PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



May 8, 2020

Advice Letter 1121-G 1121-G-A 1121-G-B

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

## SUBJECT: Energy Savings Assistance Program Bridge Funding Plan for January 1, 2021 - June 30, 2021.

Dear Mr. Brown:

Advice Letter 1121-G, 1121-G-A, 1121-G-B is effective as of January 1, 2021.

Sincerely,

Edward Ramlogen

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



March 13, 2020

### Advice 1121-G-B

(U 905 G)

Public Utilities Commission of the State of California

## <u>Subject</u>: Energy Savings Assistance Program Bridge Funding Plan for January 1, 2021 – June 30, 2021

#### <u>Purpose</u>

Southwest Gas Corporation (Southwest Gas) hereby submits this supplemental Advice Letter to update Southwest Gas' Energy Savings Assistance (ESA) Program Bridge Funding Plan for January 1, 2021 – June 30, 2021 pursuant to Ordering Paragraph (OP) 5 in Decision (D.) 19-11-005. This supplemental Advice Letter replaces in its entirety Advice Letter No. 1121-G-A submitted on February 28, 2020. There are no tariff sheets associated with this Advice Letter submission.

#### **Background**

The Commission issued D.19-11-005 to provide guidance to the six Small and Multi-Jurisdictional Utilities (SMJUs) for their 2021-2026 California Alternate Rates for Energy (CARE) and ESA Programs. D.19-11-005 also adopts a plan to provide bridge funding between the current 2018-2020 program years and post-2020. D.19-11-005 states:

... the Commission authorizes bridge funding to cover ESA program activity for January 1, 2021- June 30, 2021 if we have not voted to approve the 2021 and beyond programs and budget applications by November 16, 2020 (45 days prior to end of current approved budget cycle). The Commission hereby authorizes a bridge-funding amount up to the authorized 2020 budget levels. The SMJUs are to continue the previously approved ESA activities and treat the number of homes the bridge budget will accommodate. In the event bridge funding is needed, the SMJUs must set household treatment goals for the bridge period. The SMJUs are accountable to meet an interim progress milestone, where the SMJUs must treat about half of the bridge treatment goal for the period January 1, 2021-March 31, 2021 and retain enough budget to treat the remaining homes for the bridge period goal by June 30, 2021. Other ESA activities beyond treatments that are not completed at the end of 2020, yet still have funds from the current cycle, should continue into PY 2021 but not result in additional budget allocation through bridge funding for the activity. If the



Advice 1121-G-B Page 2 March 13, 2020

Commission hasn't voted on the applications by May 16, 2021, and the SMJUs have met the interim progress milestone, an extension of ESA bridge funding for six months through the end of 2021, at the same budget level and retreatment goal as for the first six-month bridge, is authorized.<sup>1</sup>

Additionally, OP 5 in D.19-11-005 directs the SMJUs to file a Tier 1 Advice Letter fortyfive (45) days after issuance of the decision, with calculations of their ESA Program bridge funding amount, source for bridge funds, and treatment goals for the January 1, 2021 -June 30, 2021 bridge period.<sup>2</sup>

On December 18, 2019, Southwest Gas submitted its Tier 1 Advice Letter in compliance with OP 5. At the Energy Division's request, Southwest Gas submitted supplemental Advice Letter No. 1121-G-A on February 28, 2020 replacing the originally submitted Advice Letter in its entirety.

#### Energy Savings Assistance Bridge Funding Plan

In accordance with D.19-11-005, Southwest Gas developed an ESA Bridge Funding Plan setting forth the program bridge funding amount, source for bridge funds and treatment goals for the January 1, 2021 – June 30, 2021 bridge period. On February 28, 2020, Southwest Gas updated its original estimated budget of \$2,425,000 to \$2,700,000 and its household treatment goal of 1,000 homes to 900 homes for the period covering January 1, 2021 – June 30, 2021 – June 30, 2021.

Southwest Gas has updated its original anticipated unspent funds of \$2,700,000 to \$1,300,000 from ESA Program years 2018-2020. Additional revenue of approximately \$1,400,000 will be needed for the remainder of the bridge funding period. The following table illustrates Southwest Gas' updated proposed bridge funding amount for the period January 1, 2021 – June 30, 2021:

<sup>&</sup>lt;sup>1</sup> D.19-11-005 at pgs. 8-9.

