

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



Southwest Gas Corporation
GAS (Corp ID 905)
Status of Advice Letter 1157G
As of February 19, 2021

Subject: Biomethane Injection Incentive Program Balance Account Tariff Revision Pursuant to Decision (D.) 20-12-031

Division Assigned: Energy

Date Filed: 01-19-2021

Date to Calendar: 01-20-2021

Authorizing Documents: None

Disposition:	Accepted
Effective Date:	01-19-2021

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Valerie Ontiveroz

702-876-7323

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



SOUTHWEST GAS CORPORATION

January 19, 2021

Advice Letter No. 1157-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Biomethane Injection Incentive Program Balance Account Tariff Revision Pursuant to Decision (D.) 20-12-031

Southwest Gas Corporation (Southwest Gas or Company) hereby submits for approval by the California Public Utilities Commission (Commission) revisions to its California Gas Tariff. The tariff sheets being modified as a result of this submission are listed in Attachment A.

Purpose

Pursuant to D.20-12-031 Adopting the Standard Renewable Gas Interconnection and Operating Agreement Ordering Paragraph (OP) 5, Southwest Gas submits this Advice Letter to modify the Biomethane Injection Incentive Balance Account (BIIPBA) by adding the Renewable Gas Interconnection Incentives Program Subaccount.

Background

On December 17, 2020, the California Public Utilities Commission (CPUC or the Commission) approved D.20-12-031, which makes available an additional \$40 million California Air Resources Board (CARB) of cap-and-trade allowance proceeds be added to the biomethane monetary incentive program originally established by D.15-06-029 to encourage the in-state production and distribution of biomethane.

The order provides the additional \$40 million to the biomethane monetary incentive program with a modest reduction to the California Climate Credit. The additional funding will be in installments of \$5 million and will be distributed quarterly starting with the first Cap and Trade allowance auction in 2022. The \$40 million in additional incentives are to be split across the gas utilities consistent with their combined CARB allocation of Cap and Trade allowances. Southwest Gas' respective allocated share is 1.63% or \$652,000 of the \$40 million monetary incentive, which begins March 1, 2022 and ends December 1, 2023.

Therefore in accordance with D. 20-12-031, Southwest Gas submits this Advice Letter to modify Gas Preliminary Statement Part 25 – Biomethane Injection Incentive Program Balancing Account to add the Renewable Gas Interconnection Incentive Program Subaccount.



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

Effective Date

Pursuant to OP 5 in D.20-12-031, 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. Southwest Gas respectfully requests that the tariff sheets submitted herein be made effective January 19, 2021, which is the date of submission.

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



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Notice

Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 since this Advice Letter will not increase any rate or charge, cause the withdrawal of service, or conflict with any schedule or rule.

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.

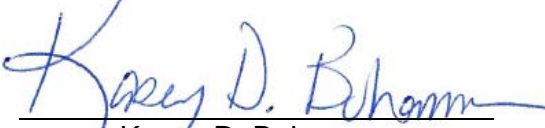
Communications regarding this submission should be directed to:

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

Kasey D. Bohannon
Manager/Regulation & Energy Efficiency
Southwest Gas Corporation
P.O. Box 52075
Phoenix, AZ 85020-3982
Telephone: 602-395-4047
Email: kasey.bohannon@swgas.com

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 
Kasey D. Bohannon

Attachments

Distribution List

Advice Letter No. 1157-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

Pacific Gas & Electric Company
PGETariffs@pge.com

Southern California Gas Company
ROrtiz@SempraUtilities.com

San Diego Gas & Electric Company
SDG&ETariffs@SempraUtilities.com

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. 1157-G

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
4th Revised Sheet No. 45.4	Preliminary Statement (Continued)	3rd Revised Sheet No. 45.4
4th Revised Sheet No. 45.5	Preliminary Statement (Continued)	3rd Revised Sheet No. 45.5

PRELIMINARY STATEMENT
(Continued)

25. BIOMETHANE INJECTION INCENTIVE PROGRAM BALANCING ACCOUNT (BIIPBA)

25A. PURPOSE

The BIIPBA is a two-way balancing account for the purpose of tracking and recording the Company's payments for eligible interconnection costs made to biomethane gas suppliers as set forth in Rule No. 22 of this California Gas Tariff. The payments are made in accordance with the Commission's monetary incentive program established in Decision (D.) 15-06-029 and (D.) 20-12-031. The Company is authorized to establish the BIIPBA pursuant to D.15-06-029.

The Company was authorized to establish a subaccount pursuant to D.20-12-031 to record and track Southwest Gas' respective share (1.63% or \$652,000) of the additional \$40 million California Air Resources Board (CARB) allocation of cap-and-trade allowance proceeds compared to the monetary incentive payments to biomethane producers for the development, deployment, and utilization of the utilities' gas pipeline beginning March 1, 2022 and continuing through December 1, 2023.

25B. APPLICABILITY

The BIIPBA provision applies to all rate schedules, excluding customers served under a Special Contract or any other exclusion provided for by the Commission.

25C. FORECASTED 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 during which the BIIPBA adjustment rate is to be effective.

25D. BIIPBA ADJUSTMENT RATE

The Company shall file a Tier 2 Advice Letter, as necessary, to update the BIIPBA adjustment rate, with a requested effective date of January 1 of the following year. The BIIPBA adjustment rate shall be determined by dividing the balance in the account at the end of the latest available month at the time of filing by the Forecasted Period Volumes. The BIIPBA adjustment rate shall be set forth in the currently-effective Statement of Rates of this California Gas Tariff.

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PRELIMINARY STATEMENT
(Continued)

25. BIOMETHANE INJECTION INCENTIVE PROGRAM BALANCING ACCOUNT
(BIIPBA) (Continued)

25E. ACCOUNTING - BIIPBA

The Company will make the following entries to the BIIPBA subaccount at the end of each month.

- a. A debit entry equal to the incentive payments paid to the biomethane gas suppliers;
- b. A credit entry equal to the BIIPBA adjustment rate, excluding franchise taxes and uncollectible accounts expense, multiplied by the applicable volumes delivered during the month;
- c. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.

25F. ACCOUNTING – Renewable Gas Interconnection Incentive Program

The Company will make the following entries to the Renewable Gas Interconnection Incentive Program subaccount at the end of each month.

- a. A credit entry to record the incentive funding from GHG proceeds as approved by the CPUC in the Annual Gas True-up filing. A corresponding debit entry is recorded to the BIIPBA subaccount.
- b. A debit entry equal to the incentive payments covering eligible interconnection costs incurred by biomethane interconnector.
- c. An entry to record interest on the balance calculated as set forth in Section 12B of this Preliminary Statement.

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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: