

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 29, 2020

Southern California Gas Company
Advice Letter: 5609-G /5609-A

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

**Subject: Staff Disposition of Southern California Gas Company's Advice Letter
Triennial Cost Allocation Proceeding Implementation - D. 20-02-045**

Dear Van der Leeden,

Southern California Gas Company (SoCalGas) Advice Letter 5609-G/5609-A is approved, effective May 1, 2020, with one modification to ensure compliance with D.20-02-045 and the CPUC Executive Director's letter dated April 20, 2020. The modification is to ensure proper tracking of under collections from the Schedule G-10 rate deferral. This disposition letter approves the rate revisions presented in SoCalGas' Advice Letter 5609-G with tariff changes necessary to implement D.20-02-045, and the rate implementation deferral for the Core Commercial and Industrial, Schedule No. G-10 customer class until September 1, 2020 as presented in SoCalGas' Supplemental Advice Letter-5609-A.

SoCalGas' proposal in its Partial Supplement Advice Letter 5609-A regarding the undercollection tracking resulting from the deferral of D.20-02-045 rate implementation for small business customers, is modified as follows:

The California Public Utilities Commission (CPUC) directs SoCalGas to track the undercollection resulting from the rate implementation deferral of the Core Commercial and Industrial, Schedule No. G-10 customer class separately in a new subaccount in SoCalGas' Core Fixed Cost Account (CFCA). In addition, SoCalGas is directed to true-up SoCalGas' Integrated Transmission Balancing Account (ITBA) for any undercollection attributed to local transmission costs by transferring the undercollection to the new subaccount under the CFCA.

Background

On March 30, 2020, SoCalGas filed Advice Letter 5609-G, which requests approval for implementation of D.20-02-045, decision addressing San Diego Gas & Electric Company and Southern California Gas Company Triennial Cost Allocation Proceeding (TCAP) and the rates to be

effective on May 1, 2020.¹ On April 3, 2020, in response to the COVID-19 pandemic and resulting actions taken by governmental authorities, SoCalGas sent a letter to CPUC Executive Director Alice Stebbins seeking to defer the scheduled transportation rate increase for core commercial and industrial customer classes (C&I), until the earlier of January 1, 2021, or as directed by the CPUC. On April 20, 2020 Executive Director approved the extension request through September 1, 2020, and directed SoCalGas to:

- 1) file a Petition for Modification (PFM) in Application (A.) 18-07-024, no later than May 15, 2020, describing the requested deferral and proposing how the related undercollection should be treated; and*
- 2) submit a Supplement to SoCalGas' TCAP implementation Advice Letter 5609 requesting to extend implementation of the rate change of G-10 customer class to September 1, 2020 and describing how SoCalGas will track the undercollection until a determination of the Petition for Modification is made. Furthermore, SoCalGas is prohibited from taking any action to recover the undercollection until given further direction from the Commission.*

SoCalGas submitted a Supplemental Advice Letter 5096-A on April 24, 2020 seeking the approved rate implementation deferral for small business customers and to describe the interim accounting treatment for the resulting undercollection, subject to the PFM. SoCalGas submitted updated tariff sheets maintaining the current transportation rates for Schedule No. G-10. SoCalGas asserts that it will not take any action to recover the undercollection resulting from this rate implementation deferral until given further direction from the CPUC.

In its Supplemental Advice Letter, SoCalGas proposes that the undercollection will be recorded in SoCalGas' CFCA in the interim. The authorized revenue requirement for the Core C&I customer class includes an allocation for local transmission costs which is recorded in SoCalGas' ITBA. Since the ITBA is amortized in rates to both core and noncore customer classes, SoCalGas proposes to true-up the ITBA for any undercollection attributed to local transmission costs by transferring the undercollection to the CFCA.² SoCalGas' proposed undercollection tracking is insufficient to ensure visibility for the distinct undercollection resulting from the Schedule G-10 customer class rate change deferral. The CFCA applies to all core gas customers, including residential customers. Residential customer usage represents most of the consumption subject to the CFCA. Therefore, SoCalGas is directed to specifically denote this undercollection resulting from the Schedule G-10 rate deferral by creating a separate subaccount in the CFCA. This new subaccount will record any undercollection related to the deferral and true-up SoCalGas' ITBA.