<sup>&</sup>lt;sup>2</sup> *Id*. at pg. 11.



Advice 1121-G-B Page 3 March 13, 2020

#### Southwest Gas' Bridge Funding January 1, 2021 – June 30, 2021

	Budget	Homes Treated Goal	Average Cost Per Home Treated	Estimated Carry- Over (2018-2020)	Estimated New Revenue Required For This Period
January 1, 2021 - June 30, 2021	\$2,700,000	900	\$3,000	\$1,300,000	\$1,400,000

If the Commission has not approved Southwest Gas' 2021-2026 ESA and CARE Program Budget Applications by May 16, 2021, Southwest Gas will require additional ESA Program funding for the remainder of 2021 (July – December).

#### Effective Date

Pursuant to OP 5 in D.19-11-005, this Advice Letter is classified as Tier 1 (Effective Pending Disposition) and subject to Energy Division disposition pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests this Advice Letter be made effective on December 18, 2019, which is the originally requested effective date for Advice Letter No. 1121.

#### <u>Protest</u>

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, 4<sup>th</sup> Floor San Francisco, CA 94102 Email: <u>edtariffunit@cpuc.ca.gov</u> 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:



Advice 1121-G-B Page 4 March 13, 2020

> 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

#### <u>Notice</u>

Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is submitted in compliance with OP 5 in D.19-11-005.

#### <u>Service</u>

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.

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: <u>valerie.ontiveroz@swgas.com</u>

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: Valerie J. Ontwero-Valerie J. Ontiveroz

#### **Distribution List**

Advice Letter No. 1121-G-B

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 <u>elizabeth.echols@cpuc.ca.gov</u>

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 <u>nathaniel.skinner@cpuc.ca.gov</u>

Pearlie Sabino Public Advocates Office California Public Utilities Commission <u>pearlie.sabino@cpuc.ca.gov</u>



# California Public Utilities Commission

# 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 PLC = Pipeline HEAT = Heat WATER = Water	(Date Submitted / Received Stamp by CPUC)				
Advice Letter (AL) #:	Tier Designation:				
Subject of AL:					
Keywords (choose from CPUC listing): AL Type: Monthly Quarterly Annual If AL submitted in compliance with a Commissi	al One-Time Other: on order, indicate relevant Decision/Resolution #:				
Does AL replace a withdrawn or rejected AL? I	f so, identify the prior AL:				
Summarize differences between the AL and th	e 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 proposed <sup>1</sup> :					
Pending advice letters that revise the same tariff sheets:					

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: <u>EDTariffUnit@cpuc.ca.gov</u>	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:		

#### ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



February 28, 2020

### Advice 1121-A-G

(U 905 G)

Public Utilities Commission of the State of California

## <u>Subject</u>: Energy Savings Assistance Program Bridge Funding Plan for January 1, 2021 – June 30, 2021

#### <u>Purpose</u>

Pursuant to the Energy Division's request on February 10, 2020, Southwest Gas Corporation (Southwest Gas) hereby submits this supplemental Advice Letter to update Southwest Gas' Energy Savings Assistance (ESA) Program Bridge Funding Plan for January 1, 2021 – June 30, 2021 pursuant to Ordering Paragraph (OP) 5 in Decision (D.) 19-11-005. This supplemental Advice Letter replaces in its entirety Advice Letter No. 1121 submitted on December 18, 2019. There are no tariff sheets associated with this Advice Letter submission.

#### **Background**

The Commission issued D.19-11-005 to provide guidance to the six Small and Multi-Jurisdictional Utilities (SMJUs) for their 2021-2026 California Alternate Rates for Energy (CARE) and ESA Programs. D.19-11-005 also adopts a plan to provide bridge funding between the current 2018-2020 program years and post-2020. D.19-11-005 states:

...the Commission authorizes bridge funding to cover ESA program activity for January 1, 2021- June 30, 2021 if we have not voted to approve the 2021 and beyond programs and budget applications by November 16, 2020 (45 days prior to end of current approved budget cycle). The Commission hereby authorizes a bridge-funding amount up to the authorized 2020 budget levels. The SMJUs are to continue the previously approved ESA activities and treat the number of homes the bridge budget will accommodate. In the event bridge funding is needed, the SMJUs must set household treatment goals for the bridge period. The SMJUs are accountable to meet an interim progress milestone, where the SMJUs must treat about half of the bridge treatment goal for the period January 1, 2021-March 31, 2021 and retain enough budget to treat the remaining homes for the bridge period goal by June 30, 2021. Other ESA activities beyond treatments that are not completed at the end of 2020, yet still have funds from the current cycle, should continue into PY 2021 but not result in additional budget allocation through bridge funding for the activity. If the Commission hasn't voted on the applications by May 16, 2021, and the



Advice 1121-A-G Page 2 February 28, 2020

SMJUs have met the interim progress milestone, an extension of ESA bridge funding for six months through the end of 2021, at the same budget level and retreatment goal as for the first six-month bridge, is authorized.<sup>1</sup>

Additionally, OP 5 in D.19-11-005 directs the SMJUs to file a Tier 1 Advice Letter fortyfive (45) days after issuance of the decision, with calculations of their ESA program bridge funding amount, source for bridge funds, and treatment goals for the January 1, 2021 – June 30, 2021 bridge period.<sup>2</sup>

On December 18, 2019, Southwest Gas submitted its Tier 1 Advice Letter in compliance with OP 5.

#### Energy Savings Assistance Bridge Funding Plan

In accordance with D.19-11-005, Southwest Gas developed an ESA Bridge Funding Plan setting forth the program bridge funding amount, source for bridge funds and treatment goals for the January 1, 2021 – June 30, 2021 bridge period. Southwest Gas has updated its original estimated budget of \$2,425,000 to \$2,700,000 and its household treatment goal of 1,000 homes to 900 homes for the period covering January 1, 2021 – June 30, 2021.

Southwest Gas anticipates having approximately \$2,700,000 in unspent funds from ESA program years 2018-2020, which will cover the estimated budget for the bridge period. The following table illustrates Southwest Gas' updated proposed bridge funding amount for the period January 1, 2021 – June 30, 2021:

	Budget	Homes Treated Goal	Average Cost Per Home Treated	Estimated Carry-Over (2018-2020)	Estimated New Revenue Required For This Period
January 1, 2021 - June 30, 2021	\$2,700,000	900	\$3,000	\$2,700,000	\$0

Southwest Gas' Bridge Funding January 1, 2021 – June 30, 2021

If the Commission has not approved Southwest Gas' 2021-2026 ESA and CARE Program Budget Applications by May 16, 2021, Southwest Gas may require additional ESA program funding for the remainder of 2021 (July – December).

<sup>&</sup>lt;sup>1</sup> D.19-11-005 at pgs. 8-9.

<sup>&</sup>lt;sup>2</sup> *Id*. at pg. 11.



Advice 1121-A-G Page 3 February 28, 2020

#### **Effective Date**

Pursuant to OP 5 in D.19-11-005, this Advice Letter is classified as Tier 1 (Effective Pending Disposition) and subject to Energy Division disposition pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests this Advice Letter be made effective on December 18, 2019, which is the originally requested effective date for Advice Letter No. 1121.

#### 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, 4<sup>th</sup> Floor San Francisco, CA 94102 Email: <u>edtariffunit@cpuc.ca.gov</u> 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

#### <u>Notice</u>

Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is submitted in compliance with OP 5 in D.19-11-005.



Advice 1121-A-G Page 4 February 28, 2020

#### <u>Service</u>

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.

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: <u>valerie.ontiveroz@swgas.com</u>

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: Dalerie Valerie J. Ontiveroz

#### **Distribution List**

Advice Letter No. 1121-A-G

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 <u>elizabeth.echols@cpuc.ca.gov</u>

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 <u>nathaniel.skinner@cpuc.ca.gov</u>

Pearlie Sabino Public Advocates Office California Public Utilities Commission <u>pearlie.sabino@cpuc.ca.gov</u>



