STATE OF CALIFORNIA GAVIN NEWSOM, Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



January 29, 2024

Advice Letter 6204-G/6204-G-A

Gary Lenart Regulatory Tariff Manager Southern California Gas Company 555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011 GLenart@socalgas.com

SUBJECT: Staff Disposition of SoCalGas' AL 6204-G and AL 6204-G-A on Revisions to Rule No. 30 – Transportation of Customer Owned Gas Pursuant to CPUC Energy Division Letter Removing the Aliso Canyon Withdrawal Protocol

Dear Mr. Lenart:

The CPUC Energy Division approves SoCalGas' Advice Letter (AL) 6204-G-A with an effective date of November 9, 2023. While AL 6204-G was protested, the protested material is not included in supplemental AL 6204-G-A which replaced AL 6204-G in its entirety. Energy Division finds no concerns with AL 6204-G-A.

AL 6204-G-A revises SoCalGas' Rule 30 tariff by removing the footnote on Sheet 13, "Negative daily imbalance tolerances for all stages are capped at up to -5% until Aliso Canyon's withdrawal capacity is available without constraint to the System Operator for load balancing." As noted in the AL, this change is "pursuant to the September 15, 2023, letter from the Deputy Executive Director for Energy and Climate Policy/Director of CPUC Energy Division removing the Aliso Canyon Withdrawal Protocol (Withdrawal Protocol)."

AL 6204-G, Protest, and Reply

In addition to removing the Withdrawal Protocol footnote, the original AL 6204-G included revisions to the cycles affected by the "Bumping Rules," which govern the allocation of access to gas transportation, and revisions to listed gas receipt points. This Advice Letter was protested by the Indicated Shippers (California Resources Corp., Chevron U.S.A. Inc., ConocoPhillips, Marathon Petroleum Company LP, PBF Holding Company, and Phillips 66 Company) on October 30. The protesting parties expressed concern that the advice letter made material changes to the Bumping Rules. The Indicated Shippers also described their concern with the broader topic of how transmission capacity is allocated, which is affected by the Bumping Rules. SoCalGas replied to the protest stating that the proposed Bumping Rules revision serves only to clarify existing procedures. SoCalGas' reply also indicated that a screenshot the Indicated Shippers had provided from the SoCalGas Envoy website contained incorrect information and provided a corrected version.

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Disposition

SoCalGas then submitted AL 6204-G-A, which removes the proposed revisions relating to the Bumping Rules and proposes only removal of the Withdrawal Protocol footnote. Therefore, Energy Division finds that the protest is now moot and approves AL 6204-G-A. This does not preclude SoCalGas from submitting separate requests regarding the Bumping Rules, potentially with greater explanatory material. SoCalGas' Advice Letter (AL) 6204-G-A is approved with an effective date of November 9, 2023.

Please contact Jean Spencer of Energy Division at Jean.Spencer@cpuc.ca.gov if you have any questions.

Sincerely,

Leuwam Tesfai

Som FOR

Deputy Executive Director for Energy & Climate Policy / Director of Energy Division California Public Utilities Commission

cc:

Nora Sheriff, Counsel to the Indicated Shippers (nsheriff@buchalter.com) Joseph Mock, SoCalGas (JMock@socalgas.com)



Joseph Mock Director Regulatory Affairs

555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011 Tel: 213.244.3718 Fax: 213.244.4957 JMock@socalgas.com

December 20, 2023

Advice No. 6204-G-A (U 904 G)

Public Utilities Commission of the State of California

<u>Subject</u>: SUPPLEMENTAL: Revisions to Rule No. 30 – Transportation of Customer Owned Gas

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

Purpose

This Advice Letter (AL) proposes revisions to SoCalGas Rule No. 30 pursuant to the September 15, 2023 letter from the Deputy Executive Director for Energy and Climate Policy/Director of CPUC Energy Division removing the Aliso Canyon Withdrawal Protocol (Withdrawal Protocol).¹

The purpose of this supplemental advice letter is to remove the sheets that had previously been proposed as clean-up revisions.

Background

In a letter from the Deputy Executive Director for Energy and Climate Policy/ Director of CPUC Energy Division dated September 15, 2023, the Aliso Canyon Withdrawal Protocol (Withdrawal Protocol) was removed. The September 15, 2023 letter further noted that on August 31, 2023, the California Public Utilities Commission (CPUC) voted in Decision (D.23-08-050) to increase the interim storage limit at the Aliso Canyon natural gas storage facility in order to protect natural gas and electricity customers from reliability and economic impacts during winter 2023-2024. As part of the implementation of that decision, and to further mitigate high gas prices, the CPUC Energy Division's September 15, 2023 letter removed the Withdrawal Protocol.

¹ CPUC Letterhead (Brown) (ca.gov)

The Withdrawal Protocol limited the use of Aliso Canyon storage to days when certain conditions are met. The system must be under some strain and gas customers may reach the point where they are subject to financial penalties for not delivering sufficient gas before Aliso Canyon can be used. D.23-08-050 concluded that restrictions on Aliso Canyon contributed to last year's natural gas price spikes and that removal of the Commission's storage level limitation provides a significant tool to mitigate future gas price spikes. To effectively implement D.23-08-050, the Energy Division removed the Withdrawal Protocol to allow customers increased flexibility to use Aliso Canyon to moderate gas and electricity prices.

