STATE OF CALIFORNIA GAVIN NEWSOM, Governor

#### PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



June 26, 2019

**Advice Letter 5471 & 5471-A** 

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

SUBJECT: Modification to Rule No. 30 Operational Flow Order (OFO) Noncompliance Charges Pursuant to Decision (D.) 19-05-030

Dear Mr. van der Leeden:

Advice Letter 5471 and 5471-A is effective as of June 03, 2019.

Sincerely,

Edward Randolph

Deputy Executive Director for Energy and Climate Policy/

Director, Energy Division

Edward Randoft



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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June 3, 2019

Advice No. 5471-A (U 904 G)

Public Utilities Commission of the State of California

<u>Subject</u>: Partial Supplement - Modification to Rule No. 30 Operational Flow Order (OFO) Noncompliance Charges Pursuant to Decision (D.) 19-05-030

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission or CPUC) a partial supplement to Advice No. (AL) 5471<sup>1</sup> with revisions to its tariffs, applicable throughout its service territory, as shown in Attachment A.

Subsequent information has led SoCalGas to conclude that the footnote included in the noncompliance charge tables should have only been applied to the winter (Oct 1 – May 31) table. Therefore, SoCalGas revises its Rule No. 30 only to exclude the footnote in its summer (June 1 – September 30) noncompliance charge table.

### **Purpose**

This submittal complies with Ordering Paragraphs (OPs) 4 and 7 of D.19-05-030, which state:

- 4. Southern California Gas Company and San Diego Gas & Electric Company shall file a Tier 1 Advice Letter to implement the Stage 4 and Stage 5 Operational Flow Order noncompliance charges for the period of June 1 through September 30.
- 7. Southern California Gas Company and San Diego Gas & Electric Company shall file a Tier 1 Advice Letter to implement the eight-stage Operational Flow Order.

<sup>&</sup>lt;sup>1</sup> SoCalGas AL 5471 was submitted and effective on May 31, 2019.

The tariff modifications, included as Attachment A, are those necessary to implement D.19-05-030.

### **Background**

On August 15, 2018, Southern California Edison Company (SCE) and Southern California Generation Coalition (SCGC) filed a petition for modification (PFM) seeking modification of SoCalGas' and San Diego Gas & Electric Company's OFO noncompliance charges, which were set by the Commission in D.15-06-004 and D.16-06-039, as modified by D.16-12-016. The PFM sought to change the current OFO penalties to \$5.00/dekatherm (dth) in Stage 4 and \$5.00/dth plus the daily balancing standby rate in Stage 5.

On April 2, 2019, SoCalGas filed a Settlement Agreement with many other active parties to resolve the issues presented in the PFM. The Settlement Agreement proposed to increase the number of OFO noncompliance charge stages, as well as modify the determination of daily imbalance tolerances, as shown in the table below.

Stage	Daily Imbalance Tolerance <sup>1</sup>	Noncompliance Charge (\$/dth)
1	Up to +/- 25%	0.25
2	Up to +/- 20%	1.00
3	Up to +/- 15%	5.00
3.1	Up to +/- 15%	10.00
3.2	Up to +/- 15%	15.00
3.3	Up to +/- 15%	20.00
4	Up to +/- 10%	25.00
5	Up to +/- 5%	25.00 plus G-IMB daily balancing standby rate in \$/dth
EFO	Zero	50.00 plus G-IMB daily balancing standby rate in \$/dth
		all stages are capped at up to -5% until Aliso e to the System Operator for load balancing.

On May 30, 2019, the CPUC adopted D.19-05-030, which resolved the issues presented in the PFM and Settlement Agreement. For the period of June 1 through September 30, the CPUC adopted the cap on OFO noncompliance charges proposed in the PFM. For the period of October 1 through May 31, the CPUC adopted the 8-stage noncompliance charge structure proposed in the Settlement Agreement and also added the words "without constraint" to the footnote proposed by the Settlement Agreement. The Commission may revisit the OFO noncompliance charges before summer 2020, using data collected during summer 2019.

### **Tariff Modifications**

Pursuant to D.19-05-030, Section G.1.a of Rule No. 30, Transportation of Customer-Owned Gas, is modified to include separate tables depicting applicable OFO stages, daily imbalance tolerances, and noncompliance charges effective for the periods June 1 through September 30 and October 1 through May 31, as described above. Pursuant to D.19-05-030, these tariff modifications shall remain in effect until October 31, 2021, unless modified by a subsequent Commission decision. The revised tariff sheets are included as Attachment 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 June 23, 2019. The address for mailing or delivering a protest to the Commission is given below.

