

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 17, 2016

**Advice Letter 1013**

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

**Subject: To Revise SWGC's Preliminary Statement 23, Mobile  
Home Park Conversion**

Dear Mr. Brown:

Advice Letter 1013 is effective as of July 22, 2016.

Sincerely,

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

Edward Randolph  
Director, Energy Division



## SOUTHWEST GAS CORPORATION

August 8, 2016

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.1013  
Substitute Sheet Filing

Enclosed are an original and one (1) copy of California P.U.C. Sheet No. 45.1, 2nd Revised. California P.U.C. Sheet No. 45.1, 1st Revised was submitted in Advice Letter No. (AL) 1013 on July 22, 2016, which was filed to revise Southwest Gas' Preliminary Statement No. 23, Mobile Home Park Conversion Balancing Account (MHPCBA), specific to the accounting treatment of "beyond the meter" costs.

The purpose of this transmittal is to correct the revision number and the filed/effective dates on Sheet No. 45.1. The first revised Sheet No. 45.1 was submitted in AL 1005 and approved on April 10, 2016, as such, the second revised Sheet No. 45.1 should have been submitted with AL 1013. Additionally, the filed and effective dates either incorrectly noted July 1, 2016 or were left blank and instead should have noted July 22, 2016.

In accordance with General Order 96-B, General Rule 7.5.1, Southwest Gas is mailing copies of this substitute sheet filing and related tariff sheet to the utilities and interested parties shown on the attached list.

Sincerely,

  
Valerie J. Ontiveroz  
Regulatory Manager/California

VJO:jjp  
Enclosures

## Distribution List

Advice Letter No. 1013

In conformance with GO 96-B, General Rule 4.3

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

Elizabeth Echols, 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](mailto:PGETariffs@pge.com)

Southern California Gas Company  
[SNewsom@semprautilities.com](mailto:SNewsom@semprautilities.com)

San Diego Gas & Electric Company  
[SDG&ETariffs@SempraUtilities.com](mailto:SDG&ETariffs@SempraUtilities.com)

Robert M. Pocta  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[rmp@cpuc.ca.gov](mailto:rmp@cpuc.ca.gov)

Nathaniel Skinner  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[nws@cpuc.ca.gov](mailto:nws@cpuc.ca.gov)

Pearlie Sabino  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[pzs@cpuc.ca.gov](mailto:pzs@cpuc.ca.gov)

PRELIMINARY STATEMENT  
(Continued)

23. 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 revenue requirement related to the "beyond the meter" costs incurred, which includes amortization expense, all related taxes, and authorized return on investment at the Company's authorized pre-tax return on rate base. "Beyond the meter" costs are recorded as a regulatory asset and will be amortized over a period of ten years;
  - b. A credit entry equal to the ten year straight line amortization of the "beyond the meter" subaccount, as established in the Company's next general rate case;
  - c. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statements.

**23F. 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.



## SOUTHWEST GAS CORPORATION

July 22, 2016

ATTN: Tariff Unit, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, CA 94102

Subject: Southwest Gas Corporation (U 905 G)  
Advice Letter No. 1013

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 1013, together with California Gas Tariff Sheet No. 45.1.

Sincerely,

Valerie J. Ontiveroz  
Regulatory Manager/California

VJO:jjp  
Enclosures



# SOUTHWEST GAS CORPORATION

Advice Letter No. 1013

July 22, 2016

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas) (U 905 G) tenders herewith for filing the following tariff sheet:

Cal. P.U.C. Sheet No.	California Gas Tariff Title of Sheet	Canceling Cal. P.U.C. Sheet No.
2nd Revised Sheet No. 45.1	Preliminary Statement – Mobile Home Park Conversion Balancing Account	1st Revised Sheet No. 45.1

### Purpose

The purpose of this filing is to revise Southwest Gas' Preliminary Statement No. 23, Mobile Home Park Conversion Balancing Account (MHPCBA), specific to the accounting treatment of "beyond the meter" costs to be consistent with the other California utility tariffs and the direction provided in Decision (D.) 14-03-021. The MHPCBA was originally approved in Advice Letter 947, in accordance with Ordering Paragraphs 8 and 9 in D.14-03-021, which authorized the establishment of a two-way balancing account to record and recover actual mobile home park conversion costs for both "to the meter" and "beyond the meter" costs.

### Effective Date

Southwest Gas considers this Advice Letter subject to Energy Division disposition and should be classified as Tier 1 (effective pending Energy Division approval) pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests that the tariff sheets filed herein be made effective July 22, 2016, which is the date filed.

