

PUBLIC UTILITIES COMMISSION  
505 Van Ness Avenue  
San Francisco CA 94102-3298



**Southern California Gas Company**  
**GAS (Corp ID 904)**  
**Status of Advice Letter 5638G**  
**As of July 2, 2020**

Subject: Update to Operation and Maintenance (O&M) fees within Tariff Rate Schedule No. G-CPS,  
California Producer Service

Division Assigned: Energy

Date Filed: 05-29-2020

Date to Calendar: 06-03-2020

Authorizing Documents: G-3489

Authorizing Documents: D0708029

Authorizing Documents: D1009001

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>07-01-2020</b>



**PUBLIC UTILITIES COMMISSION**  
505 Van Ness Avenue  
San Francisco CA 94102-3298



Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

AL Certificate Contact Information:

Ray Ortiz

213-244-3837

[ROrtiz@socalgas.com](mailto:ROrtiz@socalgas.com)

**PUBLIC UTILITIES COMMISSION**  
505 Van Ness Avenue  
San Francisco CA 94102-3298



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to  
**[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)**



**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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[RvanderLeeden@socalgas.com](mailto:RvanderLeeden@socalgas.com)

May 29, 2020

Advice No. 5638  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Update to Operation and Maintenance (O&M) fees within Tariff Rate  
Schedule No. G-CPS, California Producer Service**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission or CPUC) proposed revisions to its Schedule No. G-CPS, California Producer Service, as shown in Attachment A.

**Purpose**

The purpose of this submittal is to revise the O&M fees related to California Producer Service to reflect an update to our current tariff hourly labor rates, overheads and other costs used to calculate the overall O&M fees for each individual interconnector. Schedule No. G-CPS is applicable to all California Producers except those already contractually exempt.

**Background**

Schedule No. G-CPS was established in Advice No. (AL) 4177-A, pursuant to Resolution G-3489, Decision (D.) 07-08-029 and updated in D.10-09-001, to recover SoCalGas' costs associated with O&M, gas quality monitoring and enforcement, and system modifications from every California Producer. The California Producers are charged by SoCalGas for O&M fees relating to the metering equipment and facilities at the producer's interconnection with the SoCalGas system. The O&M fees are based on fixed and variable cost components.<sup>1</sup> Fixed cost fees have been established for standard scheduled maintenance activities<sup>2</sup> while variable costs include any site-specific costs incurred by SoCalGas that are not defined in the fixed cost category. The O&M costs are calculated yearly and based upon volumes from the prior year orifice meter reads per Mcf/Y and fixed instrument costs associated with each producer.

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<sup>1</sup> D.07-08-029, at 55.

<sup>2</sup> D.07-08-029, Exhibit 7.

The hourly labor rates, O&M fees, and gas quality monitoring and enforcement fees in the current Schedule No. G-CPS are based on costs to SoCalGas at the time AL 5470 was submitted. As expected, these fees are to be revised from time to time to reflect changing labor rates, costs of equipment and materials.

### **Proposed Revisions**

The revisions to O&M fees, provided in Schedule No. G-CPS (Sheet 1), include fully loaded hourly labor rates consistent with the current rates in SoCalGas' October 1, 2018 Agreement to Extend the March 1, 2012 Agreement & October 1, 2015 Extension Collective Bargaining Agreement between SoCalGas and the Utility Workers Union of America, AFL-CIO, International Chemical Workers Union Council, UFCW, AFL-CIO, and labor overhead rates that reflect the average monthly rates in effect for 2019. The fully loaded labor rates include Field Labor, Overtime (Field Labor), Lab Technician, and Engineer rates. The O&M labor costs consist of the weighted average labor rate plus a fixed number of hours per month per interconnector. Instrument costs reflected under item numbers 6A, 6B, and 6C have been updated to reflect the most current costs. A table of the rate and fee calculations included in Schedule No. G-CPS is provided as Attachment B.

### **Protest**

Anyone may protest this AL 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 received within 20 days of the date this AL was submitted to the Commission, which is June 18, 2020. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division  
Attention: 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 the 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 AL via U.S. mail or fax. Please submit protests or comments to this AL 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**

SoCalGas asserts this AL is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. This submittal is consistent with Resolution G-3489, D.07-08-029, and D.10-09-001. Therefore, SoCalGas respectfully requests that this submittal be approved on July 1, 2020.

