PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



August 19, 2015

**Advice Letter 980-G** 

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

# SUBJECT: To Request Authorization to Make Accounting Entries to Reflect Shared Savings Associated with SWGC's Gas Cost Incentive Mechanism (GCIM)

Dear Mr. Brown:

Advice Letter 980-G is effective as of August 23, 2015.

Sincerely,

Edward Ramloph

Edward Randolph Director, Energy Division



Justin Lee Brown, Vice President/Regulation and Public Affairs

July 24, 2015

- 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. 980

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 980. There are no tariff sheets associated with this filing.

Sincerety,

Vice President/Regulation & Public Affairs

JLB:jjp Enclosures



Advice Letter No. 980

July 24, 2015

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) (U 905 G) tenders herewith for filing Advice Letter No. 980 pursuant to Preliminary Statement No. (PS) 17I pertaining to the Company's Gas Cost Incentive Mechanism (GCIM) approved in Application 04-11-009. There are no tariff sheets associated with this filing.

## <u>Purpose</u>

The purpose of this filing is to request authorization to make an accounting entry to reflect shared shavings associated with Southwest Gas' GCIM for the reporting period November 1, 2008 to October 31, 2009.

## **Background**

On July 10, 2015, the Office of Ratepayer Advocates (ORA) issued their Monitoring and Evaluation Report (Report) regarding Southwest Gas' Annual GCIM Reports for the periods ending 2009, 2010 and 2011<sup>1</sup>. The 2009 ending report resulted in a shared savings of \$84,844 and \$318,723 in Southwest Gas' Northern and Southern California rate jurisdictions, respectively. In accordance with PS 17, these savings are to be shared amongst the Company's customers and shareholders as follows: seventy-five percent, or \$63,633 in Northern California, and \$239,042 in Southern California is shared with Southwest Gas customers, while the remaining twenty-five percent, or \$100,892 in total, is to be allocated to the Company's shareholders. In its Report, ORA affirmed the Company's reported shared savings for the 2009 ending GCIM period. Therefore, Southwest Gas requests authority to appropriately account for the shareholder portion of savings.

This filing will not result in an increase or decrease in any rate or charge, conflict with any rate schedule or rule, or cause the withdrawal of service.

## Effective Date

Southwest Gas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 2 (effective after Energy Division approval) pursuant to General Order 96-B.

<sup>&</sup>lt;sup>1</sup> Pursuant to Southwest Gas' Preliminary Statement No. 17, the annual GCIM period begins November 1 of each year and concludes on October 31 of the following year.



Advice Letter No. 980 Page 2 July 24, 2015

#### **Protest**

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based with specificity, and should be submitted expeditiously. The protest must be sent no later than 20-days after the date of this Advice Letter filing and shall be sent by letter via U.S. Mail, facsimile, or electronically mailed. The address for mailing or delivering a protest to the Commission is:

Energy Division California Public Utilities Commission Attention: Investigation, Monitoring & Compliance Program Manager 505 Van Ness Avenue, Room 4002 San Francisco, CA 94102 E-mail: edtariffunit@cpuc.ca.gov Facsimile: 415-703-2200

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

Mr. Justin Lee Brown Vice President/Regulation & Public Affairs Southwest Gas Corporation P.O. Box 98510 Las Vegas, Nevada 89193-8510 Facsimile: 702-364-3452

## <u>Notice</u>

Noticing is not required pursuant to General Rule 4.2 in G.O. 96-B, since this advice letter is not requesting higher rates or charges, or more restrictive terms or conditions, than those currently in effect.



Advice Letter No. 980 Page 3 July 24, 2015

### **Service**

In accordance with G.O. 96-B, General Rule 4.3, Southwest Gas 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:

Valerie J. Ontiveroz Regulatory Manager/California Southwest Gas Corporation P.O. Box 98510 Las Vegas, NV 89193-8510 Telephone: 702-876-7323 E-mail: valerie.ontiveroz@swgas.com

Respectfully submitted,

SOUTHWEST GAS CORPORATION By: Justin Lee Brown Attachments

#### **Distribution List**

#### Advice Letter No. 980

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

The following individual has been served by regular, first-class mail:

Joe Como, Acting Director Office of Ratepayer Advocates California Public Utilities Commission 505 Van Ness Avenue, 4th Floor San Francisco, CA 94105

The following individuals or entities have been served by electronic mail:

Pacific Gas & Electric Company PGETariffs@pge.com

Southern California Gas Company <u>SNewsom@semprautilities.com</u>

San Diego Gas & Electric Company SDG&ETariffs@SempraUtilities.com

Robert M. Pocta Office of Ratepayer Advocates California Public Utilities Commission <u>rmp@cpuc.ca.gov</u>

Nathaniel Skinner Office of Ratepayer Advocates California Public Utilities Commission <u>nws@cpuc.ca.gov</u>

Pearlie Sabino Office of Ratepayer Advocates California Public Utilities Commission pzs@cpuc.ca.gov

# 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 905G)		
Contact Person: Valerie Ontiveroz		
Phone #: (702) 876-7323		
E-mail: valerie.ontiveroz@swgas.com		
TY TYPE (Date Filed/ Received Stamp by CPUC)		
WATER = Water		
Advice Letter (AL) #: 980		
Subject of AL: To request authorization to make accounting entries to reflect shared savings associated		
with Southwest Gas' Gas Cost Incentive Mechanism (GCIM).		
Keywords (choose from CPUC listing): GCIM		
AL filing type: □Monthly □ Quarterly □ Annual ■ One-Time □ Other		
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:		
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 23, 2015 No. of tariff sheets: 2		
Estimated system annual revenue effect: (%): <u>Not applicable</u>		
Estimated system average rate effect (%): <u>Not applicable</u>		
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: <u>Not applicable</u>		
Service affected and changes proposed <sup>2</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 Utility Info (including e-mail)		
	Utility Info (including e-mail) Mr. Justin Lee Brown,	
	Vice-President/Regulation & Public Affairs	
	Southwest Gas Corporation P. O. Box 98510	
I	Las Vegas, NV 89193-8510	
	E-mail: justin.brown@swgas.com Facsimile: 702-364-3452	
	Hwest Gas Corporat   Contact Person: Va   Phone #: (702) 876   E-mail: valerie.onti   TYPE WATER = Water   MATER = Water MATER = Water   On to make accounti tive Mechanism (GC   GCIM One-Time   Annual One-Time   and the prior withdra and the prior withdra   2015 Not applicable   attachment in AL shot agricultural, lighting   ble 12: See 'Subject of AL   ame tariff sheets: Not   ame tariff sheets: Not	

<sup>&</sup>lt;sup>2</sup> Discuss in AL if more space is needed.