

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



October 24, 2018

**Advice Letter 1077-G**

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

**SUBJECT: New Form No. 927.6CA**

Dear Mr. Brown:

Advice Letter 1077-G is effective as of August 9, 2018.

Sincerely,

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

Edward Randolph  
Director, Energy Division



## SOUTHWEST GAS CORPORATION

August 9, 2018

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. 1077

Enclosed herewith is one (1) copy of Southwest Gas Corporation's Advice Letter No. 1077,  
together with California Gas Tariff Sheet Nos. 6 and 307.1.

Sincerely,

Valerie J. Ontiveroz  
Regulatory Manager/CA

VJO:jjp  
Enclosures



# SOUTHWEST GAS CORPORATION

Advice Letter No. 1077

August 9, 2018

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Cal. P.U.C. Sheet No.	California Gas Tariff Title of Sheet	Canceling Cal. P.U.C. Sheet No.
21st Revised Sheet No. 6	Table of Contents (Continued)	20th Revised Sheet No. 6
Original Sheet No. 307.1	Back of Bill – Customer Bill, Customer Bill – Disconnect Notice, Customer Bill – Final Notice (Form No. 927.6CA 07/2018)	

### Purpose

The purpose of this submission is to modify the customer bill back to include information regarding the California Climate Credit in accordance with Decision (D.) 15-10-032, as modified by D.18-03-017.

### Background

On October 22, 2015, the Commission issued D.15-10-032 resolving Phase 2 issues in Rulemaking (R.) 14-03-003,<sup>1</sup> including,

...methodologies for natural gas utilities to use when calculating forecast and recorded GHG allowance proceeds and GHG costs associated with complying with Cap-and-Trade, and it approves an advice letter process for the utilities to use when forecasting and reconciling reasonable GHG costs and allowance proceeds. Today's decision approves the 2015 forecasts presented in the utilities' preliminary statements and requires the utilities to include GHG costs in customers' rates on an equal-cents-per-therm basis.

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<sup>1</sup> R.14-03-003, "Order Instituting Rulemaking to Address Natural Gas Distribution Utility Cost and Revenue Issues Associated with Greenhouse Gas Emissions," adopted by the Commission March 12, 2014.



**Background** *(continued)*

The decision also adopts a natural gas California Climate Credit for residential customer of those utilities.<sup>2</sup>

In April 2016, the Commission approved D.16-04-013, which granted limited rehearing of D.15-10-032 regarding the return of GHG allowance proceeds to residential customers only. D.16-04-013 vacated certain OPs, including the return of any GHG allowance proceeds.<sup>3</sup> Subsequently in March 22, 2018, the Commission approved D.18-03-017, providing the legal rationale to return GHG allowance proceeds solely to residential customers as an on-bill California Climate Credit annually each April, with the exception of 2018, when the California Climate Credit shall be distributed in October.<sup>4</sup>

**California Climate Credit**

Southwest Gas has modified the back of its customer bills to include the following information regarding the California Climate Credit:

**California (CA) Climate Credit** – The CA Climate Credit is a payment from a State program designed to fight climate change by limiting the amount of greenhouse gases that our largest pollution sources emit into the atmosphere. As a residential customer in California you will receive the CA Climate Credit annually on your April bill (based on your billing cycle, you may see your CA Climate Credit reflected on your May bill). Should you have any credit balance that is carried over to your following month's bill, you may request a refund by check instead of having the carryover balance applied to your bill. To request a refund check of your CA Climate Credit carryover balance, please call SWG at our toll-free number (llamada gratis) at 1-877-860-6020.

The above language was reviewed and approved by Energy Division Staff<sup>5</sup> consistent with Southwest Gas' California Climate Credit Measurement, Outreach and Education Plan.

Additionally, Southwest Gas has bifurcated its customer bills and created an independent bill back form. Southwest Gas deems this more administratively efficient given that the front facing customer bills do not frequently change and the manner in which Southwest Gas bills are printed.

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<sup>2</sup> D.15-10-032, at pgs. 2-3.

<sup>3</sup> D.16-04-013, OP 4 at pg. 6.

<sup>4</sup> D.18-03-017, at pgs. 2 and 40; OP 8, at pg. 55.

<sup>5</sup> Energy Division Staff approved Southwest Gas' language for all outreach media via electronic mail dated July 20, 2018.



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### **Effective Date**

This Advice Letter should be classified as a Tier 1 (Effective Pending Disposition) pursuant to General Order (GO) 96-B since this Advice Letter is being submitted in accordance with D.15-10-032, as modified by D.18-03-017. Therefore, Southwest Gas respectfully requests that this Advice Letter be made effective August 9, 2018, 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:

Energy Division  
California Public Utilities Commission  
Attention: Investigation, Monitoring & Compliance Program Manager  
505 Van Ness Avenue, Room 4002  
San Francisco, CA 94102  
Email: [edtariffunit@cpuc.ca.gov](mailto: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, emailed or faxed to:

Mr. Justin Lee Brown  
Senior Vice President/General Counsel  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Email: [justin.brown@swgas.com](mailto:justin.brown@swgas.com)  
Facsimile: 702-364-3452

### **Notice**

Pursuant to Energy Industry Rule 3.1(2), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter will not increase any rate or charge, cause the withdrawal of service, or provide more restrictive terms or conditions.

