

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 19, 2021

**Advice Letter 5693**

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

**Subject: Establishment of the Safety Culture Investigation Assessment Memorandum Account, Pursuant to Administrative Law Judge's Ruling in Southern California Gas Company's Safety Culture Order Instituting Investigation 19-06-014**

Dear Mr. van der Leeden:

The establishment of the Safety Culture Investigation Assessment Memorandum Account (SCIAMA) to track costs for the consultant costs paid for by the Southern California Gas Company (SoCalGas) and the modifications to SoCalGas' Preliminary Statement Part VI — Memorandum Accounts as requested in Advice Letter 5693 are approved.

However, the substantive issue of whether SoCalGas and Sempra shareholders or their ratepayers should be responsible for the cost of this consultant is not prejudged and will be addressed in the formal proceeding.

Please contact Renee Guild of the Energy Division staff at (415) 703-2679 ([renee.guild@cpuc.ca.gov](mailto:renee.guild@cpuc.ca.gov)) with any questions.

Sincerely,

Handwritten signature of Edward Randolph in black ink, followed by the word "FOR" in capital letters.

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

Cc: ALJ Jessica Hecht  
Jean Spencer, Energy Division  
Elizabeth La Cour, Energy Division  
Dorothy Duda, Energy Division  
Simon Baker, Energy Division  
Renee H. Guild, Energy Division



**Ronald van der Leeden**  
Director  
Regulatory Affairs

555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011  
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Fax: 213.244.4957  
[RvanderLeeden@socalgas.com](mailto:RvanderLeeden@socalgas.com)

September 23, 2020

Advice No. 5693  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Establishment of the Safety Culture Investigation Assessment Memorandum Account (SCIAMA), Pursuant to Administrative Law Judge's (ALJ) Ruling in SoCalGas' Safety Culture Order Instituting Investigation (OII), Investigation (I.) 19-06-014**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) modifications to its Preliminary Statement Part VI – Memorandum Accounts, applicable throughout its service territory, as shown on Attachment A.

### **Purpose**

This submittal complies with ALJ Ruling dated July 14, 2020 to establish SoCalGas' SCIAMA.<sup>1</sup>

### **Background**

On June 8, 2020, SoCalGas filed a motion to establish the SCIAMA to track costs associated with the Safety Culture OII. On July 14, 2020, the Commission issued an ALJ ruling that the proposed memorandum account is approved, but the proposed scope of the memorandum account is not. The memorandum account is for only the consultant costs paid for by SoCalGas and not for the recording of all incremental costs associated with the OII. In compliance with the ALJ Ruling, Ruling 2, SoCalGas is modifying its tariff language in its SCIAMA Preliminary Statement as submitted in this advice letter herein, to record only the consultant costs paid by SoCalGas.

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<sup>1</sup> <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M343/K070/343070073.PDF>

**Establishment of the SCIAMA**

Pursuant to ALJ Ruling dated July 14, 2020 in SoCalGas' Safety Culture OIR, the purpose of the SCIAMA is to record the consultant costs paid by SoCalGas for the investigation into the safety culture of SoCalGas. The disposition of the SCIAMA balance will be addressed in SoCalGas' next general rate case, at the conclusion of I.19-06-014, or as otherwise determined by the Commission.

The proposed new preliminary statement is included as Attachment A.

**Protest**

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date of this Advice Letter, which is October 13, 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 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**

SoCalGas submits this Tier 2 Advice Letter (effective after staff approval) pursuant to General Order (GO) 96-B. It is submitted in accordance the ALJ Ruling dated July 14, 2020 in SoCalGas' Safety Culture OIR, I.19-06-014. Therefore, SoCalGas respectfully requests this Advice Letter be approved as soon as practicable and made effective July 14, 2020, the date of the ALJ Ruling.