### Protest

Anyone may protest this Advice Letter to the Commission. The protest must state the grounds upon which it is based with specificity. 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:

ATTN: Tariff Unit  
Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, CA 94102  
E-mail: [edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)  
Facsimile: 415-703-2200



Advice Letter No. 1013  
Page 2  
July 22, 2016

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, NV 89193-8510  
Facsimile: 702-364-3452

**Notice**

Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is not requesting higher rates or charges, or more restrictive terms or conditions, than those currently in effect.

**Service**

In accordance with GO 96-B, General Rule 7.2, 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](mailto:valerie.ontiveroz@swgas.com)

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 

Justin Lee Brown

Attachments

**Distribution List**

Advice Letter No. 1013

In conformance with GO 96-B, General Rule 7.2

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

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

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Southern California Gas Company  
[SNewsom@semprautilities.com](mailto:SNewsom@semprautilities.com)

San Diego Gas & Electric Company  
[SDG&ETariffs@SempraUtilities.com](mailto:SDG&ETariffs@SempraUtilities.com)

Robert M. Pocta  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[rmp@cpuc.ca.gov](mailto:rmp@cpuc.ca.gov)

Nathaniel Skinner  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[nws@cpuc.ca.gov](mailto:nws@cpuc.ca.gov)

Pearlie Sabino  
Office of Ratepayer Advocates  
California Public Utilities Commission  
[pzs@cpuc.ca.gov](mailto:pzs@cpuc.ca.gov)



# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

<b>MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)</b>	
Company name/CPUC Utility No. <b>Southwest Gas Corporation (U 905 G)</b>	
Utility type: <input type="checkbox"/> ELC <input checked="" type="checkbox"/> GAS <input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	Contact Person: <b>Valerie J. Ontiveroz</b> Phone #: <b>(702) 876-7323</b> E-mail: <b>valerie.ontiveroz@swgas.com</b>
EXPLANATION OF UTILITY TYPE ELC = Electric      GAS = Gas PLC = Pipeline      HEAT = Heat      WATER = Water	(Date Filed/ Received Stamp by CPUC)
Advice Letter (AL) #: <b>1013</b>	
Subject of AL: <b><u>To revise Southwest Gas' Preliminary Statement 23, Mobile Home Park Conversion Balancing Account (MHPCBA)</u></b>	
Keywords (choose from CPUC listing): <b><u>Balancing Account</u></b>	
AL filing type: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual <input checked="" type="checkbox"/> One-Time <input type="checkbox"/> 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 <b><u>Not applicable</u></b>	
Summarize differences between the AL and the prior withdrawn or rejected AL <sup>1</sup> : <b><u>Not applicable</u></b>	
Resolution Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Requested effective date: <b><u>July 22, 2016</u></b>	No. of tariff sheets: <b><u>1</u></b>
Estimated system annual revenue effect (%): <b><u>Not applicable</u></b>	
Estimated system average rate effect (%): <b><u>Not applicable</u></b>	
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: <b><u>Preliminary Statement 23 – Mobile Home Park Conversion Balancing Account</u></b>	
Service affected and changes proposed <sup>1</sup> : <b><u>See 'Subject of AL' above</u></b>	
Pending advice letters that revise the same tariff sheets: <b><u>Not applicable</u></b>	
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:	
<b>CPUC, Energy Division</b> <b>Attention: Tariff Unit</b> <b>505 Van Ness Ave.</b> <b>San Francisco, CA 94102</b> <b>E-mail: edtariffunit@cpuc.ca.gov</b>	<b>Mr. Justin Lee Brown,</b> <b>Vice President/Regulation &amp; Public Affairs</b> <b>Southwest Gas Corporation</b> <b>P. O. Box 98510</b> <b>Las Vegas, NV 89193-8510</b> <b>E-mail: justin.brown@swgas.com</b> <b>Facsimile: 702-364-3452</b>

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

PRELIMINARY STATEMENT

(Continued)

23. 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 revenue requirement related to the "beyond the meter" costs incurred, which includes amortization expense, all related taxes, and authorized return on investment at the Company's authorized pre-tax return on rate base. "Beyond the meter" costs are recorded as a regulatory asset and will be amortized over a period of ten years;
  - b. A credit entry equal to the ten year straight line amortization of the "beyond the meter" subaccount, as established in the Company's next general rate case;
  - c. An entry to record interest on the balance calculated as set forth in Section 12B of these Preliminary Statements.

23F. 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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