Disposition

Energy Division approves SoCalGas Advice Letter 5609-G and Supplemental Advice Letter 5609-A with the following modifications: SoCalGas is directed to track the undercollection resulting from the rate implementation deferral of the Core Commercial and Industrial (Schedule No. G-10) customer class in a new subaccount under SoCalGas' Core Fixed Cost Account (CFCA). In addition, SoCalGas is directed to true-up SoCalGas' Integrated Transmission Balancing Account

¹ San Diego Gas & Electric Company (SDG&E) concurrently made a related submittal, AL 2856-G, for changes in its tariffs associated with D.20-02-045.

² The balance in the ITBA will not be impacted by any undercollection so noncore customer rates will not be impacted (i.e., not charged for a portion of the ITBA balance attributed to the undercollection).

(TTBA) for any undercollection associated with the local transmission costs by transferring the undercollection to the new subaccount under the CFCA. The transportation rates for Schedule No. G-10 will remain unchanged as presented in Supplemental Advice Letter-5609-A until at a minimum, September 1, 2020, or as determined in the upcoming PFM. All other rate classes will be modified as presented in Advice Letter 5609-G tariffs resulting from D.20-02-045, and the rates will be effective May 1, 2020.

Please contact Gelila Berhane at 415-703-1572 or Gelila.Berhane@cpuc.ca.gov for any questions.

Sincerely,

 FOR

Edward Randolph
Deputy Executive Director, Energy and Climate Policy
Director, Energy Division

cc: Simon Baker, Energy Division, CPUC (Simon.Baker@cpuc.ca.gov)
Dorothy Duda, Energy Division, CPUC (Dorothy.Duda@cpuc.ca.gov)
Elizabeth La Cour, Energy Division, CPUC (Elizabeth.LaCour@cpuc.ca.gov)
Gelila Berhane, Energy Division, CPUC (Gelila.Berhane@cpuc.ca.gov)
Ray Ortiz, Sempra Energy (ROrtiz@socalgas.com)

Service list in A.18-07-024



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

April 24, 2020

Advice No. 5609-A
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Partial Supplement: Triennial Cost Allocation Proceeding (TCAP)
Implementation – Decision (D.) 20-02-045**

Southern California Gas Company (SoCalGas) hereby submits for California Public Utilities Commission (Commission or CPUC) approval revisions to its tariffs, applicable throughout its service territory, as shown on Attachment A.

Purpose

This submission partially supplements Advice Letter (AL) 5609 with respect to Preliminary Statement Part II, Summary of Rates and Charges, and Schedule No. G-10, Core Commercial and Industrial Service. The modifications included herein do not make substantive changes that would affect the overall evaluation of AL 5609.

Background

On March 30, 2020, SoCalGas submitted AL 5609 in compliance with Ordering Paragraph (OP) 23 of D.20-02-045, *Decision Addressing San Diego Gas & Electric Company and Southern California Gas Company Triennial Cost Allocation Proceeding Application*, which states:

San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) shall each submit [a] Tier 2 Advice Letter no later than 30 days following the issuance of this decision that contains revised rates and charges that implement the demand forecasts, cost allocations, customer charges, and rate designs adopted by today's decision. The revised tariff sheets contained in these Advice Letters shall be effective on the first of the month following Commission approval of the Advice Letters.

The revisions included in AL 5609 presented the tariff changes necessary to implement D.20-02-045, with the tariff changes requested to be effective May 1, 2020, which was the first of the month following anticipated approval of the AL. San Diego Gas & Electric Company (SDG&E) concurrently made a related submittal, SDG&E AL 2856-G, for changes in its tariffs associated with D.20-02-045.

On April 3, in response to the COVID-19 pandemic and resulting actions taken by governmental authorities, SoCalGas sent a letter to CPUC Executive Director Stebbins pursuant to Rule 16.6 of the Commission's Rules of Practice and Procedure seeking an extension of time to comply with D.20-02-045 with respect to the rate increase that would otherwise occur for small business customers, who generally take service under Schedule No. G-10.

