

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 19, 2019

Advice Letter 5425-G

Ronald van der Leeden
Director, Regulatory Affairs
Southern California Gas Company
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 5425-G is effective as of March 1, 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

February 22, 2019

Advice No. 5425
(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 Exchange Rate between SoCalGas and Southwest also will change as stated in GT-SWGX and in the transportation contract between SoCalGas and Southwest.²

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

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

On January 23, 2019, the Commission approved PG&E's Advice No. 4053-G and SoCalGas' Advice No. 5404, resulting in a change in the PG&E exchange fee and SoCalGas' SBCA.

Requested Revision

This submittal increases the Exchange Rate in GT-SWGX from 11.765¢/therm to 11.937¢/therm, which is the sum of the new PG&E exchange fee of 11.641¢/therm and the new SoCalGas SBCA of 0.296¢/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 2nd month following CPUC approval of the tariff changes."³ Since the tariff changes were approved as of January 23, 2019 and, pursuant to the contract between SoCalGas and Southwest, the new Exchange Rate will become effective on March 1, 2019.

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 March 14, 2019. 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.

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

³ D.09-10-036, mimeo., Attachment C – 2008 Southwest Exchange Gas Delivery Agreement (SEGDA) between PG&E and SoCalGas, Section 5.2.

Effective Date

SoCalGas asserts 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 the tariff sheets submitted herein be effective on March 1, 2019, 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 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 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:

ATTACHMENT A
Advice No. 5425

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 55953-G	Schedule No. GT-SWGX, EXCHANGE WHOLESALE NATURAL GAS SERVICE, Sheet 1	Revised 55332-G
Revised 55954-G	TABLE OF CONTENTS	Revised 55951-G
Revised 55955-G	TABLE OF CONTENTS	Revised 55952-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 11.937¢

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. 5425
 DECISION NO. 09-10-036

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Feb 22, 2019
 EFFECTIVE Mar 1, 2019
 RESOLUTION NO. _____

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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
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(Continued)

(TO BE INSERTED BY UTILITY)
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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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5425
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Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Feb 22, 2019
 EFFECTIVE Mar 1, 2019
 RESOLUTION NO. _____

ATTACHMENT B

Advice No. 5425

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

ATTACHMENT B
Advice No. (AL) 5425

**Calculation of System Balancing Cost Adder (SBCA) for
Southwest Gas Contract and PGE's Exchange rate (SEGDA)**

	Actual Rate AL 5294-A 7/11/2018	Proposed Rate AL 5425 3/1/2019	Difference
Storage - Load Balancing (\$000's) Incl FFU	\$27,353	\$27,828	\$475
Company Use Gas for Storage Load Balancing (\$000's) Excl FFU	\$801	\$743	(\$58)
FF&U Rate	1.74%	1.74%	\$0
FF&U on Company Use Gas for Storage Load Balancing (\$000's)	\$14	\$13	(\$1)
Total Storage Load Balance Cost (\$000's)	\$28,168	\$28,584	\$416
Average Year Throughput w/EOR (Mth/yr)	9,648,574	9,648,574	\$0
System Balance Cost Adder SBCA (\$/th)	\$0.00292	\$0.00296	\$0.00004
PGE Exchange Rate (\$/th)	\$0.11473	\$0.11641	\$0.00168
G-SWGX Rate (\$/th)	\$0.11765	\$0.11937	\$0.00172