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



Southwest Gas Corporation GAS (Corp ID 905) Status of Advice Letter 1163G As of June 4, 2021

Subject: Request for Authorization to Make an Accounting Entry to Reflect Shared Savings Associated with Southwest Gas' Gast Cost Incentive Mechanism (GCIM) for the reporting period November 1, 2016 through October 31, 2017.

Division Assigned: Energy

Date Filed: 03-08-2021

Date to Calendar: 03-10-2021

Authorizing Documents: None

Disposition: Effective Date: Accepted 04-07-2021

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Valerie Ontiveroz 602-395-4047 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Name of Filer CPUC Corporate ID number of Filer Subject of Filing Date Filed Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



March 8, 2021

Advice Letter No. 1163-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Request for Authorization to Make an Accounting Entry to Reflect Shared Savings Associated with Southwest Gas' Gast Cost Incentive Mechanism (GCIM).

Southwest Gas Corporation (Southwest Gas) hereby submits for approval by the California Public Utilities Commission (Commission) this Advice Letter. There are no tariff sheets being modified as a result of this submission.

Background

In May 2005, the Commission approved Southwest Gas' GCIM¹ as an objective standard by which to measure Southwest Gas' natural gas procurement performance, provide an incentive to lower overall gas costs, and provide a mechanism for sharing the achieved benefits between Southwest Gas and its customers. The annual GCIM period begins each November 1 and concludes the following October 31. The GCIM is calculated separately for Southwest Gas' Southern California and Northern California service territories. On January 25, 2019, Southwest Gas submitted its GCIM Report for the period November 1, 2017 through October 31, 2018 (2017-2018 GCIM Report).

Shared savings were experienced in both Southwest Gas' Northern California (\$379,934.14) and Southern California service territories (\$415,890.81). In accordance with Southwest Gas' tariff Preliminary Statement (PS) 17, Section E.2.c, these savings are to be shared 75 percent and 25 percent between Southwest Gas' customers and shareholders, respectively. The following table demonstrates the breakdown of the shared savings.

Shared Savings for 2017-2018 Goliwi Reporting Period					
Service Territory	Total Savings	Customers (75%)	Shareholders (25%)		
Northern California	\$379,934.14	\$284,950.61	\$94,983.53		
Southern California	\$415,890.81	\$311,918.11	\$103,972.70		

Shared Savings for 2017-2018 GCIM Reporting Period

¹ Application of Southwest Gas Corporation for Approval of a Gas Cost Incentive Mechanism (Application 04-11-009) was approved by the Commission in Decision 05-05-033.



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On December 21, 2020, the Public Advocates Office (Cal Advocates) issued its Monitoring and Evaluation Report regarding Southwest Gas' 2017-2018 GCIM Report. In its report, Cal Advocates verified Southwest Gas' reported shared savings for the 2017-2018 GCIM reporting period. Therefore, Southwest Gas requests authority to make an accounting entry in its Purchased Gas Cost Balancing Account for the shareholder portion of the savings applicable to its Southern California service territory pursuant to Southwest Gas tariff PS 17, Section I.

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 approval) pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests that this Advice Letter be made effective April 7, 2021, which is thirty (30) calendar days after the date submitted.

<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, 4th 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



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Notice

Southwest Gas believes it is exempt from the notice requirements set forth in General Rule 4.2 of GO 96-B, since this Advice Letter is being filed in accordance with Southwest Gas approved tariff as noted above.

<u>Service</u>

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is mailing copies of this Advice Letter 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: <u>valerie.ontiveroz@swgas.com</u>

Respectfully submitted,

SOUTHWEST GAS CORPORATION

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Attachments

Distribution List

Advice Letter No. 1163-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

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 pearlie.sabino@cpuc.ca.gov



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 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? 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 ¹ :					
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	