

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 7, 2014

**Advice Letter 947-G**

Justin Lee Brown  
Vice-President/Regulatory Affairs  
Southwest Gas Corporation  
PO Box 98510  
Las Vegas, NV 89193-8510

**SUBJECT: TO ADD PRELIMINARY STATEMENT FOR MOBILE HOME PARK  
CONVERSION BALANCING ACCOUNT**

Dear Mr. Brown:

Advice Letter 947-G is effective as of August 10, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director  
Energy Division



## **SOUTHWEST GAS CORPORATION**

Justin Lee Brown , Vice President/Regulatory Affairs

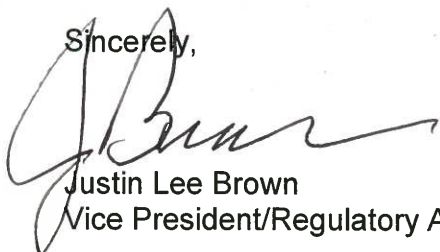
July 11, 2014

ATTN: Tariff Unit, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4005  
San Francisco, CA 94102

Subject: Southwest Gas Corporation (U 905 G)  
Advice Letter No. 947

Enclosed herewith are an original and one (1) copy of Southwest Gas Corporation's Advice Letter No. 947 together with California Gas Tariff P.U.C. Sheet Nos. 2, 45.2 and 45.3.

Sincerely,



Justin Lee Brown  
Vice President/Regulatory Affairs

JLB:vo  
Attachment



**SOUTHWEST GAS CORPORATION**

Advice Letter No. 947

July 11, 2014

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) (U 905 G) hereby tenders for filing the following tariff sheets:

**California Gas Tariff**

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
2nd Revised Sheet No. 2	Table of Contents	1st Revised Sheet No. 2
Original Sheet No. 45.2	Preliminary Statement ( <i>Continued</i> )	
Original Sheet No. 45.3	Preliminary Statement ( <i>Continued</i> )	

**Purpose**

The purpose of this filing is to revise the Preliminary Statement of the Company's California Gas Tariff to establish the Mobile Home Park Conversion Balancing Account (MHPCBA) in accordance with Ordering Paragraphs (OP) 8 and 9 in Decision (D.) 14-03-021.

**Background**

On March 14, 2014, the Commission issued D.14-03-021, which adopted the Mobile Home Park Conversion Three-Year Pilot Program (Program) with the goal of converting approximately 10 percent of the total mobile home park (MHP) spaces within each of the gas and electric utility's service territories over the term of the Program. D.14-03-021 authorizes utilities to establish a two-way balancing account to record and recover actual MHP conversion costs.

**Effective Date**

In accordance with D.14-03-021, Southwest Gas believes this Advice Letter is subject to Energy Division disposition and should be classified as a Tier 2 filing (effective after Energy Division approval). Southwest Gas respectfully requests that this Advice Letter be made effective August 10, 2014, which is thirty (30) days from the date of filing.

**Protest**

Anyone wishing to protest this filing may do so by sending a letter within 20 days of the filing. The protest should set forth the grounds upon which it is based and should be submitted expeditiously. There is no restriction on who may file a protest. Protests should be mailed to:



Advice Letter No. 947  
July 11, 2014  
Page 2

Investigation, Monitoring & Compliance Program Manager  
California Public Utilities Commission, Energy Division  
505 Van Ness Avenue, Room 4002  
San Francisco, CA 94102  
Facsimile: 415-703-2200

A copy should also be mailed to the attention of Director, Energy Division, Room 4004 at the same address as above, and mailed and faxed to:

Mr. Justin Lee Brown  
Vice President/Regulatory Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, Nevada 89193-8510  
Facsimile: 702-876-7037

**Notice**

Pursuant to Energy Industry Rule 3.1(1), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in G.O. 96-B since the tariff revisions proposed herein are being filed in compliance with D.14-03-021.

**Service**

In accordance with General Order 96-B, General Rule 4.3, Southwest is mailing copies of this advice letter and related tariff sheets to the utilities and interested parties shown on the attached list.

Communications regarding this filing should be directed to:

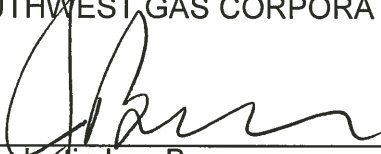
Ed Giesecking  
Director/Pricing and Tariffs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-364-3271  
E-mail: [ed.giesecking@swgas.com](mailto:ed.giesecking@swgas.com)

Debra S. Gallo  
Director/Government and  
State Regulatory Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-876-7163  
E-mail: [debra.gallo@swgas.com](mailto:debra.gallo@swgas.com)

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By

  
Justin Lee Brown

Attachments

DISTRIBUTION LIST

Advice Letter No. 947

In accordance with General Order 96-B, General Rule 4.3

Southern California Edison Company

Pacific Gas & Electric Company

Sierra Pacific Power Company

San Diego Gas & Electric Company

Southern California Gas Company

Southern California Water Company

Duane Morris, LLP

Director/Office of Ratepayer Advocates

Robert M. Pocta, Office of Ratepayer Advocates  
([rmp@cpuc.ca.gov](mailto:rmp@cpuc.ca.gov))

Nathanial Skinner, Office of Ratepayer Advocates  
([nws@cpuc.ca.gov](mailto:nws@cpuc.ca.gov))

Pearlie Sabino, Office of Ratepayer Advocates  
([pzs@cpuc.ca.gov](mailto:pzs@cpuc.ca.gov))

TABLE OF CONTENTS

The following listed sheets contain all the effective rates and rules affecting rates and service and information relating thereto in effect on and after the date indicated thereon.

<u>DESCRIPTION</u>	<u>CAL. P.U.C. SHEET NOS.</u>
Title Page	1
Table of Contents	2 - 8
Held for Future Use	9
Preliminary Statement	10 - 45.3
Map and Description of Franchise and Service Area	46 - 64
Statement of Rates	65 - 71
Held for Future Use	72 - 77
Other Service Charges	78

PRELIMINARY STATEMENT  
(Continued)

24. MOBILE HOME PARK CONVERSION BALANCING ACCOUNT (MHPCBA)

24A. PURPOSE

The MHPCBA is a two-way balancing account for the purpose of recording and recovering the incremental revenue requirement associated with converting submetered residents at mobile home parks from master-metered natural gas service to direct utility service. The Company is authorized to establish the MHPCBA pursuant to Decision (D.) 14-03-021. A separate MHPCBA will be maintained for each of the Company's California rate jurisdictions.

24B. APPLICABILITY

The MHPCBA provision applies to all rate schedules, excluding customers served under a Special Contract or any other exclusion provided for by the Commission.

24C. REVISION DATE

Annually, the Company shall file a Tier I Advice Letter to update the MHPCBA adjustment rates using the month ended December 31 MHPCBA.

24D. FORECAST PERIOD VOLUMES

The volumes of gas, expressed in therms, to be utilized hereunder shall be the volumes estimated to be delivered during the 12 calendar-month period immediately following the Revision Date.

24E. ACCOUNTING

The Company will maintain separate subaccounts in the MHPCBA for its costs up to and including the customer's meter ("to the meter" costs) and for the reimbursable costs for work performed beyond the Company's meter ("beyond the meter" costs).

1. The Company shall make the following entries to the "to the meter" MHPCBA subaccount at the end of each month:
  - a. A debit entry for incremental O&M start-up costs, such as program development, customer outreach and administration expenses, not otherwise recovered in rates;

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PRELIMINARY STATEMENT

*(Continued)*

24. MOBILE HOME PARK CONVERSION BALANCING ACCOUNT (MHPCBA)  
*(Continued)*

- b. A debit entry equal to the revenue requirement associated with the Company's actual "to the meter" facilities cost. The revenue requirement is defined as an amount equal to the depreciation expense, property tax and return on plant in service. Depreciation expense will be calculated using the Company's authorized depreciation rates. Property tax will be calculated at the Company's authorized effective tax rates. Return on investment will be calculated at the Company's authorized pre-tax return on rate base;
  - c. A credit entry equal to the MHPCBA Adjustment Rate, excluding franchise taxes and uncollectible accounts expense, multiplied by the applicable volumes delivered during the month;
  - d. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statements.
2. The Company will make the following entries to the "beyond the meter" MHPCBA subaccount at the end of each month"
- a. A debit entry equal to the actual beyond the meter costs reimbursed by the Company to the mobile home park owner;
  - b. A debit entry equal to record the return on the balance calculated at the Company's authorized pre-tax return on rate base;
  - c. A credit entry equal to the ten year straight line amortization of the "beyond the meter" subaccount, as established in the Company's general rate case;
  - d. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statements.

24F. MHPCBA ADJUSTMENT RATES

A MHPCBA Adjustment Rate will be established for each of the Company's rate jurisdictions. The MHPCBA Adjustment Rates will be determined by dividing the December 31 balances recorded in the "to the meter" MHPCBA subaccounts by the total Forecast Period volumes. The MHPCBA Adjustment Rates shall be set forth in the currently-effective Statement of Rates of this California Gas Tariff.

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# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Southwest Gas Corporation (U 905 G)**

Utility type:

ELC  GAS

PLC  HEAT  WATER

Contact Person: **Edward Giesecking**

Phone #: **(702) 364-3271**

E-mail: **ed.giesecking@swgas.com**

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas  
PLC = Pipeline      HEAT = Heat      WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **947**

Subject of AL: **To add Preliminary Statement for Mobile Home Park Conversion Balancing Account**

Keywords (choose from CPUC listing): **Mobile Home Park.**

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **D.14-03-021**

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL **Not applicable**

Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: **Not applicable**

Resolution Required?  Yes  No

Requested effective date: **August 10, 2014**

No. of tariff sheets: **3**

Estimated system annual revenue effect (%): **Not applicable**

Estimated system average rate effect (%): **Not applicable**

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: **N/A**

Service affected and changes proposed<sup>1</sup>: **See 'Subject of AL' above**

Pending advice letters that revise the same tariff sheets: **Not applicable**

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:**

**CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Ave.,  
San Francisco, CA 94102  
mas@cpuc.ca.gov and jnj@cpuc.ca.gov**

**Utility Info (including e-mail)  
Mr. Justin Lee Brown, Vice-Pres.  
Regulatory Affairs  
Southwest Gas Corporation  
P. O. Box 98510  
Las Vegas, NV 89193-8510  
justin.brown@swgas.com  
Facsimile: 702-222-1475**

<sup>1</sup> Discuss in AL if more space is needed.