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 (<u>EDTariffUnit@cpuc.ca.gov</u>). A copy of the protest should also be sent via both e-mail <u>and</u> 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 1 (effective pending disposition) pursuant to OPs 4 and 7 of D.19-05-030 and General Order (GO) 96-B. Therefore, SoCalGas respectfully requests that the tariff sheets submitted herein be made effective June 3, 2019, which is 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 lists in A.14-06-021, A.14-12-017, A.15-06-020, and A.18-07-024. Address change requests to the GO 96-B service list should be directed via e-mail to <a href="mailto:tariffs@socalgas.com">tariffs@socalgas.com</a> 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 <a href="mailto:Process Office@cpuc.ca.gov">Process Office@cpuc.ca.gov</a>.

Ronald van der Leeden Director- Regulatory Affairs

Attachments





## California Public Utilities Commission

# ADVICE LETTER UMMARY



LIVEROTOTIETT				
MUST BE COMPLETED BY UT	ILITY (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 WATER = Water	(Date Submitted / Received Stamp by CPUC)			
Advice Letter (AL) #:	Tier Designation:			
Subject of AL:				
Keywords (choose from CPUC listing):	Olympia Olympia			
AL Type: Monthly Quarterly Annu-				
ii At sobrilled in compliance with a commissi	on order, indicate relevant Decision/Resolution #:			
Does AL replace a withdrawn or rejected AL? I	If so, identify the prior AL:			
Summarize differences between the AL and th	e 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 proposed <sup>1:</sup>				
Pending advice letters that revise the same tariff sheets:				

## 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: <a href="mailto:EDTariffUnit@cpuc.ca.gov">EDTariffUnit@cpuc.ca.gov</a>

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. 5471-A

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.	
Revised 56374-G	Rule No. 30, TRANSPORTATION OF CUSTOMER-OWNED GAS, Sheet 12	Revised 56321-G Revised 55075-G	
Revised 56375-G	TABLE OF CONTENTS	Revised 56341-G Revised 56192-G	
Revised 56376-G	TABLE OF CONTENTS	Revised 56373-G	

56374-G

CAL. P.U.C. SHEET NO. 56321-G 55075-G

### Rule No. 30 TRANSPORTATION OF CUSTOMER-OWNED GAS

Sheet 12

(Continued)

### G. Operational Flow Orders and Emergency Flow Orders

LOS ANGELES, CALIFORNIA CANCELING

- 1. Operational Flow Order (OFO)
  - a. The Utility System Operator's protocol for declaring an Operational Flow Order (OFO) is described in Rule No. 41. All OFO declarations will be identified by stage that will specify a Daily Imbalance Tolerance and Noncompliance Charge per the table below. The daily balancing standby rate is not applicable to High OFOs. Pursuant to D.19-05-030, this OFO Noncompliance Charge structure shall remain in effect until October 31, 2021, unless modified by a subsequent Commission decision.

### Effective June 1 – September 30

Stage	Daily Imbalance	Noncompliance Charge (\$/therm)
	Tolerance <sup>1</sup>	
1	Up to +/-25%	0.025
2	Up to +/-20%	0.10
3	Up to +/-15%	0.50
4	Up to +/-5%	0.50
5	Up to +/-5%	0.50 plus Rate Schedule G-IMB daily balancing
		standby rate
EFO	Zero	5.00 plus Rate Schedule G-IMB daily balancing
		standby rate

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(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5471-A DECISION NO. 19-05-030

ISSUED BY **Dan Skopec**Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

SUBMITTED Jun 3, 2019

EFFECTIVE Jun 3, 2019

RESOLUTION NO.

56375-G 56341-G

56192-G

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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 5471-A 19-05-030 DECISION NO.

2H6

ISSUED BY **Dan Skopec** Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Jun 3, 2019 SUBMITTED Jun 3, 2019 **EFFECTIVE** RESOLUTION NO.

T

Revised Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

56376-G 56373-G

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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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Part IV Income Tax Component of Contributions and Advances
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(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 5471\text{-}A \\ \text{DECISION NO.} & 19\text{-}05\text{-}030 \\ \end{array}$ 

ISSUED BY

Dan Skopec

Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

SUBMITTED Jun 3, 2019

EFFECTIVE Jun 3, 2019

RESOLUTION NO.