

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 24, 2019

Advice Letter 1090-G

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

SUBJECT: Modification of the GHGBA in the Preliminary Statement.

Dear Mr. Brown:

Advice Letter 1090-G is effective as of December 23, 2015.

Sincerely,

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

Edward Randolph
Director, Energy Division



SOUTHWEST GAS CORPORATION

December 20, 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. 1090

Enclosed herewith is an original and one (1) copy of Southwest Gas Corporation's Advice Letter No. 1090, together with California Gas Tariff Sheet Nos. 45.1 and 45.2.

Sincerely,

Valerie J. Ontiveroz
Regulatory Manager/California

VJO:jjp
Enclosures



SOUTHWEST GAS CORPORATION

Advice Letter No. 1090

December 20, 2018

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Cal. P.U.C. Sheet No.	California Gas Tariff Title of Sheet	Canceling Cal. P.U.C. Sheet No.
4th Revised Sheet No. 45.1	Preliminary Statement (<i>Continued</i>)	3rd Revised Sheet No. 45.1
3rd Revised Sheet No. 45.2	Preliminary Statement (<i>Continued</i>)	2nd Revised Sheet No. 45.2

Purpose

The purpose of this submission is to revise the Greenhouse Gas Balancing Account (GHGBA) in Southwest Gas Tariff Preliminary Statement in accordance with Decision (D.) 15-10-032. The revisions to the GHGBA included in this submission were previously approved in Advice Letter No. 992.

Background

On February 9, 2016, Southwest Gas' Advice Letter No. 992 was approved by the Commission's Energy Division and incorporated revisions to the GHGBA pursuant to various requirements adopted in D.15-10-032, such as the addition of a new subaccount to record emission costs associated with lost and unaccounted for gas. Subsequently, Southwest Gas submitted Advice Letter Nos. 1005 (in March 2016) and 1033 (in February 2017) to remove the Tax Act Memorandum Account (TAMA) and the Pipeline Integrity Memorandum Account (PIMA) from the Company's tariff, respectively. Given that the approval of Advice Letter No. 992 and the preparation of Advice Letter No. 1005 occurred around the same time, the incorrect tariff sheets were inadvertently used to prepare the subsequent Advice Letters Nos. 1005 and 1033. Consequently, the current GHGBA contained within the Tariff Preliminary Statement does not contain the revisions approved in Advice Letter No. 992. Therefore, Southwest Gas requests authorization to reinsert the revisions previously approved in Advice Letter No. 992. No other revisions to the GHGBA have been made.

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



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Effective Date

Southwest Gas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (Effective Pending Disposition) pursuant to General Order (GO) 96-B given that the revisions proposed herein were previously approved by the Energy Division on February 9, 2016, effective December 23, 2015. Southwest Gas respectfully requests that this Advice Letter be approved effective December 23, 2015, consistent with the approval granted in Advice Letter No. 992.

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 submission 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, 4th Floor
San Francisco, CA 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 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
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 the proposed revisions were previously approved in Advice Letter No. 992.

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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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

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 
Justin Lee Brown

Attachments

Distribution List

Advice Letter No. 1090

In conformance with GO 96-B, General Rule 4.3

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

Elizabeth Echols, Director
Public Advocates Office
California Public Utilities Commission
elizabeth.echols@cpuc.ca.gov

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
Public Advocates Office
California Public Utilities Commission
rmp@cpuc.ca.gov

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

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

PRELIMINARY STATEMENT
(Continued)

23. GREENHOUSE GAS (GHG) BALANCING ACCOUNT (GHGBA)

23A. PURPOSE

The GHGBA is a two-way balancing account for the purpose of tracking and recording costs incurred to comply with the California Air Resource Board's (ARB) natural gas supplier Cap-and-Trade Program and revenues from consignment of the Company's natural gas supplier GHG allowances for auction under the Cap-and-Trade Program. The Company is authorized to establish the GHGBA pursuant to Decision 14-12-040.

23B. APPLICABILITY

Costs and revenues recorded in the GHGBA provision apply to all customer classes ("Non-Covered Entities"), excluding end-use customers who emit 25,000 metric tons of CO₂e or more per year and are directly regulated by the ARB and any other customers who elect to opt-in to direct regulation under ARB's rules ("Covered Entities"). All Cap-and-Trade program costs are to be included in transportation rates for Non-Covered Entities. Covered Entities are only responsible for paying for emissions costs associated with lost and unaccounted for gas (LUAF).

23C. REVISION DATE

The Company shall file to update the GHGBA adjustment rates in its annual November Advice Letter filing to update balancing account surcharges and transportation and storage rates.

23D. FORECAST PERIOD VOLUMES

The volumes of gas, expressed in therms, to be utilized hereunder shall be the volumes estimated to be delivered during the 12 calendar-month period immediately following the Revision Date excluding end-use customers who emit 25,000 metric tons of CO₂e or more per year and are directly regulated by the ARB and any other customers who elect to opt-in to direct regulation under ARB's Rules.

23E. ACCOUNTING

The Company will maintain separate subaccounts in the GHGBA for costs incurred to comply with the ARB's natural gas supplier Cap-and-Trade Program, revenues received from consignment of allowance for auction, and emission costs associated with LUAF.

1. The Company shall make the following entries for ARB natural gas supplier Cap-and-Trade Program costs in the GHGBA subaccount at the end of each month:
 - a. A debit entry for costs associated with the ARB's natural gas supplier Cap-and-Trade Program, excluding emission costs associated with lost and unaccounted for gas (LUAF);
 - b. A debit entry for incremental Commission authorized Cap-and-Trade Program costs, not otherwise recovered in rates;

N
N
N
N
N
N
N
N
N
N

PRELIMINARY STATEMENT
(Continued)

23. GREENHOUSE GAS (GHG) BALANCING ACCOUNT (GHGBA)

23E. ACCOUNTING (continued)

- c. A credit entry equal to the GHGBA adjustment rate, excluding franchise taxes and uncollectible accounts expense, multiplied by the applicable volumes delivered during the month; and
 - d. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.
2. The Company will make the following entries for Cap-and-Trade Program revenues from consignment in the GHGBA subaccount at the end of each month:
- a. A credit entry equal to GHG revenues received from consignment of the Company's natural gas supplier GHG allowances for auction under the Cap-and-Trade Program;
 - b. A debit entry equal to the revenues returned to residential customers through the California Climate Credit annually in April; and
 - c. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.
3. The Company will make the following entries for emission costs associated with LUAF in the GHGBA subaccount at the end of each month:
- a. A debit entry for emissions costs associated with LUAF;
 - b. A credit entry equal to the GHGBA adjustment rate, excluding franchise taxes and uncollectible accounts expense, multiplied by the applicable volumes delivered during the month; and
 - c. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.

23F. GHGBA ADJUSTMENT RATES

The Company's GHG adjustment rates to recover costs to comply with the ARB's natural gas supplier Cap-and-Trade Program and to return revenues received from consignment of the Company's natural gas supplier GHG allowances for auction will be calculated pursuant to the methodologies set forth in D.15-10-032.



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) #: 1090

Tier Designation: Tier 1

Subject of AL: Modification of the GHGBA in the Preliminary Statement.

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: 1/1/19

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:

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