

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 2, 2020

Advice Letter 1115-G

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

SUBJECT: Revise the Public Purpose Program Surcharge for Rates Effective January 1, 2020

Dear Mr. Brown:

Advice Letter 1115-G is effective as of January 1, 2020.

Sincerely,

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

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division



SOUTHWEST GAS CORPORATION

October 31, 2019

Advice Letter No. 1115-G

(U 905 G)

Public Utilities Commission of the State of California

**Subject: Revise the Public Purpose Program Surcharge for Rates Effective
January 1, 2020**

Southwest Gas Corporation (Southwest Gas or Company) hereby submits for approval to the California Public Utilities Commission (Commission) revisions to its California Gas Tariff. The affected tariff sheet is listed on the enclosed Attachment A.

Purpose

The purpose of the submission is to adjust Southwest Gas' Public Purpose Program (PPP) surcharge rates applicable to its California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA) programs in accordance with Ordering Paragraphs (OP) 22 in Decision 04-08-010 and 10 in D.14-05-004.

Updated 2020 PPP Surcharges

Southwest Gas' PPP surcharges are calculated using the formulas provided in D.04-08-010. The volumes used in the calculations reflect a three-year average (36 consecutive months ending, September 2019), as set forth in D.04-08-010. Additionally, the funding levels used in the surcharge calculations for Southwest Gas CARE and ESA programs were authorized in D.18-08-020 for program years 2018 through 2020. The calculations of Southwest Gas' proposed 2020 PPP Surcharges are illustrated in the attached Appendix A.

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 Disposition) pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests the revised tariff sheets be approved November 30, which is 30 days from the date submitted, with an effective date of January 1, 2020,



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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(1), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since Southwest Gas is authorized to adjust its PPP Surcharges pursuant to D.04-08-010 and D.18-08-020.

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 distribution 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: 
Valerie J. Ontiveroz

Attachments

Distribution List

Advice Letter No. 1115

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
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
robert.pocta@cpuc.ca.gov

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

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

ATTACHMENT A
Advice Letter No. 1115

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
13th Revised Sheet No. 121	Schedule No. G-PPS – Surcharge to Fund Public Purpose Programs (PPP)	12th Revised Sheet No. 121

Schedule No. G-PPPS

SURCHARGE TO FUND PUBLIC PURPOSE PROGRAMS (PPP)APPLICABILITY

Applicable to all gas sales and transportation service excluding service for: electric generation including cogeneration, enhanced oil recovery, wholesale for resale to end users, natural gas produced in California and transported on a proprietary pipeline, and the consumption of natural gas which California is prohibited for taxing under the United States Constitution or the California Constitution.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

Customer Class	PPP SURCHARGE AMOUNT PER THERM			
	Non-CARE Customers		CARE Customers	
	Southern CA	Northern CA/ South Lake Tahoe	Southern CA	Northern CA/ South Lake Tahoe
Core *				
Residential	\$ 0.15990	\$ 0.06385	\$ 0.05606	\$ 0.05606
Commercial/Industrial	\$ 0.15990	\$ 0.06385	\$ 0.05606	\$ 0.05606
Gas Engine	\$ 0.15990	\$ 0.06385	N/A	N/A
Natural Gas Vehicle	\$ 0.15990	\$ 0.06385	N/A	N/A
Non-Core **				
Commercial/Industrial	\$ 0.15990	\$ 0.06385	N/A	N/A

* Residential service includes Rate Schedule Nos. GS/GN/SLT-10, -12, -15, -20, and -25; and GS-11. Commercial/Industrial service includes Rate Schedule Nos. GS/GN/SLT-35, -40, and -60. Natural Gas Vehicle service includes Rate Schedule No. GS-50/GN-50/SLT-50.

** Commercial/Industrial service includes Rate Schedule No. GS-70/GN-70/SLT-70.

The PPP surcharges are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference.

The number of therms shall be determined in accordance with the provisions of Rule No. 2C of this California Gas Tariff.

Appendix A

**SOUTHWEST GAS CORPORATION
 CALIFORNIA JURISDICTIONS
 PUBLIC PURPOSE PROGRAM (PPP) SURCHARGES
 TO BE EFFECTIVE JANUARY 1, 2020**

