

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



Southern California Gas Company
GAS (Corp ID 904)
Status of Advice Letter 5716G
As of November 30, 2020

Subject: Southern California Gas Company's Revenue Requirement Effective January 1, 2021 in Compliance with the 2019 General Rate Case (GRC) Decision (D.) 19-09-051

Division Assigned: Energy

Date Filed: 10-30-2020

Date to Calendar: 11-04-2020

Authorizing Documents: D1909051

Disposition:	Accepted
Effective Date:	01-01-2021

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Ray Ortiz

213-244-3837

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



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
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October 30, 2020

Advice No. 5716
(U 904 G)

Subject: Southern California Gas Company's Revenue Requirement Effective January 1, 2021 in Compliance with the 2019 General Rate Case (GRC) Decision (D.) 19-09-051

Purpose

Southern California Gas Company (SoCalGas) hereby submits for approval with the California Public Utilities Commission (Commission or CPUC) a request, in accordance with the 2019 GRC D.19-09-051, to adjust the revenue requirement for Post-Test Year (PTY) 2021 and provide a 10-year rolling average of historical uncollectible rates.

Background

On October 6, 2017, SoCalGas filed its GRC Application (A.) 17-10-007.¹ The Commission issued D.19-09-051 on October 1, 2019, adopting, among other things, SoCalGas' revenue requirements to establish rates to provide natural gas services for the test year period beginning January 1, 2019 through December 31, 2019 and the PTY attrition adjustments for 2020 through 2021.

Pursuant to Ordering Paragraph (OP) 5 of D.19-09-051, SoCalGas and San Diego Gas and Electric Company (SDG&E) shall each submit respective Tier 1 Advice Letters (AL) with updates to their PTY revenue requirements. OP 5 specifically states:

... Tier 1 Advice Letters are to be [submitted] on November 1, 2020 to adjust the revenue requirement for 2021 beginning on January 1, 2021.

¹ Proceedings A.17-10-007 (Application of San Diego Gas & Electric Company for Authority, Among Other Things, to Update its Electric and Gas Revenue Requirement and Base Rates Effective on January 1, 2019) and A.17-10-008 (Application of Southern California Gas Company for Authority, Among Other Things, to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2019) were consolidated by Ruling of November 8, 2017.

Pursuant to Finding of Fact (FOF) 150 of D.19-09-051, SDG&E and SoCalGas are to provide a 10-year rolling average of historical uncollectible rates annually. FOF 150 specifically states:

A 10-year rolling average of historical uncollectible rates starting from 2007 to 2016 with adjustments to occur annually by advice letter is reasonable.

Revenue Requirement

The PTY 2021 revenue requirement adopted in D.19-09-051 provides a gas base margin revenue requirement of \$3,028 million² with franchise fees and uncollectibles (FF&U) and net of miscellaneous revenue for SoCalGas. The uncollectible rate for PTY 2021 is reflected in the FF&U. The revenue requirement is also updated to reflect cost of capital adjustment per D.19-12-056.

Ten-Year Historical Data

SoCalGas updated its uncollectible expense rate to 0.301% for PTY 2021 in AL 5536, submitted on October 28, 2019.³ Herein, SoCalGas presents the uncollectible expense historical data used in calculating the PTY 2021 uncollectible rate.

SoCalGas Operational Uncollectibles Rate - 2021			
Year	Recorded Uncollectible Expense	Sales Revenue	Uncollectible Rate
	(a)	(b)	(a) / (b)
2009	\$12,855,059	\$3,443,047,146	0.373%
2010	\$9,418,528	\$3,277,810,531	0.287%
2011	\$9,899,908	\$3,313,858,762	0.299%
2012	\$9,967,611	\$3,074,494,564	0.324%
2013	\$8,204,155	\$3,033,684,781	0.270%
2014	\$9,870,998	\$3,237,327,756	0.305%
2015	\$11,071,552	\$2,999,535,710	0.369%
2016	\$9,637,602	\$3,064,338,794	0.315%
2017	\$8,509,287	\$3,427,035,703	0.248%
2018	\$6,874,609	\$3,112,794,964	0.221%
10-year average	\$96,309,310	\$31,983,928,712	0.301%

² SoCalGas herein updates its PTY 2021 revenue requirement per OP 5 and affirms that officer salaries, bonuses, and benefits are excluded from the PTY 2021 revenue requirement, per OP 12. In addition, the 2021 updated revenue requirement does not include any reductions authorized in the Application for Rehearing (AFR) decision, D.20-07-038. These reductions will be incorporated into rates in accordance with a pending Commission-issued decision on SoCalGas' April 9, 2020 Petition for Modification (PFM) of D.19-09-051.

³ Approved by the Commission on August 5, 2020 and effective January 1, 2020.

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 must be received within 20 days of the date of this AL, which is November 19, 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 Energy Division Tariff Unit (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

Effective Date

This submittal is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order (GO) 96-B and OP 5 of D.19-09-051. Therefore, SoCalGas respectfully requests that this submittal be approved and made effective October 30, 2020, the date submitted.

Notice

A copy of this AL is being sent to SoCalGas' GO 96-B service list and the Commission's service list in A.17-10-007. 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



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: