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October 2, 2020

Advice No. 5603-C  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Supplement - 2021 and 2022 Ratemaking Forecasts for Natural Gas Leak Abatement Program Memorandum Account (NGLAPMA), Natural Gas Leak Abatement Program Balancing Account (NGLAPBA), and Natural Gas Leak Abatement Program Subaccount (NGLAP) in the New Environmental Regulation Balancing Account (NERBA)**

**Purpose**

Pursuant to Energy Division's request dated June 25, 2020, Southern California Gas Company (SoCalGas) hereby submits a supplemental advice letter to its 2021 and 2022 Ratemaking Forecasts for the NGLAPMA, NGLAPBA, and NGLAP in the NERBA, previously submitted in Advice Letter No. (AL) 5603-A on June 12, 2020 and AL 5603-B on June 29, 2020, as directed in Ordering Paragraph (OP) 10 of the California Public Utilities Commission's (CPUC or Commission) First Phase Decision (D.) 17-06-015 and Second Phase D.19-08-020. This supplemental advice letter replaces AL 5603-A and AL 5603-B in their entirety to correct inadvertent errors in Attachment A and Table 4 and include Attachment B.

**Background**

On January 22, 2015, the Commission issued Rulemaking (R.) 15-01-008 to implement provisions of Senate Bill (SB) 1371. Phase I of R.15-01-008 was established to specifically address the overall policies and guidelines for a Natural Gas Leak Abatement Program consistent with SB 1371 and included the following program development activities: 1) information gathering, measurement, and Best Practices; 2) targets, compliance, and reporting; and 3) training and enforcement.

On June 15, 2017, the Commission adopted D.17-06-015 which, among other things, directed SoCalGas, on or prior to October 31, 2017, to submit a Tier 3 advice letter to provide

the following to establish 2018 and 2019 revenue requirement forecasts and caps for the Natural Gas Leak Abatement Program:

- a) Identification of the incremental costs associated with each individual Best Practice, Pilot Projects and Research & Development (R&D), broken down by type of expenditure including capital, operations and maintenance, and administrative.
- b) Justifications consistent with the criteria to evaluate Pilot Projects and R&D in Pub. Util. Code § 740.1.
- c) Allocation methodology for amortization of the account and the corresponding Commission decision authorizing the allocation methodology.<sup>1</sup>

Additionally, OP 11 authorized the Director of Energy Division to recommend a process for reviewing cost forecasts and the methods for cost recovery in response to the Tier 3 advice letters. OP 12 states the ratemaking forecasts and caps that the Commission approves in response to the Tier 3 advice letters shall apply until ratemaking amounts and treatment for the Natural Gas Leak Abatement Program for 2020 and beyond, including Best Practices, Pilot Projects and R&D, are reviewed and established in each Utility's<sup>2</sup> next General Rate Case (GRC) or other gas ratemaking proceeding.

On October 31, 2017, in compliance with D.17-06-015, SoCalGas submitted its Tier 3, AL 5211. After the total cost estimates were finalized for AL 5211, SoCalGas identified updates were needed to the cost estimates. On March 14, 2018, SoCalGas submitted supplemental AL 5211-A, which replaced AL 5211 in its entirety, to update the cost estimates. Pursuant to the Energy Division's request to update the total cost estimates in AL 5211-A, on July 31, 2018, SoCalGas submitted supplemental AL 5211-B, which replaced AL 5211-A in its entirety. On October 19, 2018 the Commission approved supplemental AL 5211-B.

On August 15, 2019, the Commission adopted a Second Phase Decision, D.19-08-020, establishing additional policies, including requiring use of the Utility Proposed Cost-Effectiveness Methodology and two Cost-Benefit Analyses and restriction on rate recovery beginning in 2025, for methane emissions greater than 20% below the 2015 baseline levels.

On January 16, 2020, the CPUC voted to modify the Commission's GRC plan, adopting an extension of the GRC cycle for each utility from three years to four years and extended SoCalGas' current GRC through 2023.<sup>3</sup> Therefore, this advice letter is submitted to provide forecasted costs for 2021, 2022, and associated Best Practices, as shown in Tables 1 through 3.

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<sup>1</sup> D.17-06-015, OP 10 at pp. 161-162.

<sup>2</sup> The Utilities are Pacific Gas and Electric Company, SoCalGas, and San Diego Gas and Electric Company (SDG&E).

<sup>3</sup> In compliance with D.20-01-002, on April 9, 2020 SoCalGas and SDG&E submitted a joint petition to modify the Test Year (TY) 2019 GRC Decision (D.19-09-051) to extend their current authorized GRC periods through 2023. SoCalGas' next GRC application will be for a TY 2024 and will be filed by May 15, 2022.