### **Notice**

A copy of this AL is being sent to SoCalGas' GO 96-B service list and the Commission's service lists in A.04-08-018. Address change requests to the GO 96-B service list should be directed via 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 via 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:  
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. 5638

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 57681-G	Schedule No. G-CPS, CALIFORNIA PRODUCER SERVICE, Sheet 1	Revised 56317-G
Revised 57682-G	Schedule No. G-CPS, CALIFORNIA PRODUCER SERVICE, Sheet 2	Revised 56318-G
Revised 57683-G	TABLE OF CONTENTS	Revised 57565-G
Revised 57684-G	TABLE OF CONTENTS	Revised 57598-G

Schedule No. G-CPS  
CALIFORNIA PRODUCER SERVICE

Sheet 1

APPLICABILITY

Applicable to every California Producer as defined in Rule No. 01 (such producer referenced hereinafter as “California Producer” or “Interconnector”), except where contractually exempted. Exhibit A lists major equipment required of a California Producer.

TERRITORY

Applicable throughout the service territory.

FEES

All fees shall be based on the then current actual costs.

Summary of Rates and Fees

Hourly Labor Rates (Fully Loaded)

1. Field Labor .....	\$104.54	I
2. Overtime, Field Labor .....	\$138.49	
3. Lab Technician .....	\$104.08	
4. Engineer .....	\$155.19	I

Operation and Maintenance (O&M) Fees (For Individual Interconnection)

1. Meter Set Assembly – Routine Maintenance, per month .....	\$1,831.00	R
2. Cost of Odorant per \$/MMcf .....	\$1.53	
3. Interconnection-Specific .....	Actual Costs	
4. H <sub>2</sub> S Monitoring, per month .....	\$194.00	
5. Moisture analyzer, per month .....	\$82.00	
6A Conventional Gas Chromatograph, per month .....	\$1,198.00	I
6B. Modular Gas Chromatograph, per month .....	\$840.00	
6C. Oxygen Analyzer, per month .....	\$51.00	I
7. Temporary Gas Chromatograph, per day .....	\$100*	
8. Replacement Parts .....	Actual Costs	
9. Visits Outside Normal Business Hours (Four-Hr. Min. Charge) .....	Overtime Labor Rate	
10. Non-Standard Work .....	Actual Costs	
11. Capital Costs .....	Actual Costs	

\* Plus Lab Technician labor to install, set up, commission, and un-install.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5638  
 DECISION NO. 07-08-029, 10-09-001

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

(TO BE INSERTED BY CAL. PUC)  
 SUBMITTED May 29, 2020  
 EFFECTIVE Jul 1, 2020  
 RESOLUTION NO. G-3489

Schedule No. G-CPS  
CALIFORNIA PRODUCER SERVICE

Sheet 2

(Continued)

FEES (Continued)

Summary of Rates and Fees (Continued)

Gas Quality Monitoring and Enforcement Fees (For Individual Interconnection)

- |  |              |
|--|--------------|
| 1. One-Time Fee .....                          | \$1,860      |
| 2. New Data Collection System, per month ..... | \$ 538       |
| 3. PLC/RTU Modification .....                  | \$8,937      |
| 4. New PLC/RTU Installation .....              | Actual Costs |

System Modification Fees

- |   |                 |
|---|-----------------|
| 1. System Modification Fee (SMF),<br>of Interconnect Capacity, per month..... | \$0.00 per MMcf |
|---|-----------------|

Operation and Maintenance Fee Basis

Contained within the cost component are the following:

1. Meter Set Assembly – Routine Maintenance – The charge shown above represents all labor associated with tasks necessary for maintaining the meter, including, but not limited to, routine calibrations, inspections, and gas sampling. The calculation utilizes the fully loaded current labor rates, shown above, and includes 40 hours of unscheduled visits per calendar year.
2. Odorant – The fee, shown above, shall be included on a volumetric basis, and shall be derived from the previous year’s receipts at the meter, unless special circumstances (e.g., new production) warrant otherwise. The fee is based upon the actual cost of odorant and then current design odorant usage rate. The two vendors that are being used to calculate odorant costs are CP-Scentinel® and Odor-Tech-Arkema. An average cost between the two vendors is used to calculate the cost of Odorant. The cost of Odorant is \$1.53 per \$MMcf.
3. Interconnection-Specific – The actual interconnection-specific costs shall be charged back to individual meters. Typical interconnection-specific costs include telephone and communication expenses, replacement parts for existing equipment, permits for certain air districts, special calibration requirements, costs associated with providing CARB waivers, etc.
4. H<sub>2</sub>S Monitoring – Interconnections with lead acetate tape monitors shall pay an additional monthly base fee, shown above, for each monitor.