Line No.	Description (a)	Southern California (b)	Northern California and South Lake Tahoe (c)	All California Jurisdictions (d)	Line No.
<u>Non-CARE PPP Surcharges</u>					
1	CARE Component	\$ 0.10507	\$ 0.01038		1
2	CARE Balancing Account Component	\$(0.00135)	\$ (0.00271)		2
3	CDTFA PPP Administrative Surcharge	\$ 0.00012	\$ 0.00012		3
4	CPUC PPP Administrative Charges	\$ 0.00000	\$ 0.00000		4
5	Total Non-CARE PPP Surcharges	<u>\$ 0.10384</u>	<u>\$ 0.00779</u>		5
<u>CARE PPP Surcharges</u>					
6	ESA Component			\$ 0.04780	6
7	R & D Component			\$ 0.00359	7
8	CEE Component [1]			<u>\$ 0.00467</u>	8
9	Total CARE PPP Surcharges			<u>\$ 0.05606</u>	9
<u>Total PPP Surcharges</u>					
10	CARE Customer Rate per Therm [2]	<u>\$ 0.05606</u>	<u>\$ 0.05606</u>		10
11	Non-CARE Customer Rate per Therm [3]	<u>\$ 0.15990</u>	<u>\$ 0.06385</u>		11

[1] CEE Approved in D.14-06-028.

[2] Sum of CARE PPP Surcharges

[3] Sum of CARE plus Non-CARE PPP Components.

**SOUTHWEST GAS CORPORATION
 CALIFORNIA JURISDICTIONS
 CALCULATION OF PUBLIC PURPOSE PROGRAM (PPP) SURCHARGES
 CALIFORNIA ALTERNATIVE RATE FOR ENERGY (CARE), ENERGY SAVINGS ASSISTANCE (ESA), CONSERVATION AND
 ENERGY EFFICIENCY (CEE), AND RESEARCH AND DEVELOPMENT (R&D)
 TO BE EFFECTIVE JANUARY 1, 2020**

Line No.	Description (a)	Southern California (b)	Northern California and South Lake Tahoe (c)	All California Jurisdictions (d)	Line No.
<u>CARE PPP Components</u>					
1	CARE Program Revenue Requirement [1]	\$ 7,025,832	\$ 504,558	\$ 7,530,390	1
2	CARE Program Balancing Account [2]	\$ (90,399)	\$ (131,856)	\$ (222,255)	2
3	2018 Adjusted CARE budget	\$ 6,935,433	\$ 372,703	\$ 7,308,135	3
4	CARE Applicable Volume (Therms) [3]	66,866,228	48,600,052	115,466,280	4
5	CARE Balancing Account Rate Per Therm (Ln.2/Ln.4)	\$ (0.00135)	\$ (0.00271)		5
6	CARE Program Rate per Therm (Ln.1/Ln.4)	\$ 0.10507	\$ 0.01038		6
7	CDTFA Administrative Revenue Requirement [4]			\$ 13,653	7
8	CDTFA Rate per Therm [3] (Ln.7/Ln.4)			\$ 0.00012	8
9	CPUC Administrative Revenue Requirement [4]			\$ 0.00000	9
10	CPUC Administrative Rate per Therm (Ln.9/Ln.4)			\$ 0.00000	10
11	CARE PPP Rate per Therm (Lns.5+6+8+10)	<u>\$ 0.10384</u>	<u>\$ 0.00779</u>		11
<u>ESA PPP Components</u>					
12	2020 ESA Revenue Requirement [1]			\$ 6,671,981	12
13	ESA Applicable Volume (Therms) [5]			139,567,870	13
14	ESA PPP Component Rate per Therm (Ln.12/Ln.13)			<u>\$ 0.04780</u>	14
<u>CEE PPP Component</u>					
15	CEE Revenue Requirement [6]			\$ 1,000,000	15
16	CEE Balancing Account [2]			\$ (348,402)	16
17	2018 Adjusted CEE budget			\$ 651,598	17
18	CEE PPP Component Rate per Therm (Ln.17/Ln.13)			<u>\$ 0.00467</u>	18
<u>R&D PPP Component</u>					
19	R & D Revenue Requirement [4]			\$ 281,013	19
20	R & D Balancing Account [2]			\$ 219,966	20
21	2019 Adjusted R&D budget			\$ 500,979	21
22	R & D Rate per Therm (Ln.21/Ln.13)			<u>\$ 0.00359</u>	22

[1] Funding levels approved in D.18-08-020.

[2] General Ledger Ending Balance September 30, 2019, including CDTFA Activity Adjustment. Balancing Account adjustment approved in D.04-08-010.

[3] Three-year (36 consecutive months ended September 30, 2019) average volumes for Southern California and Northern California, including South Lake Tahoe ratemaking areas, excluding exempt volumes.

[4] Amounts provided by the Energy Division on August 30, 2019.

[5] Three-year (36 consecutive months ended September 30, 2019) average state-wide volumes, excluding exempt volumes.

[6] Funding approved in D.14-06-028.



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

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:

Summarize differences between the AL and the prior withdrawn or rejected AL:

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:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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:

Pending advice letters that revise the same tariff sheets:

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

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