Pursuant to Energy Division's request dated April 16, 2020, on June 12, 2020, SoCalGas submitted a supplemental advice letter to its 2021 and 2022 Ratemaking Forecasts for the NGLAPMA, NGLAPBA, and NGLAP in the NERBA, previously submitted in AL 5603 on March 12, 2020. AL 5603-A replaced AL 5603 in its entirety to eliminate the thousands reference in the title of Tables 1 through 3, provide updated cost forecasts, and include discussion on the emission reduction forecast. However, AL 5603-A included a request to waive the protest period because no protest was received to the initial advice letter.

On June 25, 2020, Energy Division directed SoCalGas to supplement AL 5603-A with a shortened protest comment period of ten (10) days, since no protests were submitted to the initial advice letters. Therefore, AL 5603-B, submitted on June 29, 2020, replaced AL 5603-A in its entirety to revise the protest period.

In this supplemental advice letter, SoCalGas updates the rate impact figures in Attachment A and the associated revenue requirements in Table 4, and rate impacts incorporating a \$35 million forecasted rate impact decrease is in Attachment B. The updates include corrections to the rate impact figures that were calculated based on an incomplete revenue requirement. The rate impact calculations were inadvertently performed on the revenue requirements that had changed since the March 2020 submittal instead of the complete revenue requirement. Therefore, this supplemental advice Letter replaces AL 5603-B in its entirety to correct the rate impact figures in Attachment A and the inadvertent errors in Table 4.<sup>4</sup> SoCalGas also forecasts rate impact figures associated with unspent funds collected in years 2018, 2019, and 2020 for implementation of the 2018 Compliance Plan as approved in Resolution G-3538. SoCalGas anticipates returning approximately \$35 million to ratepayers in the 2020 Annual Consolidated Rate Update submittal.

This funding request of \$218 million<sup>5</sup> in loaded, escalated 2020 dollars is forecasted to achieve measurable emission reductions. Annual estimated emission reductions resulting from activities proposed in SoCalGas' 2020 Compliance Plan from 2021 – 2030 are estimated at 498,985 MCF, an estimated 18% reduction from SoCalGas' 2015 emissions inventory baseline of 2,779,851 MCF. It should be noted that the 2015 baseline is expected to be adjusted in the future due to reporting adjustments and corrections. As such, the estimated percentage reduction will likely change as a result of the updated 2015 baseline.

In addition to emission reductions forecasted to be reduced from SoCalGas' system, SoCalGas is proposing to use emerging technologies and data analytics to reduce emissions downstream of the meter from leaks on customer houseline and gas-powered appliances. As discussed in SoCalGas' 2020 Compliance Plan in Chapter 6 (Advanced Meter Analytics Algorithm) and Chapter 14 (Aerial Monitoring), SoCalGas is forecasting an annual reduction of 99,994 MCF from behind-the-meter in customer-owned facilities. Although these

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<sup>4</sup> Rate impacts include SoCalGas/SDG&E NGV, EG and TLS adjustments.

<sup>5</sup> The total forecasted revenue requirement is \$285 million, as illustrated on Tables 1-3 herein.

reductions will not be reflected in SoCalGas' emissions report, the proposed activities support the state's climate goals and spirit of SB 1371.

The current estimate of an 18% reduction in emissions from the 2015 baseline by 2030 is based on the published 2015 baseline, currently approved reporting metrics, and emission models of cost-effective measures using currently available technologies and information. Emission models used to forecast reductions will have some degree of variation, and the projected reduction may vary in practice. Based on information and technologies currently available, SoCalGas is proposing to implement measures that maximize cost-effective emission reductions as reasonably as possible and then maintaining those lower levels through 2030. As proposed research projects and pilots are completed, more accurate modeling may become available for activities such as the installation of methane sensors, estimating emissions from transmission pipeline leaks, and estimating emissions associated above ground leak inspection and repair. In addition, as pilots are concluded, more accurate forecasts may be possible and new technologies may become commercially available to further reduce emissions beyond what is currently forecasted.

SoCalGas cannot presently forecast a 40% emission reduction due to limitations in the emissions reporting metrics. Because SoCalGas currently reports 60% of emissions based on population-, facility-, or component-based emission factors (EFs), projecting and recording more than an 18% reduction will not be possible until these EFs are addressed. SoCalGas is working to improve reporting metrics in hopes of achieving a reporting format in which a 40% reduction can be demonstrated.

SoCalGas performed an analysis of the emissions report based on approved reporting metrics, proposals to change metrics that have been submitted for approval but not yet adopted, and corrections to the baseline that have not yet been formally published. The goal of the analysis is to determine how these changes will affect the overall forecasted reductions. Based on adoption of reporting metrics and assumptions as discussed in SoCalGas' 2020 Compliance Plan, SoCalGas anticipates reporting an estimated emissions reduction of 38% by 2030.

### **SoCalGas' Forecasted Costs for 2021 and 2022, and Associated Best Practices**

**Table 1: Forecasted Costs for Two-Way Balancing Account by Chapter in Loaded 2019 Dollars<sup>6</sup>**

Ch #	Chapter Description	Addressed Best Practice	Program Summary (Direct)			Program Summary (Loaded)*			Program Summary (Revenue Requirement)
			O&M Total	Capital Total	Measure Total	O&M Total	Capital Total	Measure Total	Measure Total
1	"Find It/Fix It"	21	27,465,600	21,146,852	48,612,452	43,945,887	23,653,494	67,599,381	88,917,882
2	Leak Survey	15, 16	4,321,839	-	4,321,839	9,736,604	-	9,736,604	10,029,051

<sup>6</sup> Totals may not add up due to rounding.

Ch #	Chapter Description	Addressed Best Practice	Program Summary (Direct)			Program Summary (Loaded)*			Program Summary (Revenue Requirement)
			O&M Total	Capital Total	Measure Total	O&M Total	Capital Total	Measure Total	Measure Total
3	Blowdown Reduction	23, 3-7	2,822,855	5,871,000	8,693,855	5,393,919	6,846,134	12,240,053	19,723,964
4	Large Leak Prioritization	15, 16, 20a, 21	1,212,000	204,000	1,416,000	2,752,629	225,724	2,978,353	3,348,240
5	Damage Prevention Algorithm & Proactive Intervention	24,25,26	1,900,000	-	1,900,000	4,302,474	-	4,302,474	4,442,457
6	Advanced Meter Analytics Algorithm	17	224,000	-	224,000	507,239	-	507,239	548,823
7	Recordkeeping IT Project	9	9,998,240	6,575,788	16,574,028	18,095,815	7,296,524	25,392,340	29,232,114
8	AVEVA	9, 20b	10,454,540	-	10,454,540	14,831,002	-	14,831,002	15,852,110
9	Competency Based Training Development	13	2,487,126	-	2,487,126	3,678,356	-	3,678,356	3,929,068
10	Enhancements to Training Facilities	13	-	1,325,000	1,325,000	-	1,467,585	1,467,585	3,122,539
11	Storage Projects	23	1,040,000	10,000,000	11,040,000	1,197,068	11,064,900	12,261,968	32,181,743
12	Stationary Methane Detectors	18	439,120	4,041,136	4,480,256	810,692	4,500,607	5,311,299	10,123,868
13	Electronic Leak Survey	20b	427,700	7,588,672	8,016,372	473,245	8,396,790	8,870,035	11,678,460
14	Aerial Monitoring	15, 16, 20a, 21	16,600,000	-	16,600,000	21,841,644	-	21,841,644	22,552,270
15	Damage Prevention Public Awareness	24, 25, 26	2,047,280	-	2,047,280	2,821,122	-	2,821,122	3,006,740
16	Pipe Fitting Specifications	22	1,000,000	-	1,000,000	2,264,460	-	2,264,460	2,450,103
17	Dig-Ins / Repeat Offenders	26	691,286	38,400	729,686	1,565,390	44,031	1,609,421	1,759,238
18	Meter Calibration Factor Adjustment	23	16,000	-	16,000	36,232	-	36,232	38,589
19	Gas Speciation	17	200,000	-	200,000	452,892	-	452,892	490,021
20	Public Leak Maps	20b	45,500	-	45,500	103,033	-	103,033	111,300
21	Methane GHG Policy	2	-	-	-	-	-	-	-
22	Vapor Collection Systems	23	-	-	-	-	-	-	-

Ch #	Chapter Description	Addressed Best Practice	Program Summary (Direct)			Program Summary (Loaded)*			Program Summary (Revenue Requirement)
			O&M Total	Capital Total	Measure Total	O&M Total	Capital Total	Measure Total	Measure Total
23	Differential Pressure Testing	23	-	-	-	-	-	-	-
24	Distribution Above Ground Leak Surveys	19	-	-	-	-	-	-	-
25	Storage Above Ground Leak Survey	19, 21	1,289,491	-	1,289,491	2,903,327	-	2,903,327	3,140,925
26	Methane Emissions Minimization Training	11, 12	-	-	-	-	-	-	-
27	Distribution Above Ground Leak Repair	19, 21	-	-	-	-	-	-	-
28	High Bleed Pneumatic Device Replacement	23	-	-	-	-	-	-	-
29	5-to-3 Year Leak Survey on SOTA Pipe	15, 16	-	-	-	-	-	-	-
<b>Total</b>			<b>84,682,577</b>	<b>56,790,848</b>	<b>141,473,425</b>	<b>137,713,030</b>	<b>63,495,789</b>	<b>201,208,820</b>	<b>266,679,505</b>

\*Costs are inclusive of a 10% contingency

The assumptions for the cost estimates above can be found in the 2020 Leak Abatement Compliance Plan (Compliance Plan). The 2020 Compliance Plan is organized by chapter and not all Best Practices appear chronologically.