# California Public Utilities Commission

# 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 PLC = Pipeline HEAT = Heat WATER = Water	(Date Submitted / Received Stamp by CPUC)				
Advice Letter (AL) #:	Tier Designation:				
Subject of AL:					
Keywords (choose from CPUC listing): AL Type: Monthly Quarterly Annual If AL submitted in compliance with a Commissi	al One-Time Other: on order, indicate relevant Decision/Resolution #:				
Does AL replace a withdrawn or rejected AL? I	f so, identify the prior AL:				
Summarize differences between the AL and th	e 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 proposed <sup>1</sup> :					
Pending advice letters that revise the same tariff sheets:					

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: <u>EDTariffUnit@cpuc.ca.gov</u>	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:		

#### ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	

#### ADVICE LETTER (AL) SUSPENSION NOTICE ENERGY DIVISION

Utility Name: Southwest Gas Utility Number/Type: U 905-G Advice Letter Number(s): 1121-G Date AL(s) Filed: December 18, 2019 Utility Contact Person: Valerie Oniveroz Utility Phone No.: 702-876-7323 Date Utility Notified: January 17, 2020 [x ] E-Mailed to: Valerie.ontiveroz@swgas.com ED Staff Contact: Syreeta Gibbs ED Staff Email: syreeta.gibbs@cpuc.ca.gov ED Staff Phone No.: 415-703-1622

### [X] INITIAL SUSPENSION (up to 120 DAYS from the expiration of the initial review period)

This is to notify that the above-indicated AL is suspended for up to 120 days for the following reason(s) below. If the AL requires a Commission resolution and the Commission's deliberation on the resolution prepared by Energy Division extends beyond the expiration of the initial suspension period, the advice letter will be automatically suspended for up to 180 days beyond the initial suspension period.

[] A Commission Resolution is Required to Dispose of the Advice Letter

[] Advice Letter Requests a Commission Order

[] Advice Letter Requires Staff Review

The expected duration of initial suspension period is 120 days

### [ ] FURTHER SUSPENSION (up to 180 DAYS beyond initial suspension period)

The advice letter is suspended for up to 180 days beyond the initial suspension period.

If you have any questions regarding this matter, please contact Syreeta Gibbs at syreeta.gibbs@cpuc.ca.gov

cc: <u>EDTariffUnit@cpuc.ca.gov</u> <u>Alison.labonte@cpuc.ca.gov</u>



December 18, 2019

### Advice 1121-G

(U 905 G)

Public Utilities Commission of the State of California

## <u>Subject</u>: Energy Savings Assistance Program Bridge Funding Plan for January 1, 2021 – June 30, 2021

#### <u>Purpose</u>

Southwest Gas Corporation (Southwest Gas) hereby submits for approval by the California Public Utilities Commission (Commission) its Energy Savings Assistance (ESA) Program Bridge Funding Plan for January 1, 2021 – June 30, 2021 pursuant to Ordering Paragraph (OP) 5 in Decision (D.) 19-11-005. There are no tariff sheets associated with this Advice Letter submission.

#### **Background**

The Commission issued D.19-11-005 to provide guidance to the six Small and Multi-Jurisdictional Utilities (SMJUs) for their 2021-2026 California Alternate Rates for Energy (CARE) and ESA Programs. D.19-11-005 also adopts a plan to provide bridge funding between the current 2018-2020 program years and post-2020. D.19-11-005 states:

...the Commission authorizes bridge funding to cover ESA program activity for January 1, 2021- June 30, 2021 if we have not voted to approve the 2021 and beyond programs and budget applications by November 16, 2020 (45 days prior to end of current approved budget cycle). The Commission hereby authorizes a bridge-funding amount up to the authorized 2020 budget levels. The SMJUs are to continue the previously approved ESA activities and treat the number of homes the bridge budget will accommodate. In the event bridge funding is needed, the SMJUs must set household treatment goals for the bridge period. The SMJUs are accountable to meet an interim progress milestone, where the SMJUs must treat about half of the bridge treatment goal for the period January 1, 2021-March 31, 2021 and retain enough budget to treat the remaining homes for the bridge period goal by June 30, 2021. Other ESA activities beyond treatments that are not completed at the end of 2020, yet still have funds from the current cycle, should continue into PY 2021 but not result in additional budget allocation through bridge funding for the activity. If the Commission hasn't voted on the applications by May 16, 2021, and the SMJUs have met the interim progress milestone, an extension of ESA bridge