**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.18-07-005. 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: 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. 5693

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 58021-G	PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNTS, DESCRIPTION AND LISTING OF MEMORANDUM ACCOUNTS, Sheet 2	Revised 57604-G
Original 58022-G	PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNT, SAFETY CULTURE INVESTIGATION , ASSESSMENT MEMORANDUM ACCOUNT (SCIAMA), Sheet 1	
Revised 58023-G Revised 58024-G Revised 58025-G	TABLE OF CONTENTS TABLE OF CONTENTS TABLE OF CONTENTS	Revised 58020-G Revised 57599-G Revised 57691-G

PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNTS  
DESCRIPTION AND LISTING OF MEMORANDUM ACCOUNTS

Sheet 2

(Continued)

B. LISTING OF MEMORANDUM ACCOUNTS (Continued)

- Pipeline Safety Enhancement Plan – Phase 2 Memorandum Account (PSEP-P2MA)
- Officer Compensation Memorandum Account (OCMA)
- Tax Memorandum Account (TMA)
- Winter Demand Response Memorandum Account (WDRMA)
- System Operator Gas Account (SOGA)
- Avoided Cost Calculator Update Memorandum Account (ACCUMA)
- Injection Enhancement Cost Memorandum Account (IECMA)
- Natural Gas Leak Abatement Program Memorandum Account (NGLAPMA)
- Otay Mesa Pipeline Capacity Memorandum Account (OMPCMA)
- Dairy Biomethane Solicitation Development Memorandum Account (DBSDMA)
- Wildfires Customer Protection Memorandum Account (WCPMA)
- Line 1600 Records Audit Memorandum Account (L1600RAMA)
- General Rate Case Memorandum Account 2019 (GRCMA2019)
- Emergency Customer Protections Memorandum Account (ECPMA)
- San Joaquin Valley Data Gathering Plan Memorandum Account (SJVDGPMA)
- Dairy Biomethane Project Memorandum Account (DBPMA)
- Officer Compensation Memorandum Account 2019 (OCMA2019)
- Core Gas Balancing Memorandum Account (CGBMA)
- California Consumer Privacy Act Memorandum Account (CCPAMA)
- Line 235 Memorandum Account (L235MA)
- Morongo Rights of Way Memorandum Account (MROWMA)
- Pipeline Safety Enhancement Plan Memorandum Account (PSEPMA)
- Aliso Canyon Investigation Memorandum Account (ACIMA)
- COVID-19 Pandemic Protections Memorandum Account (CPPMA)
- Safety Culture Investigation Assessment Memorandum Account (SCIAMA)

N

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5693  
 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC)  
 SUBMITTED Sep 23, 2020  
 EFFECTIVE Jul 14, 2020  
 RESOLUTION NO. \_\_\_\_\_



PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNT  
SAFETY CULTURE INVESTIGATION  
ASSESSMENT MEMORANDUM ACCOUNT (SCIAMA)

Sheet 1

N  
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1. Purpose

The SCIAMA is an interest-bearing memorandum account that is recorded on the Utility's financial statements. Pursuant to Administrative Law Judge's Ruling dated July 14, 2020 in SoCalGas' Safety Culture Order Instituting Investigation (OIR), I.19-06-014 (Safety Culture Investigation), the purpose of the SCIAMA is to record the consultant costs paid by SoCalGas for the investigation into the safety culture of SoCalGas.

2. Applicability

The SCIAMA shall apply to all customers except those specifically excluded by the Commission.

3. Rates

The SCIAMA shall be applied to rates as described in Section 5 below.

4. Accounting Procedures

SoCalGas shall maintain the SCIAMA by recording entries at the end of each month as follows, net of FF&U, where applicable:

- a. A debit entry equal to the consultant costs paid by SoCalGas associated with safety culture assessment/audit;
- b. An entry for amortization as authorized by the Commission;
- c. An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the entries above at a rate equal to 1/12 of the interest rate on three-month nonfinancial Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication.

5. Disposition

The disposition of the SCIAMA balance will be addressed in SoCalGas' next general rate case, at the conclusion of I.19-06-014, or as otherwise determined by the Commission.

N

N

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

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The following listed sheets contain all effective Schedules of Rates and Rules affecting service and information relating thereto in effect on the date indicated thereon.

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