**Table 2: Forecasted Costs for One-Way Balancing Account in Loaded 2019 Dollars**

Ch #	Chapter Description	Addressed Best Practice	Program Summary (Direct)			Program Summary (Loaded)*			Program Summary (Revenue Requirement)
			O&M Total	Capital Total	Measure Total	O&M Total	Capital Total	Measure Total	Measure Total
R&D	Research & Development	R&D	9,365,613	-	9,365,613	12,689,971	-	<b>12,689,971</b>	13,516,806

\*Costs are inclusive of a 10% contingency

The assumptions and details for the R&D cost estimates above can be found in the 2020 Compliance Plan, which also provides the justifications consistent with the criteria to evaluate Pilot Projects and R&D pursuant to Pub. Util. Code § 740.1.

**Table 3: Forecasted Costs for Memorandum Account in Loaded 2019 Dollars**

Memo Account	Program Administration	Program Summary (Direct)			Program Summary (Loaded)*			Program Summary (Revenue Requirement)
		O&M Total	Capital Total	Measure Total	O&M Total	Capital Total	Measure Total	Measure Total
		2,000,000	-	2,000,000	4,528,920	-	<b>4,528,920</b>	4,900,206

\*Costs are inclusive of a 10% contingency

The cost estimates for the program administration were based on historical costs and estimated labor to complete the Annual Emissions report and 2022 Compliance Plan.

### **Allocation Methodology for Amortization of the Account and Corresponding Commission Decision Authorizing the Allocation Methodology**

Consistent with the 2018 Compliance Plan, SoCalGas proposes to allocate the projected year-end balances pertaining to Natural Gas Leak Abatement Programs using the Equal Percent of Authorized Margin (EPAM) method. The EPAM method allocates the balance in an account across customer classes based on each customer class share of the total GRC base margin allocated to that customer class, as shown in Table 4. This proposed method is consistent with how a regulatory account balance that benefits all customer classes is allocated in a GRC.<sup>7</sup>

**Table 4: SoCalGas NGLAP Cumulative Revenue Requirement and Annual for 2021 and 2022**

Cumulative Revenue Requirement (without FF&U) (\$000)	Annual Revenue Requirement (\$000)	
	2021	2022
<b>165,614</b>	80,588	85,026

Updated rate impacts can be found in Attachment A. The rate impacts are compared to current rates, with 2020 NGLAP amortization of \$67.6 million.

SoCalGas forecasts returning unspent funds to ratepayers in the 2020 Annual Consolidated Rate Update submittal. Unspent funds can be attributed to collection of funding for Best Practice 15, which SoCalGas was allowed an exception to implementing, and an approved alternative pilot implementation of Best Practice 18, as well as implementation ramping time

<sup>7</sup> For example, pursuant to D.16-06-054 (decision addressing SoCalGas' 2016 GRC), the balance in the Research, Development and Demonstration Expense Account (RDDEA) is allocated across all customer classes using the EPAM method. The balance in this account reflects costs associated with activities to benefit all customer classes.

for remaining Best Practices. The amount returned to ratepayers will be evaluated at year end, but is estimated at approximately \$35 million.

**Table 5: SoCalGas NGLAP Cumulative Revenue Requirement and Annual for 2021 and 2022 Incorporating Estimated Return of \$35 MM in 2020 Annual Consolidated Rate Update Submittal**

Cumulative Revenue Requirement (without FF&U) (\$000)	Annual Revenue Requirement (\$000)	
	2021	2022
130,614	45,588	85,026

Rate impacts incorporating this forecasted return can be found in Attachment B. The rate impacts are compared to current rates, with 2020 NGLAP amortization of \$67.6 million.

