

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 17, 2017

Advice Letter 1048

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

**Subject: Request a 1 Year Extension of the Conditional Approval Granted
to SWG for its GCIM Tariff Revisions**

Dear Mr. Brown:

Advice Letter 1048 is effective as of October 8, 2017.

Sincerely,

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

Edward Randolph
Director, Energy Division



SOUTHWEST GAS CORPORATION

September 8, 2017

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

Subject: Southwest Gas Corporation (U 905 G)
Advice Letter No. 1048

Enclosed herewith is an original and one (1) copy of Southwest Gas Corporation's Advice Letter No. 1048. There are no tariff sheets associated with this filing.

Sincerely,

Valerie J. Ontiveroz
Regulatory Manager/California

VJO:jjp
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 1048

September 8, 2017

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) herewith submits Advice Letter No. 1049. There are no tariff sheets associated with this filing.

Purpose

The purpose of this Advice Letter is to request a one year extension of the conditional approval granted to Southwest Gas for its revisions to Preliminary Statement 17 – Gas Cost Incentive Mechanism (GCIM).

Background

On March 23, 2016, Southwest Gas filed Advice Letter No. 1006, requesting approval to modify its Preliminary Statement 17 concerning its GCIM. Specifically, the GCIM modifications allow for the appropriate evaluation of Southwest Gas' natural gas purchases (i.e., daily purchases v. daily indices, monthly purchases v. monthly indices) and provide for the flexibility to address and account for events that influence the Company's natural gas procurement that are outside Company' control. On October 28, 2016, the Energy Division approved Southwest Gas' GCIM modifications for the GCIM reporting period November 1, 2016 through October 31, 2017. Pursuant to the Energy Division, "If [Southwest Gas] chooses to extend the modifications beyond October 31, 2017, [Southwest Gas] must request an extension for these modifications either through another [A]dvice [L]etter filing or include it in another [Commission] proceeding, such as its upcoming GRC filing scheduled for September 2017."

The Company's need to modify its GCIM was driven by: 1) Southern California Gas Company's (SoCalGas) implementation of tariff changes permitting high and low Operational Flow Orders (OFOs) and Emergency Flow Orders (EFOs); 2) the concerns about the availability of SoCalGas' Aliso Canyon underground storage facility; and 3) SoCalGas' implementation of daily balancing on its system. These events impact Southwest Gas' natural gas procurement practices, resulting in the potential need for Southwest Gas to make daily natural gas purchases in the Company's Southern California service territory. The conditions surrounding the Company's request to modify its GCIM remain.

Therefore, Southwest Gas requests a one year extension of its approved GCIM tariff modifications for the upcoming GCIM reporting period November 1, 2017 through October 31, 2018. This will also allow for Southwest Gas to submit its Annual GCIM for the current reporting period ending October 31, 2017 due on January 29, 2018. Pursuant to the Energy Division's directive, Southwest Gas will include in its upcoming annual GCIM report two scenarios which provide calculations based on its GCIM with and without the approved modifications approved in Advice Letter No. 1006.



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Background *(continued)*

Southwest Gas does not propose any additional modifications to its tariff beyond those already approved by the Energy Division in Advice Letter No. 1006.

This Advice Letter will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

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 (GO) 96-B. Southwest Gas respectfully requests that this Advice Letter become effective October 8, 2017, which is thirty (30) days from the date filed.

Protest

Anyone may protest this Advice Letter to the California Public Utilities 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 filing, and shall be sent by letter via U.S. Mail, facsimile, or electronically. The address for mailing or delivering a protest to the Commission is:

Attention: Tariff Unit
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102
Email: edtariffunit@cpuc.ca.gov
Facsimile: (415) 703-2200

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address as above).

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
E-mail: justin.brown@swgas.com

Notice

Southwest Gas believes it is exempt from the notice requirements set forth in General Rule 4.2 of GO 96-B, since this Advice Letter will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule that are currently in effect.



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Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving this Advice Letter 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. 1048

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

Southern California Gas Company
ROrtiz@SempraUtilities.com

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

Belinda Gatti
Energy Division
California Public Utilities Commission
belinda.gatti@cpuc.ca.gov

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

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

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 905 G)	
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: Valerie J. Ontiveroz Phone #: (702) 876-7323 E-mail: valerie.ontiveroz@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) #: 1048	
Subject of AL: Request a one-year extension of the conditional approval granted to SWG for its Gas Cost Incentive Mechanism (GCIM) tariff revisions.	
Keywords (choose from CPUC listing): Gas Cost Incentive Mechanism	
AL filing type: <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual <input type="checkbox"/> One-Time <input checked="" 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 Not applicable	
Summarize differences between the AL and the prior withdrawn or rejected AL ¹ : Not applicable	
Resolution Required? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Requested effective date: October 8, 2017	No. of tariff sheets: 0
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: Not applicable	
Service affected and changes proposed ¹ : Not applicable	
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 E-mail: edtariffunit@cpuc.ca.gov	Mr. Justin Lee Brown, Vice-President/Regulation & Public Affairs Southwest Gas Corporation P. O. Box 98510 Las Vegas, NV 89193-8510 E-mail: justin.brown@swgas.com Facsimile: 702-364-3452

¹ Discuss in AL if more space is needed.