENTS

(Continued)

| | | |
|---------|---|---|
| G-PPPS | Public Purpose Programs Surcharge | 54417-G,39517-G,39518-G |
| G-SRF | Surcharge to Fund Public Utilities Commission | |
| | Utilities Reimbursement Account | 54551-G |
| G-MHPS | Surcharge to Fund Public Utilities Commission | |
| | Master Metered Mobile Home Park Gas Safety | |
| | Inspection and Enforcement Program | 32828-G |
| G-MSUR | Transported Gas Municipal Surcharge | 55710-G,25006-G |
| G-PAL | Operational Hub Services | 45363-G,45364-G,45365-G |
| G-CPS | California Producer Service | 49713-G,55329-G,49715-G,49716-G |
| | | 49717-G,54240-G,55627-G,55628-G,49721-G |
| GO-DERS | Distributed Energy Resources Services | 52279-G,52280-G,52281-G,52282-G |
| | | 52283-G,52284-G,52285-G,52286-G |

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(TO BE INSERTED BY UTILITY)

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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 | 55712-G,55444-G,55445-G,55583-G | T |
| Table of Contents--Service Area Maps and Descriptions | 53356-G | |
| Table of Contents--Rate Schedules | 55647-G,55665-G,55711-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 | 54910-G,55652-G | |
| Table of Contents--Sample Forms | 54967-G,54383-G,51537-G,54745-G,54746-G,52292-G | |

PRELIMINARY STATEMENT

| | | |
|--|--|---|
| Part I General Service Information | 45597-G,24332-G,54726-G,24334-G,48970-G | |
| Part II Summary of Rates and Charges | 55631-G,55632-G,55633-G,55556-G,55557-G,55661-G 55662-G,46431-G,46432-G,55709-G,55598-G,55599-G,55600-G,55562-G | T |
| Part III Cost Allocation and Revenue Requirement | 55141-G,50447-G,55142-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) | 55465-G,55466-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 | |

(Continued)

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