### **Future Costs for the Natural Gas Leak Abatement Program**

As directed in D.17-06-015 and D.19-08-020, future costs for the Natural Gas Leak Abatement Program for SoCalGas will ultimately be incorporated into the GRC. Currently, SoCalGas anticipates submitting a future Tier 3 advice letter forecasting costs for 2023 and 2024 to align cost forecasts with the 2023 and 2024 Compliance Plan at the same time the 2023 and 2024 Compliance Plan is submitted, unless directed otherwise by the Commission. Due to the timing of SoCalGas' next GRC, SoCalGas will also include the 2024 NGLAP forecast in its 2024 GRC application. The 2024 NGLAP forecast will be the same forecast as submitted/approved in its Tier 3 advice letter submittal for 2023-2024 Compliance Plan and is not intended to be re-litigated in the 2024 GRC but only to establish the test year revenue requirements associated with the NGLAP. Should the implementation of the 2024 GRC be delayed beyond January 1, 2024 and the 2024 NGLAP revenue requirement is incorporated in the January 1, 2024 gas transportation rates, a reconciliation adjustment will be recorded in the GRC Memorandum Account that will be established for the 2024 GRC proceeding. This will avoid double recovery of these costs through rates implementing the NGLAP revenue requirements requested for authorization in this Tier 3 advice letter submittal and in the 2024 GRC.

### **Protests**

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. At the direction of Energy Division, SoCalGas requests that the Commission maintain the original protest period designated in AL 5603 and shorten the protest period for this supplemental submittal to 10 days. The protest must be made in writing and must be received within 10 days of the date of this advice letter, which is October 12, 2020. 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 CPUC's Energy Division Tariff Unit ([EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)). Due to the COVID-19 pandemic and the shelter at home orders, SoCalGas is currently unable to receive protests or comments to this advice letter via U.S. mail or fax. Please submit protests or comments to this advice letter via e-mail to the address shown below on the same date it is mailed or e-mailed 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](mailto:ROrtiz@Socalgas.com)

### **Effective Date**

OP 10 of D.17-06-015 directs SoCalGas to submit this advice letter as Tier 3 pursuant to GO 96-B and, as such, requires a Resolution to be issued by the Commission. SoCalGas respectfully requests that it be approved by the Commission at the earliest opportunity.

### **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.15-01-008. Address change requests to the GO 96-B service list should be directed by e-mail to [tariffs@socalgas.com](mailto: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 by e-mail at [Process\\_Office@cpuc.ca.gov](mailto:Process_Office@cpuc.ca.gov).

/s/ Ronald van der Leeden  
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 proposed<sup>1</sup>:

Pending advice letters that revise the same tariff sheets:

<sup>1</sup>Discuss 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](mailto: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. 5603-C**