While recognizing the extension request is not the appropriate procedural vehicle for the request, Executive Director Stebbins nonetheless approved the request through September 1, 2020, and directed SoCalGas to seek relief through a Petition for Modification (PFM) of D.20-02-045 to be filed by May 15, 2020. In compliance with that approval, SoCalGas provides this partial supplement to AL 5609 to seek the approved rate implementation deferral for small business customers and to describe the interim accounting treatment for the resulting undercollection, subject to the aforementioned PFM.¹

Rate Deferral

As shown in the following table, the Tier 1, 2, and 3 transportation charges for Schedule No. G-10 were to increase on May 1 with the approval of AL 5609. Per Executive Director Stebbins' letter, SoCalGas includes in Attachment A updated tariff sheets maintaining the current transportation rates for Schedule No. G-10. Upon approval of AL 5609 and AL 5609-A, all other rate classes will be modified as a result of D.20-02-045. However, the transportation rates for Schedule No. G-10 will remain unchanged until, at a minimum, September 1, 2020, or as determined in the forthcoming PFM.

Schedule No. G-10 Volumetric Transportation Rates \$/therm	TCAP Rates (as shown in AL 5609)	Proposed Rates (same as current)
Tier 1	\$0.93653	\$0.78333
Tier 2	\$0.50543	\$0.42707
Tier 3	\$0.21639	\$0.18820

Undercollection Tracking

Pursuant to Executive Director Stebbins' letter, SoCalGas is not to take any action to recover the undercollection resulting from this rate implementation deferral until given further direction from the Commission. In the interim, SoCalGas will track the undercollection by calculating the difference between the revenue requirement in rates effective April 1, 2020 and the 2020

¹ Executive Director Stebbins April 20, 2020 letter is included as Attachment B.

TCAP authorized revenue requirement for the Core Commercial and Industrial (Core CI) customer class.

The majority of the undercollection will be recorded in SoCalGas' Core Fixed Cost Account (CFCA); however, the authorized revenue requirement for the Core CI customer class includes an allocation for local transmission costs which is recorded in SoCalGas' Integrated Transmission Balancing Account (ITBA). Since the ITBA is amortized in rates to both core and noncore customer classes, SoCalGas proposes to true-up the ITBA for any undercollection attributed to local transmission costs by transferring the undercollection to the CFCA. As a result, the balance in the ITBA will not be impacted by any undercollection so noncore customer rates will not be impacted (i.e., not charged for a portion of the ITBA balance attributed to the undercollection).

Protest

Pursuant to General Order (GO) 96-B, General Rule 7.5.1, SoCalGas requests that the Commission maintain the original protest and comment periods designated in AL 5609 and waive the protest period for this supplemental submittal.²

Effective Date

SoCalGas believes that this submittal is subject to Energy Division disposition and, per OP 23 of D.20-02-045, is classified as Tier 2 (effective after staff approval). Therefore, SoCalGas respectfully requests that this submittal become effective for service on May 1, 2020, the effective date requested in AL 5609.

Notice

A copy of this AL is being sent to SoCalGas' General Order (GO) 96-B service list and the Commission's service list in A.18-07-024. 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.

/s/ Ronald van der Leeden

Ronald van der Leeden
Director – Regulatory Affairs

Attachments

² No protests to AL 5609 were received by the April 20, 2020 due date.



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. 5609-A

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 57479-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 57345-G Revised 57306-G
Revised 57480-G	Schedule No. G-10, CORE COMMERCIAL AND INDUSTRIAL SERVICE, (Includes GN- 10, GN-10C and GT-10 Rates), Sheet 2	Revised 57379-G Revised 57323-G
Revised 57481-G	TABLE OF CONTENTS	Revised 57468-G
Revised 57482-G	TABLE OF CONTENTS	Revised 57478-G

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 2

(Continued)

RESIDENTIAL CORE SERVICE (Continued)

Schedule G-NGVR (Includes G-NGVR, G-NGVRC and GT-NGVR, Rates)