D,N  
N

(Continued)

(TO BE INSERTED BY UTILITY)  
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ISSUED BY  
**Dan Skopec**  
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 Regulatory Affairs

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	Utilities Reimbursement Account .....	56071-G
G-MHPS	Surcharge to Fund Public Utilities Commission	
	Master Metered Mobile Home Park Gas Safety	
	Inspection and Enforcement Program .....	32828-G
G-MSUR	Transported Gas Municipal Surcharge .....	56788-G,25006-G
G-PAL	Operational Hub Services .....	45363-G,45364-G,45365-G
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		52283-G,52284-G,52285-G,52286-G

T

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 5638  
 DECISION NO. 07-08-029, 10-09-001

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**Dan Skopec**  
 Vice President  
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

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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.

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Table of Contents--Rate Schedules .....	57584-G,57585-G,57683-G
Table of Contents--List of Cities and Communities Served .....	55739-G
Table of Contents--List of Contracts and Deviations .....	56669-G
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Core Fixed Cost Account (CFCA) .....	57357-G,57358-G,57359-G,56827-G
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Research Development and Demonstration Surcharge Account (RDDGSA).....	40888-G
Demand Side Management Balancing Account (DSMBA).....	45194-G,41153-G
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Integrated Transmission Balancing Account (ITBA) .....	49313-G

(Continued)

(TO BE INSERTED BY UTILITY)  
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ISSUED BY  
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**ATTACHMENT B**

**Advice No. 5638**

**Rate and Fee Calculations**

**ATTACHMENT B  
Advice No. 5638**

Hourly Labor Rates (Fully Loaded):	AL 5470 6/30/2019	Update 05/29/2020	Proposed Change
1) Field Labor	\$103.12	\$104.54	\$1.42
2) Overtime, Field Labor	\$136.17	\$138.49	\$2.32
3) Lab Technician	\$102.40	\$104.08	\$1.68
4) Engineer	\$151.08	\$155.19	\$4.11
<u>Operation and Maintenance (O&amp;M) Fees (For Individual Interconnection)</u>			
1. Meter Set Assembly – Routine Maintenance, per month	\$2,033	\$1,831	(\$202)
2. ODORANT			
2. Cost of Odorant per \$/MMcf	\$1.53	\$1.53	N/A
2A. T50 Odorant Large Truck	\$0.00	N/A	N/A
2B. T50 Odorant, per MMcf of gas delivered (Small Truck)	\$0.00	N/A	N/A
2C. THT Odorant, per MMcf of gas delivered (Large Truck)	\$0.00	N/A	N/A
2D. THT Odorant, per MMcf of gas delivered (Small Truck)	\$0.00	N/A	N/A
3. Interconnection-Specific	Actual Costs	Actual Costs	n/a
4. H2S Monitoring	\$194	\$194	\$0.00
5. Moisture analyzer, per month	\$82	\$82	\$0.00
6. Gas Chromatograph			
6A. Gas Chromatograph, per month	\$1,188	\$1,198	\$10.39
6B. Modular Gas Chromatograph, per month	\$832	\$840	\$8.70
6C. Oxygen Analyzer, per month	\$50	\$51	\$0.36
7. Temporary Gas Chromatograph, per day	\$100.00*	\$100.00*	n/a
8. Replacement Parts	Actual Costs	Actual Costs	n/a
9. Visits Outside Normal Business Hours (Four-Hr. Min. Charge)	O/T Labor Rate	O/T Labor Rate	n/a
10. Non-Standard Work	Actual Costs	Actual Costs	n/a
11. Capital Costs	Actual Costs	Actual Costs	n/a
<u>Gas Quality Monitoring and Enforcement Fees (For Individual Interconnection)</u>			
1. One-Time Fee	\$1,860.00	\$1,860.00	\$0.00
2. New Data Collection System, per month	\$538.00	\$538.00	\$0.00
3. PLC/RTU Modification	\$8,937.00	\$8,937.00	\$0.00
4. New PLC/RTU Installation	Actual Costs	Actual Costs	n/a
<u>System Modification Fees</u>			
1. System Modification Fee (SMF) \$/month/mmcfd of interconnection cap:	\$0.00	\$0.00	\$0.00

<sup>1</sup> Due to the addition of a second vendor and multitude delivery methods and prices, the average cost \$/mmcf is now being used.