**Natural Gas Transportation Rate Revenues  
Leak Abatement Years 2021 & 2022**

**Attachment A  
Advice No. 5603-C**

**Natural Gas Transportation Rate Revenues  
Southern California Gas Company  
Leak Abatement 2021**

	Present Rates			Proposed Rates			Changes			
	May-1-20	Average	May-1-20	Jan-1-21	Proposed	Jan-1-21	Revenue	Rate	% Rate	
	Volumes	Rate	Revenues	Volumes	Rate	Revenues	Change	Change	change	
	Mth	\$/therm	\$000's	Mth	\$/therm	\$000's	\$000's	\$/therm	%	
	A	B	C	D	E	F	G	H	I	
1	<b>CORE</b>									
2	Residential	2,346,353	\$1.01536	\$2,382,399	2,346,353	\$1.01964	\$2,392,442	\$10,044	\$0.00428	0.4%
3	Commercial & Industrial	992,706	\$0.53094	\$527,065	992,706	\$0.53296	\$529,073	\$2,008	\$0.00202	0.4%
4										
5	NGV - Pre SempraWide	178,769	\$0.28106	\$50,244	178,769	\$0.28182	\$50,381	\$137	\$0.00076	0.3%
6	SempraWide Adjustment	178,769	\$0.00450	\$804	178,769	\$0.00454	\$812	\$8	\$0.00004	0.9%
7	NGV - Post SempraWide	178,769	\$0.28555	\$51,048	178,769	\$0.28636	\$51,192	\$144	\$0.00081	0.3%
8										
9	Gas A/C	416	\$0.21475	\$89	416	\$0.21537	\$90	\$0	\$0.00063	0.3%
10	Gas Engine	22,302	\$0.22482	\$5,014	22,302	\$0.22482	\$5,014	\$0	\$0.00000	0.0%
11	<b>Total Core</b>	<b>3,540,545</b>	<b>\$0.83762</b>	<b>\$2,965,616</b>	<b>3,540,545</b>	<b>\$0.84106</b>	<b>\$2,977,811</b>	<b>\$12,196</b>	<b>\$0.00344</b>	<b>0.4%</b>
12										
13	<b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b>									
14	Distribution Level Service	919,735	\$0.16284	\$149,773	919,735	\$0.16329	\$150,184	\$411	\$0.00045	0.3%
15	Transmission Level Service (2)	626,080	\$0.04280	\$26,793	626,080	\$0.04290	\$26,856	\$63	\$0.00010	0.2%
16	<b>Total Noncore C&amp;I</b>	<b>1,545,814</b>	<b>\$0.11422</b>	<b>\$176,567</b>	<b>1,545,814</b>	<b>\$0.11453</b>	<b>\$177,040</b>	<b>\$473</b>	<b>\$0.00031</b>	<b>0.3%</b>
17										
18	<b>NONCORE ELECTRIC GENERATION</b>									
19	Distribution Level Service									
20	Pre Sempra Wide	331,442	\$0.14005	\$46,417	331,442	\$0.14049	\$46,565	\$147	\$0.00044	0.3%
21	Sempra Wide Adjustment	331,442	(\$0.00106)	(\$351)	331,442	(\$0.00102)	(\$339)	\$12	\$0.00004	-3.5%
22	Distribution Level Post Sempra Wide	331,442	\$0.13899	\$46,066	331,442	\$0.13947	\$46,225	\$159	\$0.00048	0.3%
23	Transmission Level Service (2)	2,246,336	\$0.03723	\$83,623	2,246,336	\$0.03733	\$83,847	\$225	\$0.00010	0.3%
24	<b>Total Electric Generation</b>	<b>2,577,778</b>	<b>\$0.05031</b>	<b>\$129,689</b>	<b>2,577,778</b>	<b>\$0.05046</b>	<b>\$130,073</b>	<b>\$384</b>	<b>\$0.00015</b>	<b>0.3%</b>
25										
26	<b>TOTAL RETAIL NONCORE</b>	<b>4,123,593</b>	<b>\$0.07427</b>	<b>\$306,256</b>	<b>4,123,593</b>	<b>\$0.07448</b>	<b>\$307,113</b>	<b>\$857</b>	<b>\$0.00021</b>	<b>0.3%</b>
27										
28	<b>WHOLESALE &amp; INTERNATIONAL (excluding SDG&amp;E)</b>	<b>359,267</b>	<b>\$0.03298</b>	<b>\$11,850</b>	<b>359,267</b>	<b>\$0.03308</b>	<b>\$11,886</b>	<b>\$36</b>	<b>\$0.00010</b>	<b>0.3%</b>
29										
30	<b>OTHER SERVICES (SDG&amp;E, UBS, &amp; BTS)</b>	<b>1,118,614</b>		<b>\$353,958</b>	<b>1,118,614</b>		<b>\$354,082</b>	<b>\$125</b>		
31	<b>SYSTEM TOTAL w/BTS</b>	<b>9,142,019</b>	<b>\$0.39791</b>	<b>\$3,637,679</b>	<b>9,142,019</b>	<b>\$0.39935</b>	<b>\$3,650,892</b>	<b>\$13,214</b>	<b>\$0.00145</b>	<b>0.4%</b>
32										
33	EOR Revenues	208,941	\$0.10032	\$20,961	208,941	\$0.10070	\$21,040	\$79	\$0.00038	0.4%
34	<b>Total Throughput w/EOR Mth/yr</b>	<b>9,350,960</b>			<b>9,350,960</b>					

1) These rates are for Natural Gas Transportation Service from "Citygate to Meter." The BTS rate is for service from Receipt Point to Citygate.  
2) All rates include Franchise Fees & Uncollectible charges.

**Attachment A  
Advice No. 5603-C**

**Natural Gas Transportation Rate Revenues  
Southern California Gas Company  
Leak Abatement 2022**

	Present Rates			Proposed Rates			Changes			
	May-1-20 Volumes Mth	Average Rate \$/therm	May-1-20 Revenues \$000's	Jan-1-22 Volumes Mth	Proposed Rate \$/therm	Jan-1-22 Revenues \$000's	Revenue Change \$000's	Rate Change \$/therm	% Rate change %	
	A	B	C	D	E	F	G	H	I	
1	<b>CORE</b>									
2	Residential	2,346,353	\$1.01536	\$2,382,399	2,346,353	\$1.02111	\$2,395,879	\$13,480	\$0.00574	0.6%
3	Commercial & Industrial	992,706	\$0.53094	\$527,065	992,706	\$0.53365	\$529,760	\$2,695	\$0.00271	0.5%
4										
5	NGV - Pre SempraWide	178,769	\$0.28106	\$50,244	178,769	\$0.28208	\$50,428	\$183	\$0.00103	0.4%
6	SempraWide Adjustment	178,769	\$0.00450	\$804	178,769	\$0.00445	\$795	(\$9)	(\$0.00005)	-1.1%
7	NGV - Post SempraWide	178,769	\$0.28555	\$51,048	178,769	\$0.28653	\$51,223	\$174	\$0.00098	0.3%
8										
9	Gas A/C	416	\$0.21475	\$89	416	\$0.21559	\$90	\$0	\$0.00084	0.4%
10	Gas Engine	22,302	\$0.22482	\$5,014	22,302	\$0.22482	\$5,014	\$0	\$0.00000	0.0%
11	<b>Total Core</b>	<b>3,540,545</b>	<b>\$0.83762</b>	<b>\$2,965,616</b>	<b>3,540,545</b>	<b>\$0.84223</b>	<b>\$2,981,965</b>	<b>\$16,349</b>	<b>\$0.00462</b>	<b>0.6%</b>
12										
13	<b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b>									
14	Distribution Level Service	919,735	\$0.16284	\$149,773	919,735	\$0.16344	\$150,325	\$551	\$0.00060	0.4%
15	Transmission Level Service (2)	626,080	\$0.04280	\$26,793	626,080	\$0.04292	\$26,873	\$79	\$0.00013	0.3%
16	<b>Total Noncore C&amp;I</b>	<b>1,545,814</b>	<b>\$0.11422</b>	<b>\$176,567</b>	<b>1,545,814</b>	<b>\$0.11463</b>	<b>\$177,197</b>	<b>\$631</b>	<b>\$0.00041</b>	<b>0.4%</b>
17										
18	<b>NONCORE ELECTRIC GENERATION</b>									
19	Distribution Level Service									
20	Pre Sempra Wide	331,442	\$0.14005	\$46,417	331,442	\$0.14064	\$46,615	\$198	\$0.00060	0.4%
21	Sempra Wide Adjustment	331,442	(\$0.00106)	(\$351)	331,442	(\$0.00110)	(\$364)	(\$13)	(\$0.00004)	3.6%
22	Distribution Level Post Sempra Wide	331,442	\$0.13899	\$46,066	331,442	\$0.13954	\$46,251	\$185	\$0.00056	0.4%
23	Transmission Level Service (2)	2,246,336	\$0.03723	\$83,623	2,246,336	\$0.03735	\$83,908	\$285	\$0.00013	0.3%
24	<b>Total Electric Generation</b>	<b>2,577,778</b>	<b>\$0.05031</b>	<b>\$129,689</b>	<b>2,577,778</b>	<b>\$0.05049</b>	<b>\$130,158</b>	<b>\$470</b>	<b>\$0.00018</b>	<b>0.4%</b>
25										
26	<b>TOTAL RETAIL NONCORE</b>	<b>4,123,593</b>	<b>\$0.07427</b>	<b>\$306,256</b>	<b>4,123,593</b>	<b>\$0.07454</b>	<b>\$307,356</b>	<b>\$1,100</b>	<b>\$0.00027</b>	<b>0.4%</b>
27										
28	WHOLESALE & INTERNATIONAL (excluding SDG&E)	359,267	\$0.03298	\$11,850	359,267	\$0.03311	\$11,896	\$46	\$0.00013	0.4%
29										
30	OTHER SERVICES (SDG&E, UBS, & BTS)	1,118,614		\$353,958	1,118,614		\$354,125	\$167		
31	<b>SYSTEM TOTAL w/BTS</b>	<b>9,142,019</b>	<b>\$0.39791</b>	<b>\$3,637,679</b>	<b>9,142,019</b>	<b>\$0.39984</b>	<b>\$3,655,341</b>	<b>\$17,662</b>	<b>\$0.00193</b>	<b>0.5%</b>
32										
33	EOB Revenues	208,941	\$0.10032	\$20,961	208,941	\$0.10076	\$21,053	\$92	\$0.00044	0.4%
34	Total Throughput w/EOB Mth/yr	9,350,960			9,350,960					

1) These rates are for Natural Gas Transportation Service from "Citygate to Meter." The BTS rate is for service from Receipt Point to Citygate.  
2) All rates include Franchise Fees & Uncollectible charges.

**ATTACHMENT B**

**Advice No. 5603-C**

**Natural Gas Transportation Rate Revenues  
Leak Abatement Year 2021 with  
SoCalGas \$35 Million Decrease**

**Attachment B  
Advice No. 5603-C**

**Natural Gas Transportation Rate Revenues  
Southern California Gas Company  
Leak Abatement 2021 with SoCalGas \$35 Million Decrease**

	Present Rates			Proposed Rates			Changes			
	May-1-20	Average	May-1-20	Jan-1-21	Proposed	Jan-1-21	Revenue	Rate	% Rate	
	Volumes	Rate	Revenues	Volumes	Rate	Revenues	Change	Change	change	
	Mth	\$/therm	\$000's	Mth	\$/therm	\$000's	\$000's	\$/therm	%	
	A	B	C	D	E	F	G	H	I	
1	<b>CORE</b>									
2	Residential	2,346,353	\$1.01536	\$2,382,399	2,346,353	\$1.00812	\$2,365,406	(\$16,992)	(\$0.00724)	-0.7%
3	Commercial & Industrial	992,706	\$0.53094	\$527,065	992,706	\$0.52752	\$523,668	(\$3,397)	(\$0.00342)	-0.6%
4										
5	NGV - Pre SempraWide	178,769	\$0.28106	\$50,244	178,769	\$0.27976	\$50,013	(\$231)	(\$0.00129)	-0.5%
6	SempraWide Adjustment	178,769	\$0.00450	\$804	178,769	\$0.00466	\$833	\$29	\$0.00016	3.5%
7	NGV - Post SempraWide	178,769	\$0.28555	\$51,048	178,769	\$0.28442	\$50,846	(\$203)	(\$0.00113)	-0.4%
8										
9	Gas A/C	416	\$0.21475	\$89	416	\$0.21368	\$89	(\$0)	(\$0.00106)	-0.5%
10	Gas Engine	22,302	\$0.22482	\$5,014	22,302	\$0.22482	\$5,014	\$0	\$0.00000	0.0%
11	<b>Total Core</b>	<b>3,540,545</b>	<b>\$0.83762</b>	<b>\$2,965,616</b>	<b>3,540,545</b>	<b>\$0.83180</b>	<b>\$2,945,023</b>	<b>(\$20,592)</b>	<b>(\$0.00582)</b>	<b>-0.7%</b>
12										
13	<b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b>									
14	Distribution Level Service	919,735	\$0.16284	\$149,773	919,735	\$0.16209	\$149,078	(\$695)	(\$0.00076)	-0.5%
15	Transmission Level Service (2)	626,080	\$0.04280	\$26,793	626,080	\$0.04264	\$26,697	(\$96)	(\$0.00015)	-0.4%
16	<b>Total Noncore C&amp;I</b>	<b>1,545,814</b>	<b>\$0.11422</b>	<b>\$176,567</b>	<b>1,545,814</b>	<b>\$0.11371</b>	<b>\$175,776</b>	<b>(\$791)</b>	<b>(\$0.00051)</b>	<b>-0.4%</b>
17										
18	<b>NONCORE ELECTRIC GENERATION</b>									
19	Distribution Level Service									
20	Pre Sempra Wide	331,442	\$0.14005	\$46,417	331,442	\$0.13929	\$46,168	(\$249)	(\$0.00075)	-0.5%
21	Sempra Wide Adjustment	331,442	(\$0.00106)	(\$351)	331,442	(\$0.00093)	(\$309)	\$42	\$0.00013	-12.1%
22	Distribution Level Post Sempra Wide	331,442	\$0.13899	\$46,066	331,442	\$0.13836	\$45,859	(\$207)	(\$0.00062)	-0.4%
23	Transmission Level Service (2)	2,246,336	\$0.03723	\$83,623	2,246,336	\$0.03707	\$83,279	(\$344)	(\$0.00015)	-0.4%
24	<b>Total Electric Generation</b>	<b>2,577,778</b>	<b>\$0.05031</b>	<b>\$129,689</b>	<b>2,577,778</b>	<b>\$0.05010</b>	<b>\$129,138</b>	<b>(\$551)</b>	<b>(\$0.00021)</b>	<b>-0.4%</b>
25										
26	<b>TOTAL RETAIL NONCORE</b>	<b>4,123,593</b>	<b>\$0.07427</b>	<b>\$306,256</b>	<b>4,123,593</b>	<b>\$0.07394</b>	<b>\$304,914</b>	<b>(\$1,342)</b>	<b>(\$0.00033)</b>	<b>-0.4%</b>
27										
28	WHOLESALE & INTERNATIONAL (excluding SDG&E)	359,267	\$0.03298	\$11,850	359,267	\$0.03283	\$11,795	(\$55)	(\$0.00015)	-0.5%
29										
30	OTHER SERVICES (SDG&E, UBS, & BTS)	1,118,614		\$353,958	1,118,614		\$353,747	(\$211)		
31	<b>SYSTEM TOTAL w/BTS</b>	<b>9,142,019</b>	<b>\$0.39791</b>	<b>\$3,637,679</b>	<b>9,142,019</b>	<b>\$0.39548</b>	<b>\$3,615,479</b>	<b>(\$22,200)</b>	<b>(\$0.00243)</b>	<b>-0.6%</b>
32										
33	EOR Revenues	208,941	\$0.10032	\$20,961	208,941	\$0.09983	\$20,858	(\$103)	(\$0.00049)	-0.5%
34	Total Throughput w/EOR Mth/yr	9,350,960			9,350,960					

1) These rates are for Natural Gas Transportation Service from "Citygate to Meter." The BTS rate is for service from Receipt Point to Citygate.  
2) All rates include Franchise Fees & Uncollectible charges.