	All Usage	Customer Charge per meter, per day
G-NGVR ^{1/}	66.088¢	32.877¢
G-NGVRC ^{2/}	66.088¢	32.877¢
GT-NGVR	35.569¢	32.877¢

I
|
I

NON-RESIDENTIAL CORE SERVICE

Schedule G-10 ^{3/} (Includes GN-10, GN-10C and GT-10 Rates)

	<u>Tier I</u>	<u>Tier II</u>	<u>Tier III</u>
GN-10 ^{1/}	100.441¢	64.815¢	40.928¢
GN-10C ^{2/}	100.441¢	64.815¢	40.928¢
GT-10	78.333¢	42.707¢	18.820¢

R,R,R
|
R,R,R

Customer Charge
Per meter, per day:

All customers except "Space Heating Only"	49.315¢
"Space Heating Only" customers:	
Beginning Dec. 1 through Mar. 31	\$1.48760
Beginning Apr. 1 through Nov. 30	None

^{1/} The core procurement charge as set forth in Schedule No. G-CP is 22.108¢/therm which includes the core brokerage fee.

^{2/} The cross-over rate as set forth in Schedule No. G-CP is 22.108¢/therm which includes the core brokerage fee.

^{3/} Schedule GL rates are set commensurate with GN-10 rate in Schedule G-10.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5609-A
 DECISION NO. 20-02-045

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Apr 24, 2020
 EFFECTIVE May 1, 2020
 RESOLUTION NO. _____

Schedule No. G-10
CORE COMMERCIAL AND INDUSTRIAL SERVICE
 (Includes GN-10, GN-10C and GT-10 Rates)

Sheet 2

(Continued)

RATES (Continued)

All Procurement, Transmission, and Commodity Charges are billed per therm.

		<u>Tier I</u> ^{1/}	<u>Tier II</u> ^{1/}	<u>Tier III</u> ^{1/}	
<u>GN-10</u> : ^{4/}	Applicable to natural gas procurement service to non-residential core customers, including service not provided under any other rate schedule.				
	Procurement Charge: ^{2/} G-CPNR	22.108¢	22.108¢	22.108¢	
	<u>Transmission Charge</u> : GPT-10	<u>78.333¢</u>	<u>42.707¢</u>	<u>18.820¢</u>	R,R,R
	Commodity Charge: GN-10	100.441¢	64.815¢	40.928¢	R,R,R
<u>GN-10C</u> ^{4/} :	Core procurement service for previous non-residential transportation-only customers returning to core procurement service, including CAT customers with annual consumption over 50,000 therms, as further defined in Schedule No. G-CP.				
	Procurement Charge: ^{2/} G-CPNRC	22.108¢	22.108¢	22.108¢	
	<u>Transmission Charge</u> : GPT-10	<u>78.333¢</u>	<u>42.707¢</u>	<u>18.820¢</u>	R,R,R
	Commodity Charge: GN-10C	100.441¢	64.815¢	40.928¢	R,R,R
<u>GT-10</u> ^{4/} :	Applicable to non-residential transportation-only service including CAT service, as set forth in Special Condition 13.				
	Transmission Charge: GT-10	78.333¢ ^{3/}	42.707¢ ^{3/}	18.820¢ ^{3/}	R,R,R

^{1/} Tier I rates are applicable for the first 250 therms used per month. Tier II rates are applicable for usage above Tier I quantities and up through 4,167 therms per month. Tier III rates are applicable for all usage above 4,167 therms per month. Under this schedule, the winter season shall be defined as December 1 through March 31 and the summer season as April 1 through November 30.

^{2/} This charge is applicable for service to Utility Procurement Customers as shown in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly, as set forth in Special Condition 5.

^{3/} These charges are equal to the core commodity rate less the following two components as approved in D.97-04-082: (1) the weighted average cost of gas; and (2) the core brokerage fee.

(Footnotes continue next page.)