The most recent version of the Withdrawal Protocol was put in place by the Deputy Executive Director of Energy Division in July 2019, with additional noticing requirements added in April 2020. The Withdrawal Protocol required that specified information be posted to SoCalGas' electronic bulletin board, ENVOY, and/or submitted to Energy Division for days when the protocol was met. When the Withdrawal Protocol was last revised, this information was not available elsewhere. At CPUC request, SoCalGas began posting the daily gas storage levels for each of its four gas storage facilities on ENVOY on June 29, 2021. Since this information is now publicly available, it is no longer necessary to require additional informational postings as previously required under the Withdrawal Protocol.

Tariff Revisions

As a result of the removal of the Withdrawal Protocol, SoCalGas has identified the need to revise SoCalGas Rule No. 30, Transportation of Customer Owned Gas, to delete footnote 1 on Sheet 13 of Rule No. 30 which references Aliso Canyon withdrawal capacity.

SoCalGas's tariff with these revisions are shown in Attachment A.

Protests

SoCalGas asks that the Commission, pursuant to General Order (GO) 96-B, General Rule 7.5.1, maintain the original protest and comment period designated in Advice No. 6204-G and not reopen the protest period. The modifications included in this supplemental AL do not make substantive changes that would affect the overall evaluation of the AL.

Effective Date

SoCalGas asserts this submittal is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. SoCalGas respectfully requests that this submittal become effective November 9, 2023, which is 30 calendar days after the date AL6204-G was submitted.

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 I.17-02-002. Address change requests to the GO 96-B service list should be directed via e-mail to Tariffs@socalgas.com or call 213-244-2424. 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/ Joseph Mock
Joseph Mock
Director – Regulatory Affairs

Attachments





California Public Utilities Commission

ADVICE LETTER UMMARY



LIVEROTOTIETT			
MUST BE COMPLETED BY UT	ILITY (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 WATER = Water	(Date Submitted / Received Stamp by CPUC)		
Advice Letter (AL) #:	Tier Designation:		
Subject of AL:			
Keywords (choose from CPUC listing):	Olympia Olympia		
AL Type: Monthly Quarterly Annu-			
ii At sobrilled in compliance with a commissi	on order, indicate relevant Decision/Resolution #:		
Does AL replace a withdrawn or rejected AL? I	If so, identify the prior AL:		
Summarize differences between the AL and th	e 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 ^{1:}			
Pending advice letters that revise the same tariff sheets:			

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. 6204-G-A

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 61391-G	Rule No. 30, TRANSPORTATION OF CUSTOMER-OWNED GAS, Sheet 13	Revised 59845-G
Revised 61392-G	TABLE OF CONTENTS	Revised 61065-G
Revised 61393-G	TABLE OF CONTENTS, Sheet 1	Revised 61390-G

Rule No. 30 TRANSPORTATION OF CUSTOMER-OWNED GAS

Sheet 13

(Continued)

G. Operational Flow Orders and Emergency Flow Orders

- 1. Operational Flow Order (OFO)
 - The Utility System Operator's protocol for declaring an Operational Flow Order (OFO) is described in Rule No. 41. All OFO declarations will be identified by stage that will specify a Daily Imbalance Tolerance and Noncompliance Charge per the table below. The daily balancing standby rate is not applicable to High OFOs. Pursuant to D.22-04-042, the eightstage OFO Noncompliance Charge structure shall be in effect year-round, unless conditions warrant a temporary change to the five-stage structure not to exceed 120 days, which would be implemented through an Advice Letter submission to the Commission.

Effective if Ordered

Stage	Daily Imbalance	Noncompliance Charge (\$/therm)
	Tolerance	
1	Up to +/-25%	0.025
2	Up to +/-20%	0.10
3	Up to +/-15%	0.50
4	Up to +/-5%	0.50
5	Up to +/-5%	0.50 plus Rate Schedule G-IMB daily balancing
		standby rate
EFO	Zero	5.00 plus Rate Schedule G-IMB daily balancing
		standby rate

Effective Year-Round

Stage	Daily Imbalance	Noncompliance Charge (\$/therm)
	Tolerance ¹	
1	Up to +/-25%	0.025
2	Up to +/-20%	0.10
3	Up to +/-15%	0.50
3.1	Up to +/-15%	1.00
3.2	Up to +/-15%	1.50
3.3	Up to +/-15%	2.00
4	Up to +/-10%	2.50
5	Up to +/-5%	2.50 plus Rate Schedule G-IMB daily balancing
		standby rate
EFO	Zero	5.00 plus Rate Schedule G-IMB daily balancing
		standby rate

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(Continued)

(TO BE INSERTED BY UTILITY) 6204-G-A ADVICE LETTER NO. DECISION NO. 23-08-050

ISSUED BY Dan Skopec Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Dec 20, 2023 SUBMITTED Nov 9, 2023 **EFFECTIVE** RESOLUTION NO.

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(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 6204-G-A 23-08-050 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC) Dec 20, 2023 SUBMITTED Nov 9, 2023 EFFECTIVE RESOLUTION NO.

LOS ANGELES, CALIFORNIA CANCELING Rev

Revised Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

61393-G 61390-G

Sheet 1

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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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(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 6204\text{-}G\text{-}A \\ \text{DECISION NO.} & 23\text{-}08\text{-}050 \\ \end{array}$

ISSUED BY

Dan Skopec

Senior Vice President

Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{SUBMITTED} & \underline{Dec~20,\,2023} \\ \text{EFFECTIVE} \end{array}$

RESOLUTION NO.