

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 29, 2018

Advice Letter 1081-G

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

SUBJECT: To Request a One-Year Extension of the Conditional Approval Granted to SWG for its Revisions to Preliminary Statement 17 - Gas Cost Incentive Mechanism.

Dear Mr. Brown:

Advice Letter 1081-G is effective as of October 31, 2018.

Sincerely,

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

Edward Randolph
Director, Energy Division



SOUTHWEST GAS CORPORATION

October 5, 2018

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. 1081

Enclosed herewith is an original and one (1) copy of Southwest Gas Corporation's Advice Letter No. 1081. There are no tariff sheets associated with this submission.

Sincerely,


Valerie J. Ontiveroz
Regulatory Manager/California

VJO:jjp
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 1081

October 5, 2018

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) herewith submits Advice Letter No. 1081. There are no tariff sheets associated with this submission.

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, 2018 through October 31, 2019.

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 be made effective on October 31, 2018, consistent with the start of Company's next GCIM reporting period.

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 submission, 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, at the same address above and mailed, emailed or faxed to:

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

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.

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.



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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
Email: valerie.ontiveroz@swgas.com

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By


Justin Lee Brown

Attachments

DISTRIBUTION LIST

Advice Letter No. 1081

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



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) #: 1081 Tier Designation: Tier 2

Subject of AL: To request a one-year extension of the conditional approval granted to SWG for its revisions to Preliminary Statement 17 - Gas Cost Incentive Mechanism.

Keywords (choose from CPUC listing): Preliminary Statement

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: 10/31/18 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 proposed¹: See 'Subject of AL' above

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

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL 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

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

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

Clear Form