

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 20, 2019

Advice Letter 5415

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

SUBJECT: December 2018 Standby Procurement Charges.

Dear Mr. van der Leeden:

Advice Letter 5415 is effective as of January 24, 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

January 24, 2019

Advice No. 5415
(U 904 G)

Public Utilities Commission of the State of California

Subject: December 2018 Standby Procurement Charges

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) revisions to its tariff schedules, applicable throughout its service territory, as shown in Attachment A.

Purpose

This routine monthly submittal updates the Standby Procurement Charges in Schedule No. G-IMB for December 2018.

Background

Resolution G-3316, dated May 24, 2001, and Advice No. (AL) 4133, submitted on July 2, 2010 and effective on August 1, 2010, revised the Schedule No. G-IMB Standby Procurement Charge for negative monthly transportation imbalances that exceed the 8% tolerance band. AL 5179, submitted on August 28, 2017 and effective October 1, 2017, revised the Schedule No. G-IMB Standby Procurement Charge by replacing the "InterContinental Daily Indices – SoCal Border" with "SNL Energy's Daily Indices – SoCal Border." The Standby Procurement Charges are:

1. Calculated at 150% of the highest daily border price index at the Southern California border for the 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 "NGL's Daily Gas Price Index - Southern California Border Average" and "SNL Energy's Daily Indices - SoCal Border."

2. Calculated for a period that begins from the first day of the “flow month” (the month that the imbalance is incurred) and ends five days prior to the start of the imbalance trading period.
3. Posted at least one day in advance of the imbalance trading period.

Information

For the “flow month” of December 2018 (covering the period December 1, 2018 to January 20, 2019), the highest daily border price index at the Southern California border is \$0.85250 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$1.28141 per therm for noncore retail service and all wholesale service, and \$1.28083 per therm for core retail service. The work paper showing details of the calculation of these rates is incorporated herein as Attachment B.

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 received within 20 days of the date of this Advice Letter, which is February 13, 2019. 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 shall 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. SoCalGas respectfully requests that the tariff sheets submitted herein be made effective January 24, 2019, the date submitted, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is January 25, 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. 5415

| Cal. P.U.C. Sheet No. | Title of Sheet | Cancelling Cal. P.U.C. Sheet No. |
|--------------------------|---|-------------------------------------|
| Revised 55874-G | PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6 | Revised 55853-G |
| Revised 55875-G | Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2 | Revised 55817-G |
| Revised 55876-G | TABLE OF CONTENTS | Revised 55867-G |
| Revised 55877-G | TABLE OF CONTENTS | Revised 55872-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 | 2.131¢ |
| GT-12RS, Reservation Rate Option | |
| Reservation Rate, per therm per day | 0.709¢ |
| Usage Charge, per therm | 1.080¢ |
| Volumetric Transportation Charge for Non-Bypass Customers | 2.450¢ |
| Volumetric Transportation Charge for Bypass Customers | 2.876¢ |

PROCUREMENT CHARGE

Schedule G-CP

| | |
|--|---------|
| Non-Residential Core Procurement Charge, per therm | 41.589¢ |
| Non-Residential Cross-Over Rate, per therm | 42.676¢ |
| Residential Core Procurement Charge, per therm | 41.589¢ |
| Residential Cross-Over Rate, per therm | 42.676¢ |
| Adjusted Core Procurement Charge, per therm | 43.962¢ |

IMBALANCE SERVICE

Standby Procurement Charge

| | |
|--------------------------------|----------|
| Core Retail Standby (SP-CR) | |
| October 2018 | 84.231¢ |
| November 2018 | 128.083¢ |
| December 2018 | 128.083¢ |
| Noncore Retail Standby (SP-NR) | |
| October 2018 | 84.289¢ |
| November 2018 | 128.141¢ |
| December 2018 | 128.141¢ |
| Wholesale Standby (SP-W) | |
| October 2018 | 84.289¢ |
| November 2018 | 128.141¢ |
| December 2018 | 128.141¢ |

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5415
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Jan 24, 2019
 EFFECTIVE Jan 24, 2019
 RESOLUTION NO. G-3316

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

| | |
|---------------------|----------|
| October 2018 | 84.231¢ |
| November 2018 | 128.083¢ |
| December 2018 | 128.083¢ |

