

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 30, 2020

Advice Letter 5598-G

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

**SUBJECT: Modify existing interconnection term of biomethane incentive program,
extending eligibility for interconnections build date from December 31, 2021
to December 31, 2026**

Dear Mr. van der Leeden:

Advice Letter 5598-G is effective as of March 2, 2020.

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@socalgas.com

March 2, 2020

Advice No. 5598
(U 904 G)

Public Utilities Commission of the State of California

Subject: Update of Rule No. 39 to Extend the End Date of the Biomethane Monetary Incentive Program Pursuant to Decision (D.) 19-12-009

Southern California Gas Company (SoCalGas) hereby submits to the California Public Utilities Commission (Commission) revisions to its Tariff Rule No. 39, Access to the SoCalGas Pipeline System, as shown on Attachment A.

Purpose

The purpose of this Advice Letter is to update Rule No. 39 to extend the end date of the Biomethane Monetary Incentive Program (Program) pursuant to Ordering Paragraph (OP) 18 of D.19-12-009 (Decision Establishing A Reservation System for the Biomethane Incentive Program, Extending Date and Addressing Rate Recovery for Pipeline Interconnection Infrastructure).

Background

D.19-12-009 implements an Incentive Reservation System for the Program established in D.15-06-029. The Program provides up to \$3 million for non-dairy clusters and \$5 million for dairy clusters that successfully interconnect with the natural gas pipeline system and operate by December 31, 2026. OP 2.a of D.15-06-029 authorized the program through December 31, 2020. This date was extended through December 31, 2021 in D.16-12-043 and has been further extended through December 31, 2026 pursuant to OP 18 of D.19-12-009.

Requested Revision

SoCalGas requests Commission approval to revise Rule No. 39, A. Terms of Access, Section 3.a. as follows:

Pursuant to D.15-06-029, as modified by D.16-12-043, and further modified by D.19-12-009, the Utility shall provide a monetary incentive to eligible Biomethane Interconnectors built before December 31, 2026~~4~~. The monetary incentive program shall be in effect until the end of December 31, 2026~~4~~, or until all available funds are expended, whichever occurs first. ~~the program has exhausted its \$40 million funding, including the California Council on Science and Technology study costs.~~

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 22, 2020. 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@socalgas.com

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 2, 2020, the date specified in the two Commission-approved contracts governing SoCalGas' service to Southwest Gas Corporation (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 R.13-02-008, SoCalGas/Pacific Gas and Electric

/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: 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. 5598

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 57279-G	Rule No. 39, ACCESS TO THE SOCALGAS PIPELINE SYSTEM, Sheet 1	Revised 53711-G
Revised 57280-G	TABLE OF CONTENTS	Revised 56671-G
Revised 57281-G	TABLE OF CONTENTS	Revised 57265-G

ACCESS TO THE SOCALGAS PIPELINE SYSTEM

The Utility shall provide nondiscriminatory open access to its system to any party (hereinafter “Interconnector”) for the purpose of physically interconnecting with the Utility and effectuating the delivery of natural gas, subject to the terms and conditions set forth in this Rule and the applicable provisions of the Utility’s other tariff schedules including, but not limited to, the gas quality requirements set forth in Rule No. 30, Section I. None of the provisions in this Rule shall be interpreted so as to unduly discriminate against or in favor of gas supplies coming from any source.

A. Terms of Access

1. The interconnection and physical flows shall not jeopardize the integrity of, or interfere with, normal operation of the Utility’s system and provision of service to its customers.
2. The Interconnector and Utility must execute Form No. 6450, Interconnection Agreement (IA) and Form No. 6435, Operational Balancing Agreement (OBA). If the Interconnector is a California Producer without an effective agreement providing for access to the Utility’s system, then that Interconnector and the Utility must execute Form No. 6454, California Producer Interconnection Agreement (CPIA) and Form No. 6452, California Producer Operational Balancing Agreement (CPOBA).
3. The Interconnector shall pay for all equipment necessary to effectuate deliveries at point of interconnection, including, but not limited to, valves, separators, meters, quality measurement, odorant and other equipment necessary to regulate and deliver gas at the interconnection point. The Interconnector shall also pay for computer programming changes to the Utility’s Electronic Bulletin Board (EBB) scheduling system, if any, required to add the Interconnector’s new interconnection point. The Interconnector and the Utility must execute Form No. 6430, Exhibit D, Interconnect Collectible System Upgrade Agreement or Form 6456, Exhibit C, California Producer Interconnect Collectible System Upgrade Agreement (CPICSUA).
 - a. Pursuant to D.15-06-029, as modified by D.16-12-043, and further modified by D.19-12-009, the Utility shall provide a monetary incentive to eligible Biomethane Interconnectors built before December 31, 2026. The monetary incentive program shall be in effect until the end of December 31, 2026, or until all available funds are expended, whichever occurs first. If there are funds remaining at the time of program termination, Biomethane Interconnectors that have started to deliver qualifying biomethane into the Utility’s pipeline system as of the termination date of this program are eligible for an incentive payment if they otherwise meet the program criteria. The monetary incentive is for up to 50% of the eligible interconnection costs incurred by a Biomethane Interconnector, up to \$3 million per interconnection for a non-dairy cluster biomethane project. For a dairy cluster biomethane project, as defined in the Public Utilities Code Section 399.19, the monetary incentive is for up to 50% of the eligible interconnection costs and costs incurred for biogas gathering lines.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5598
 DECISION NO. 19-12-009

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Mar 2, 2020
 EFFECTIVE Mar 2, 2020
 RESOLUTION NO. _____

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(Continued)

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