

PUBLIC UTILITIES COMMISSION  
505 Van Ness Avenue  
San Francisco CA 94102-3298



**Southwest Gas Corporation**  
**GAS (Corp ID 905)**  
**Status of Advice Letter 1150G**  
**As of December 9, 2020**

Subject: Update Public Purpose Program Surcharge for Rates Effective January 1, 2021

Division Assigned: Energy

Date Filed: 11-02-2020

Date to Calendar: 11-04-2020

Authorizing Documents: D0408010

Authorizing Documents: D1505004

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>01-01-2021</b>

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

AL Certificate Contact Information:

Valerie Ontiveroz

702-876-7323

[valerie.ontiveroz@swgas.com](mailto:valerie.ontiveroz@swgas.com)

**PUBLIC UTILITIES COMMISSION**  
505 Van Ness Avenue  
San Francisco CA 94102-3298



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to  
**[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)**



# SOUTHWEST GAS CORPORATION

November 2, 2020

**Advice Letter No. 1150-G**  
(U 905 G)

Public Utilities Commission of the State of California

**Subject: Update Public Purpose Program Surcharge for Rates Effective January 1, 2021**

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 tariff sheet being modified as a result of this submission is listed on 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 2021 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 2020), as set forth in D.04-08-010. Additionally, the funding used in the surcharge calculation for the Southwest Gas CARE program was authorized in D.18-08-020 for program years 2018 through 2020. The Energy Savings Assistance Program Bridge Funding Plan approved in Advice Letter 1121-G-B was used for the surcharge calculation for the ESA Program. The calculations of Southwest Gas' proposed 2021 PPP Surcharges are provided in the attached Appendix A. Below is a summary of the Revenue Requirement for each PPP surcharge rate component.

		<b>Program Budgets</b>	<b>Administrative Costs</b>	<b>Balancing Accounts</b>	<b>Total</b>
<b>CARE</b>	\$	7,530,390.00		541,584.87	8,071,974.87
<b>ESA</b>	\$	5,400,000.00		-	54,400,000.00
<b>CEE</b>	\$	250,000.00		(296,368.11)	(46,368.11)
<b>R&amp;D</b>	\$	332,461.60		216,445.87	548,907.47
<b>CDTFA</b>	\$	-	14,656.02	-	14,656.02
<b>Total PPP Costs</b>	<b>\$</b>	<b>13,512,851.60</b>	<b>14,656.02</b>	<b>461,662.63</b>	<b>13,989,170.25</b>



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### **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 December 2, which is 30 days from the date submitted, with an effective date of January 1, 2021.

### **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: [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



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**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.14-05-004.

**Service**

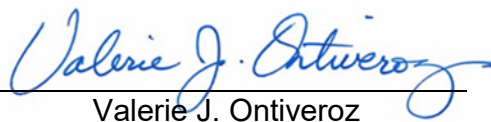
In accordance with GO 96-B, General Rule 7.2, Southwest Gas is mailing copies of this Advice Letter and related tariff sheets to the utilities and interested parties shown on the attached distribution list.

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:   
Valerie J. Ontiveroz

Attachments

**Distribution List**

Advice Letter No. 1150-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  
[elizabeth.echols@cpuc.ca.gov](mailto:elizabeth.echols@cpuc.ca.gov)

Pacific Gas & Electric Company  
[PGETariffs@pge.com](mailto:PGETariffs@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)

Robert M. Pocta  
Public Advocates Office  
California Public Utilities Commission  
[robert.pocta@cpuc.ca.gov](mailto:robert.pocta@cpuc.ca.gov)

Nathaniel Skinner  
Public Advocates Office  
California Public Utilities Commission  
[nathaniel.skinner@cpuc.ca.gov](mailto:nathaniel.skinner@cpuc.ca.gov)

Pearlie Sabino  
Public Advocates Office  
California Public Utilities Commission  
[pearlie.sabino@cpuc.ca.gov](mailto:pearlie.sabino@cpuc.ca.gov)