Noncore Retail Service:

SP-NR Standby Rate, per therm

| | |
|---------------------|----------|
| October 2018 | 84.289¢ |
| November 2018 | 128.141¢ |
| December 2018 | 128.141¢ |

Wholesale Service:

SP-W Standby Rate per therm

| | |
|---------------------|----------|
| October 2018 | 84.289¢ |
| November 2018 | 128.141¢ |
| December 2018 | 128.141¢ |

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(Continued)

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 RESOLUTION NO. G-3316

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| G-AMOP | Residential Advanced Meter Opt-Out Program | 51577-G,51578-G |
| G-CP | Core Procurement Service | 47480-G,55864-G,55865-G,55842-G,37933-G |
| GT-NC | Intrastate Transportation Service for Distribution Level Customers | 55801-G,55802-G,55803-G,53323-G,53324-G 53325-G,53326-G |
| GT-TLS | Intrastate Transportation Service for Transmission Level Customers | 53327-G,55804-G,55805-G,55806-G,55807-G 53331-G,53332-G,53333-G,53334-G,53335-G 53336-G,53337-G,53338-G |
| GT-SWGX | Wholesale Natural Gas Service | 55332-G,45341-G |
| G-IMB | Transportation Imbalance Service | 52891-G,55875-G,55818-G,54239-G 53788-G,55072-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,55808-G,55765-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 | 55809-G |
| G-CCC | Greenhouse Gas California Climate Credit | 55810-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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 EFFECTIVE Jan 24, 2019
 RESOLUTION NO. G-3316

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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.

| | | |
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| Title Page | 40864-G | |
| Table of Contents--General and Preliminary Statement | 55877-G,55873-G,55759-G,55814-G | T |
| Table of Contents--Service Area Maps and Descriptions | 53356-G | |
| Table of Contents--Rate Schedules | 55866-G,55876-G,55848-G | T |
| Table of Contents--List of Cities and Communities Served | 55739-G | |
| Table of Contents--List of Contracts and Deviations | 55739-G | |
| Table of Contents--Rules | 54744-G,55707-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 | 55850-G,55851-G,55852-G,55778-G,55779-G,55874-G 55816-G,46431-G,46432-G,55584-G,55825-G,55826-G,55827-G,55784-G | T |
| Part III Cost Allocation and Revenue Requirement | 55785-G,50447-G,55142-G | |
| Part IV Income Tax Component of Contributions and Advances | 55717-G,24354-G | |
| Part V Balancing Accounts | | |
| Description and Listing of Balancing Accounts | 52939-G,55869-G | |
| Purchased Gas Account (PGA) | 55465-G,55466-G | |
| Core Fixed Cost Account (CFCA) | 53433-G,53434-G,55692-G,53436-G | |
| Noncore Fixed Cost Account (NFCA) | 53255-G,55693-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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(TO BE INSERTED BY CAL. PUC)
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 EFFECTIVE Jan 24, 2019
 RESOLUTION NO. G-3316

ATTACHMENT B

ADVICE NO. 5415

**RATE CALCULATION WORK PAPER
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE SUBMITTAL
EFFECTIVE DECEMBER 2018**

G-IMB Standby Procurement Charge Calculation

The highest daily border price index is an average of the highest prices from
“NGI’s Daily Gas Price Index - Southern California Border Average”
and “SNL Energy Daily Indices - SoCal Border.”

The highest daily border price index for the period was on December 4, 2018

12/04/18 NGI’s Daily Gas Price Index (NDGPI) = \$0.80500 per therm

12/04/18 SNL Energy Daily Indices (SNLDI) = \$0.90000 per therm

Highest Daily Border Price Index (HDBPI) = (NDGPI + SNLDI) / 2

HDBPI = \$0.85250 per therm

SP-CR (Core Retail) = 150% x HDBPI + Core Brokerage Fee

SP-CR = 150% x \$0.85250 + \$0.00208 = \$1.28083

SP-NR (Noncore Retail) = 150% x HDBPI + Noncore Brokerage Fee

SP-NR = 150% x \$0.85250 + \$0.00266 = \$1.28141

SP-W (Wholesale) = 150% x HDBPI + Noncore Brokerage Fee

SP-W = 150% x \$0.85250 + \$0.00266 = \$1.28141