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5609-A
 DECISION NO. 20-02-045

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Apr 24, 2020
 EFFECTIVE May 1, 2020
 RESOLUTION NO. _____

TABLE OF CONTENTS

<u>Schedule Number</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
GR	Residential Service (Includes GR, GR-C and GT-R Rates)	57456-G,57019-G,55620-G,57166-G,55622-G
GS	Submetered Multi-Family Service (Includes GS, GS-C and GT-S Rates)	56613-G,57457-G,57167-G,42984-G 47113-G,47114-G
GM	Multi-Family Service (Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC and all GMB Rates)	42987-G,57458-G,57459-G,55624-G 57168-G,41016-G,41017-G,45295-G
G-CARE	California Alternate Rates for Energy (CARE) Program	44092-G,56273-G 48175-G,56274-G,42343-G,41899-G
GO-AC	Optional Rate for Customers Purchasing New Gas Air Conditioning Equipment (Includes GO-AC and GTO-AC Rates)	57434-G,43154-G 40644-G,40645-G,40646-G
G-NGVR	Natural Gas Service for Home Refueling of Motor Vehicles (Includes G-NGVR, G-NGVRC and GT-NGVR Rates)	57460-G,43000-G 43001-G
GL	Street and Outdoor Lighting Natural Gas Service	57436-G,54819-G
G-10	Core Commercial and Industrial Service (Includes GN-10, 10C, and GT-10 Rates),	46445-G,57480-G 57027-G,56615-G,53314-G,53315-G
G-AC	Core Air Conditioning Service for Commercial and Industrial (Includes G-AC, G-ACC and GT-AC Rates)	57462-G,43252-G,53316-G,53317-G
G-EN	Core Gas Engine Water Pumping Service for Commercial and Industrial (Includes G-EN, G-ENC and GT-EN Rates)	57463-G,44077-G,53318-G,53319-G
G-NGV	Natural Gas Service for Motor Vehicles	57464-G,57465-G,56992-G 56993-G,56994-G,56995-G
GO-ET	Emerging Technologies Optional Rate for Core Commercial and Industrial	55212-G,43168-G,51152-G
GTO-ET	Transportation-Only Emerging Technologies Optional Rate for Core Commercial and Industrial	55213-G,43169-G,51153-G
GO-IR	Incremental Rate for Existing Equipment for Core Commercial and Industrial	55214-G,43170-G,30208-G
GTO-IR	Transportation-Only Incremental Rate for Existing Equipment for Core Commercial and Industrial	55215-G,43171-G,30211-G
GO-CMPR	Compression Service	48859-G,48860-G,48861-G,48862-G,48863-G,48864-G

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5609-A
 DECISION NO. 20-02-045

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Apr 24, 2020
 EFFECTIVE May 1, 2020
 RESOLUTION NO. _____

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.

Title Page	40864-G	
Table of Contents--General and Preliminary Statement ...	57482-G,57271-G,56863-G,57272-G,57336-G	T
Table of Contents--Service Area Maps and Descriptions	56669-G	
Table of Contents--Rate Schedules	57481-G,57477-G,57450-G	T
Table of Contents--List of Cities and Communities Served	55739-G	
Table of Contents--List of Contracts and Deviations	56669-G	
Table of Contents--Rules	57232-G,57280-G	
Table of Contents--Sample Forms	57172-G,57205-G,51537-G,54745-G,57214-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	57452-G,57479-G,57454-G,57308-G,57309-G,57475-G 57418-G,46431-G,46432-G,57076-G,57427-G,57428-G,57429-G,57314-G	T
Part III Cost Allocation and Revenue Requirement	57015-G,50447-G,57016-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,56825-G	
Purchased Gas Account (PGA)	55465-G,55466-G	
Core Fixed Cost Account (CFCA)	56826-G,53434-G,55692-G,56827-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)	56828-G,56829-G	
Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) ..	56830-G,56831-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	

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5609-A
 DECISION NO. 20-02-045

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Apr 24, 2020
 EFFECTIVE May 1, 2020
 RESOLUTION NO. _____

ATTACHMENT B

Advice No. 5609-A

Executive Director Stebbins' April 20, 2020 Letter

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 20, 2020

File No.: A.18-07-024

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

**RE: Request for Extension of Time to Comply with Ordering Paragraphs 10 and 23 of
Decision 20-02-045 (Application 18-07-024)**

Dear Mr. van der Leeden:

On April 3, 2020, Southern California Gas Company (SoCalGas) submitted a letter requesting an extension of time to comply with Ordering Paragraphs 10 and 23 of Decision (D.) 20-02-045 that, if granted, would defer the scheduled transportation rate increase for Schedule G-10, Core Commercial and Industrial Service until January 1, 2021. As discussed below, in light of the impact of COVID-19 on small businesses, I find it reasonable to defer the scheduled rate increase to September 1, 2020 in order to pursue the appropriate regulatory vehicle. Accordingly, as described below, SoCalGas shall: 1) file a petition for modification in Application (A.) 18-07-024, no later than May 15, 2020, describing the requested deferral and proposing how the related undercollection should be treated, and 2) no later than five days from the issuance of this letter, submit a Supplement to SoCalGas' Triennial Cost Allocation Proceeding (TCAP) implementation Advice Letter 5609 requesting to extend implementation of the rate change of G-10 customer class to September 1, 2020 and describing how SoCalGas will track the undercollection until a determination of the Petition for Modification is made. Furthermore, SoCalGas is prohibited from taking any action to recover the undercollection until given further direction from the Commission.

In its April 3, 2020 request, SoCalGas explains that, in response to COVID-19 and the Governor's State of Emergency Declaration, SoCalGas has implemented a Disaster Relief Program that provides residential and non-residential customer protections. SoCalGas points to the May 1, 2020 rate increase for small businesses that is required by D.20-02-045. To mitigate the current impacts of COVID-19 on small businesses, SoCalGas asks the Commission to extend the time to comply with the rate increase to January 1, 2021. SoCalGas underscores that as a result of curtailing the rate increase, there would not be a change in the underlying authorized allocation of costs. This would, however, lead to an undercollection accrual to SoCalGas' fixed cost balancing accounts, which SoCalGas proposes would be collected from all core customers in a future period. Relatedly, San Diego Gas & Electric Company (SDG&E) submitted a letter on the same day as SoCalGas making an identical request.

In response to the requests of SDG&E and SoCalGas, TURN submitted a letter on April 6, 2020 recommending the Commission deny both requests for lack of support and inappropriate

Ronald van der Leeden

April 20, 2020

Page 2

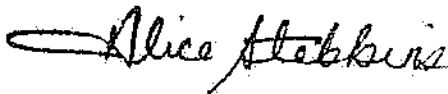
procedure. Further, TURN suggests the Commission consider these actions in the context of a more holistic approach to developing responses to the pandemic's challenges. Alternatively, TURN asks that if the Commission chooses to adopt the rate relief, it should do so without determining the ratemaking treatment for any resulting undercollection. TURN contends that the Commission should consider whether relief for small businesses that assigns the shortfall disproportionately to residential customers is reasonable or fair under the current circumstances.

I agree that an extension request is not the appropriate procedural vehicle for SoCalGas' request because, as noted by TURN, the resultant outcome is materially different than the outcome of the decision SoCalGas is purporting to implement and comply with. However, given the exigency of the circumstances, I find it reasonable to allow for a 120-day delay in order to pursue the more appropriate procedural vehicle, as described below.

Pursuant to Rule 16.6 of the Commission's Rules of Practice and Procedure, the request of SoCalGas for an extension of time is partially granted. SoCalGas is permitted a 120-day delay to implement Ordering Paragraphs 10 and 23 of D.20-02-045. During that time, SoCalGas is instructed to proceed as follows: SoCalGas shall 1) file a petition for modification in A.18-07-024, no later than May 15, 2020, describing the requested deferral and proposing how the related undercollection should be treated, and 2) within five working days of the issuance of this letter, submit a Supplement to SoCalGas' TCAP implementation Advice Letter 5609, requesting to extend implementation of the rate change of G-10 customer class to September 1, 2020 and describing how SoCalGas will track the undercollection until a determination of the Petition for Modification is made.

SoCalGas shall serve a copy of this letter by email on all parties who received a copy of the April 3, 2020 request for an extension of time to comply with Ordering Paragraphs 10 and 23 of D.20-02-045.

Sincerely,



Alice Stebbins
Executive Director