### **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.



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August 9, 2018

Communications regarding this submission 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  
Email: [valerie.ontiveroz@swgas.com](mailto:valerie.ontiveroz@swgas.com)

Respectfully submitted,

**SOUTHWEST GAS CORPORATION**

By: \_\_\_\_\_

  
Justin Lee Brown

Attachments

**Distribution List**

Advice Letter No. 1077

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  
[PG&ETariffs@pge.com](mailto:PG&ETariffs@pge.com)

Southern California Gas Company  
[ROrtiz@SempraUtilities.com](mailto:ROrtiz@SempraUtilities.com)

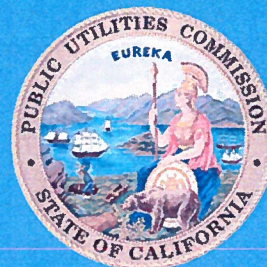
San Diego Gas & Electric Company  
[SDG&ETariffs@SempraUtilities.com](mailto:SDG&ETariffs@SempraUtilities.com)

Belinda Gatti  
Energy Division  
California Public Utilities Commission  
[belinda.gatti@cpuc.ca.gov](mailto:belinda.gatti@cpuc.ca.gov)

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)



# ADVICE LETTER 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       WATER  
 PLC       HEAT

Contact Person: Valerie J. Ontiveroz

Phone #: 702 876-7323

E-mail: valerie.ontiveroz@swgas.com

E-mail Disposition Notice to: valerie.ontiveroz@swgas.com

### EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 1077

Tier Designation: Tier 1

Subject of AL: New Form No. 927.6CA

Keywords (choose from CPUC listing): Form

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted 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: Not Applicable

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: 8/9/18

No. of tariff sheets: 2

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

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

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



**Protests and all other correspondence regarding this AI 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](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Mr. Justin Lee Brown  
Title: Senior Vice-President/General Counsel  
Utility Name: Southwest Gas Corporation  
Address: P. O. Box 98510  
City: Las Vegas State: Nevada  
Telephone (xxx) xxx-xxxx: 702-876-7183  
Facsimile (xxx) xxx-xxxx: 702-364-3452  
Email: [justin.brown@swgas.com](mailto:justin.brown@swgas.com)

Name:  
Title:  
Utility Name:  
Address:  
City: State: Nevada  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

Clear Form

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**CUSTOMER BILL (FORM 927.6CA 07/2018)**

**NOTICE TO SOUTHWEST GAS CORPORATION (SWG) CALIFORNIA CUSTOMERS**

**CUSTOMER QUESTIONS OR ASSISTANCE NEEDED?** Visit [www.swgas.com](http://www.swgas.com) and create a MyAccount to view, manage, and customize your gas account online, or call our local toll-free number (toll-free) at 1-877-860-6020 for billing questions.

**Baseline** - Baseline volumes provide residential natural gas customers with an amount of gas for basic energy needs at a lower rate.

**Basic Service Charge and Gas Usage Charge** - These charges recover the costs of operating the natural gas distribution system.

**Billing Factor** - The billing factor is used to convert the metered volume of gas into units of heat energy which are called therms. SWG bills customers on a per therm basis for the amount of energy contained in the gas delivered. The current reading minus the previous reading, times the billing factor, equals the number of therms you have used in the current billing period.

**California (CA) Climate Credit** - The CA Climate Credit is a payment from a State program designed to fight climate change by limiting the amount of greenhouse gases that our largest pollution sources emit into the atmosphere. As a residential customer in California you will receive the CA Climate Credit annually on your April bill (based on your billing cycle, you may see your CA Climate Credit reflected on your May bill). Should you have any credit balance that is carried over to your following month's bill, you may request a refund by check instead of having the carryover balance applied to your bill. To request a refund check of your CA Climate Credit carryover balance, please call SWG at our toll-free number (toll-free) at 1-877-860-6020.

**CARE Discount** - The California Alternate Rates for Energy program provides a 20 percent discount to income-qualified customers at their primary residence.

**CPUC Surcharge** - The California Public Utilities Commission Surcharge recovers the cost of regulation by the CPUC.

**Customer Buried Gas Piping** - Customers may have underground gas piping that is not maintained by SWG. (Reference Federal Regulation 49 CFR Part 192.16) This piping, which is typically located between the gas meter and a building or outdoor gas appliance, may consist of buried steel gas lines. Steel gas lines are subject to the effects of corrosion if they are not maintained, which could result in leakage. Regardless if the pipe is steel or plastic, it is important that underground natural gas piping is periodically monitored to identify potential problems that might cause a hazardous condition. Federal regulations encourage customers to employ qualified plumbing and heating contractors for all inspections, monitoring, and repairing of customer buried gas piping. Unsafe conditions discovered must be repaired immediately. For assistance in locating licensed plumbers or contractors, or reviewing relocation, replacement, or maintenance options, call Energy Services at 1-800-654-2765. Remember, call before you dig to locate gas piping in advance, and excavate by hand.

**Deposit** - If you are an existing customer, your deposit will be credited to your account, with any applicable interest, after continuous service and timely payment of bills in accordance with SWG commission approved rules. If your service has been discontinued, either at your request or by SWG, your deposit, plus any applicable interest, will be refunded to you, less the amount of any unpaid bills.

**Disconnection of Service at Customer Request** - Please call SWG at least five (5) working days in advance of the date you wish to have service disconnected. If SWG is not notified, service will continue to be billed to the customer of record.

**Electronic Check Conversion** - When a check is provided as payment, SWG is authorized to either use information from the check to make a one-time electronic funds transfer from the account or to process the payment as a check transaction.

**Emergency Service** - In case of an emergency or if you smell natural gas, call SWG at 1-877-860-6020, or dial 911. Emergency service is also available by calling: Southern California 1-800-867-9091, Northern California 1-800-772-4555, or Needles, 1-800-447-5422.

**Monthly Gas Cost** - This charge recovers the cost of natural gas purchased by SWG on behalf of its customers.

**Notice to Employers** - Request a Material Safety Data Sheet (MSDS) for natural gas by calling Energy Services at 1-800-654-2765 or visiting [www.swgas.com/emergencysafety](http://www.swgas.com/emergencysafety). Please ensure your employees know how to obtain MSDS information.

**Past Due Date/Late Pay Charge** - The monthly bill is due and payable upon presentation and becomes past due if not paid by the "Past Due After" date on the bill. A late pay charge may be added to any past due amount.

**PPP Surcharge** - The Public Purpose Program Surcharge recovers the cost of public benefit programs such as the California Alternate Rates for Energy (CARE) program, energy efficiency and research and development as ordered by the California State Legislature.

**Rates and Other Information** - The Rules and Rate Schedules of SWG are available at your nearest SWG Customer Business Office or by going online at [www.swgas.com](http://www.swgas.com). The address and telephone number of the office that serves you are printed on the front of this bill (top).

**Rights of Access and Bill Estimation** - SWG will have the right of access to your premises for any purpose normally connected with the furnishing of natural gas service(s). If SWG is unable to read a meter on the scheduled date because of circumstances beyond its control, SWG will calculate the bill based upon estimated usage for that billing period.

**Service Establishment and Reestablishment Charge** - For each establishment of service there is a charge which appears on the first bill following the establishment of service. This charge partially covers the costs incurred to set up the service and create the account in the SWG billing system. Whenever gas service is turned off because of nonpayment, the delinquent bill, plus a reestablishment charge, must be paid and credit reestablished before service will be restored.

**Special Services** - Every effort will be made to ensure uninterrupted service to residential customers who notify SWG about permanent residents in their household who are seriously ill, disabled, or elderly. Also, in an effort to avoid service being turned off, any residential customer may elect to designate a third party (agency or individual) to receive a copy of all Disconnect Notices. JLR 10/11/13

Should you believe you have been billed incorrectly, please contact SWG at our toll-free number (toll-free) 1-877-860-6020. If you thereafter wish to dispute this bill, the amount of the bill should be deposited to avoid discontinuance of service, with the California Public Utilities Commission (CPUC) at 505 Van Ness Avenue, Room 2003, San Francisco, California 94102. However, the CPUC will not accept deposits when it appears that the dispute is over matters such as quality of service, level of rates, pending applications for rate increases, etc., which do not relate directly to the question of the accuracy of the bill. Make remittance payable to the CPUC and attach the bill and a statement supporting your belief that the bill is not correct. The CPUC will review the basis of the billed amount and make disbursement in accordance with its findings. The CPUC Consumer Affairs Branch may be reached by telephone toll-free at 1-800-649-7570, out of state call 415-703-2782 or e-mail at [consumer-affairs@cpuc.ca.gov](mailto:consumer-affairs@cpuc.ca.gov). For the hearing impaired, please contact the CPUC at 415-703-2032.

Form 927.6CA (07/2018) 320

IF ACTUAL COPY OF FORM IS REQUIRED, PLEASE NOTIFY COMPANY

Advice Letter No. 1077  
Decision No. \_\_\_\_\_

Issued by  
Justin Lee Brown  
Senior Vice President

Date Filed August 9, 2018  
Effective \_\_\_\_\_  
Resolution No. \_\_\_\_\_