ATTACHMENT A  
Advice Letter No. 1150-G

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
14th Revised Sheet No. 121	Schedule No. G-PPS – Surcharge to Fund Public Purpose Programs (PPP)	13th 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	\$ 0.14395	\$ 0.04621	\$ 0.03714	\$ 0.03714
Commercial/Industrial	\$ 0.14395	\$ 0.04621	\$ 0.03714	\$ 0.03714
Gas Engine	\$ 0.14395	\$ 0.04621	N/A	N/A
Natural Gas Vehicle	\$ 0.14395	\$ 0.04621	N/A	N/A
Non-Core **				
Commercial/Industrial	\$ 0.14395	\$ 0.04621	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	\$ 0.09765	\$ 0.01044		1
2	CARE Balancing Account Component	\$ 0.00905	\$ (0.00148)		2
3	CDTFA PPP Administrative Surcharge	\$ 0.00011	\$ 0.00011		3
4	CPUC PPP Administrative Charges	\$ 0.00000	\$ 0.00000		4
5	Total Non-CARE PPP Surcharges	<u>\$ 0.10681</u>	<u>\$ 0.00907</u>		5
<u>CARE PPP Surcharges</u>					
6	ESA Component			\$ 0.03398	6
7	R & D Component			\$ 0.00345	7
8	CEE Component [1]			<u>\$ (0.00029)</u>	8
9	Total CARE PPP Surcharges			<u>\$ 0.03714</u>	9
<u>Total PPP Surcharges</u>					
10	CARE Customer Rate per Therm [2]	<u>\$ 0.03714</u>	<u>\$ 0.03714</u>		10
11	Non-CARE Customer Rate per Therm [3]	<u>\$ 0.14395</u>	<u>\$ 0.04621</u>		11

[1] Per the All-Party Settlement reached in A.19-08-015.

[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]	\$ 6,863,361	\$ 667,029	\$ 7,530,390	1
2	CARE Program Balancing Account [2]	\$ 636,084	\$ (94,499)	\$ 541,585	2
3	Adjusted CARE budget	\$ 7,499,445	\$ 572,530	\$ 8,071,975	3
4	CARE Applicable Volume (Therms) [3]	70,283,549	63,889,236	134,172,785	4
5	CARE Balancing Account Rate Per Therm (Ln.2/Ln.4)	\$ 0.00905	\$ (0.00148)		5
6	CARE Program Rate per Therm (Ln.1/Ln.4)	\$ 0.09765	\$ 0.01044		6
7	CDTFA Administrative Revenue Requirement [4]			\$ 14,656	7
8	CDTFA Rate per Therm [3] (Ln.7/Ln.4)			\$ 0.00011	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)	\$ 0.10681	\$ 0.00907		11
<u>ESA PPP Components</u>					
12	ESA Revenue Requirement [6]			\$ 5,400,000	12
13	ESA Applicable Volume (Therms) [3]			158,931,826	13
14	ESA PPP Component Rate per Therm (Ln.12/Ln.13)			\$ 0.03398	14
<u>CEE PPP Component</u>					
15	CEE Revenue Requirement [5]			\$ 250,000	15
16	CEE Balancing Account [2]			\$ (296,368)	16
17	Adjusted CEE budget			\$ (46,368)	17
18	CEE PPP Component Rate per Therm (Ln.17/Ln.13)			\$ (0.00029)	18
<u>R&amp;D PPP Component</u>					
19	R & D Revenue Requirement [4]			\$ 332,462	19
20	R & D Balancing Account [2]			\$ 216,446	20
21	Adjusted R&D budget			\$ 548,907	21
22	R & D Rate per Therm (Ln.21/Ln.13)			\$ 0.00345	22

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

[2] General Ledger Ending Balance September 30, 2020, including CDTFA Activity Adjustment. Balancing Account adjustment approved in D.04-08-010.

[3] Three-year (36 consecutive months ended September 30, 2020) 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 September 18, 2020.

[5] Per the All-Party Settlement reached in A.19-08-015.

[6] Funding approved in Advice Letter 1121-G-B.



# 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 proposed<sup>1</sup>:

Pending advice letters that revise the same tariff sheets:

<sup>1</sup>Discuss 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](mailto: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:

## 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
Curtable 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	