Advice 1121-G Page 2 December 18, 2019

funding for six months through the end of 2021, at the same budget level and retreatment goal as for the first six-month bridge, is authorized.<sup>1</sup>

Additionally, OP 5 in D.19-11-005 directs the SMJUs to file a Tier 1 Advice Letter forty-five (45) days after issuance of the decision, with calculations of their ESA program bridge funding amount, source for bridge funds, and treatment goals for the January 1, 2021 – June 30, 2021 bridge period.<sup>2</sup>

#### Energy Savings Assistance Bridge Funding Plan

In accordance with D.19-11-005, Southwest Gas has developed an ESA Bridge Funding Plan setting forth the program bridge funding amount, source for bridge funds and treatment goals for the January 1, 2021 – June 30, 2021 bridge period. Southwest Gas estimates a budget of \$2,425,000 with a household treatment goal of 1,000 homes for the period covering January 1, 2021 – June 30, 2021. Additionally, this budget aligns with Southwest Gas' average cost per home of \$2,425 approved in D.18-08-020.

Southwest Gas anticipates having approximately \$2,700,000 in unspent funds from ESA program years 2018-2020, which will cover the estimated budget of \$2,425,000 for the bridge period. The following table illustrates Southwest Gas proposed bridge funding amount for the period January 1, 2021 – June 30, 2021:

	Budget	Homes Treated Goal	Average Cost Per Home Treated	Estimated Carry-Over (2018-2020)	Estimated New Revenue Required For This Period
January 1, 2021 - June 30, 2021	\$2,425,000	1,000	\$2,425	\$2,700,000	\$0

#### Southwest Gas' Bridge Funding January 1, 2021 – June 30, 2021

If the Commission has not approved Southwest Gas' 2021-2026 ESA and CARE Program Budget Applications by May 16, 2021, Southwest Gas may require additional ESA program funding for the remainder of 2021 (July – December).

Finally, in the event the Southwest Gas' estimates of unspent funds from program years 2018-2020 significantly changes and/or Southwest Gas determines bridge funding will be

<sup>&</sup>lt;sup>1</sup> D.19-11-005 at pgs. 8-9.

<sup>&</sup>lt;sup>2</sup> *Id*. at pg. 11.



Advice 1121-G Page 3 December 18, 2019

needed, Southwest Gas requests the ability to submit another Advice Letter updating its bridge funding estimates.

#### **Effective Date**

Pursuant to OP 5 in D.19-11-005, this Advice Letter is classified as Tier 1 (Effective Pending Disposition) and subject to Energy Division disposition pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests this Advice Letter be made effective on December 18, 2019, which is the date submitted.

#### 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, 4<sup>th</sup> Floor San Francisco, CA 94102 Email: <u>edtariffunit@cpuc.ca.gov</u> 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

#### <u>Notice</u>

Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in GO 96-B since this Advice Letter is submitted in compliance with OP 5 in D.19-11-005.



Advice 1121-G Page 4 December 18, 2019

#### <u>Service</u>

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.

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: <u>valerie.ontiveroz@swgas.com</u>

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: Dalerie Valerie J. Ontiveroz

#### **Distribution List**

Advice Letter No. 1121-G

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 <u>elizabeth.echols@cpuc.ca.gov</u>

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 <u>nathaniel.skinner@cpuc.ca.gov</u>

Pearlie Sabino Public Advocates Office California Public Utilities Commission <u>pearlie.sabino@cpuc.ca.gov</u>



# California Public Utilities Commission

# 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 PLC = Pipeline HEAT = Heat WATER = Water	(Date Submitted / Received Stamp by CPUC)				
Advice Letter (AL) #:	Tier Designation:				
Subject of AL:					
Keywords (choose from CPUC listing): AL Type: Monthly Quarterly Annual If AL submitted in compliance with a Commissi	al One-Time Other: on order, indicate relevant Decision/Resolution #:				
Does AL replace a withdrawn or rejected AL? I	f so, identify the prior AL:				
Summarize differences between the AL and th	e 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 proposed <sup>1</sup> :					
Pending advice letters that revise the same tariff sheets:					

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: <u>EDTariffUnit@cpuc.ca.gov</u>	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:		

#### ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	