

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



Southwest Gas Corporation
GAS (Corp ID 905)
Status of Advice Letter 1210G
As of June 3, 2022

Subject: Establishment of New Balancing Account Pursuant to Decision (D.) 22-02-025.

Division Assigned: Energy

Date Filed: 04-11-2022

Date to Calendar: 04-13-2022

Authorizing Documents: D2202025

Disposition:	Accepted
Effective Date:	05-11-2022

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

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

April 11, 2022

Advice Letter No. 1210-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Establishment of New Balancing Account Pursuant to Decision (D.) 22-02-025

Southwest Gas Corporation (Southwest Gas or Company) hereby submits for approval by the California Public Utilities Commission (Commission) a modification to its Preliminary Statement to establish a new balancing account. The tariff sheets being modified as a result of this submission are listed on Attachment A.

Purpose

The purpose of this Advice Letter is to establish the Biomethane Procurement and Administrative Cost Balancing Account (BPACBA) pursuant to Ordering Paragraph (OP) 54 in D.22-02-025.

Background

On February 24, 2022, the Commission approved D.22-02-025, implementing Senate Bill 1440 Biomethane Procurement Program by setting biomethane (renewable natural gas (RNG) and/or bio-synthetic natural gas (bio-SNG)) procurement targets to reduce short-lived climate pollutant emissions and adopts provisions to achieve additional co-benefits and timetables for each of the four natural gas investor-owned utilities – Southern California Gas Company (SoCalGas), San Diego Gas & Electric Company (SDG&E), Pacific Gas and Electric Company (PG&E) and Southwest Gas (collectively, the Joint Utilities). OP 43 in D.22-02-025 requires SoCalGas and PG&E to each file an application no later than July 1, 2023, proposing at least one woody biomass gasification pilot project focused on conversion of woody biomass to biomethane. Additionally, OP 54 states:

[The Joint Utilities] shall each file a Tier 2 advice letter within 45 days of the effective date of this decision to establish a new balancing account with subaccounts to record above-market commodity biomethane costs and program administrative costs to support biomethane procurement and pilots. The recovery of the balancing account costs shall be done through their respective Annual Gas True-Up filings.

Therefore, pursuant to OP 54, Southwest Gas modifies its Preliminary Statement to establish the BPACBA. The BPACBA includes two subaccounts as required, with one exception. Southwest Gas did not include a provision to record costs related to the woody biomass pilots, since it is not required to file an application for a pilot pursuant to OP 43.



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April 11, 2022

Effective Date

Pursuant to OP 54 in D.22-02-025 and General Order (GO) 96-B, this Advice Letter is classified as Tier 2 (Effective After Energy Division Disposition). Southwest Gas respectfully requests that this Advice Letter be made effective May 11, 2022, which is thirty (30) calendar days after the date submitted.

Protest

Anyone may protest this Advice Letter to the Commission's Energy Division. The protest must state the grounds upon which it is based with specificity and must be sent no later than 20 days after the date of this Advice Letter submission. Protests are to be submitted electronically to the Commission's Energy Division at:

Email: edtariffunit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this Advice Letter should be sent electronically to:

Ms. Valerie J. Ontiveroz
Regulatory Manager/California
Email: valerie.ontiveroz@swgas.com

Notice

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 54 in D.22-02-025 and will not result in higher rates or charges, or more restrictive terms or conditions, than those currently in effect.

Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving copies of this Advice Letter and related tariff sheets to the utilities and interested parties shown on the attached list and the official service list in R.13-02-008.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 
Valerie J. Ontiveroz

Attachments

Distribution List

Advice Letter No. 1210-G

In conformance with GO 96-B, General Rule 4.3

The following individuals or entities have been served by electronic mail:

Matt Baker, Director
Public Advocates Office
matt.baker@cpuc.ca.gov

Pacific Gas & Electric Company
PGETariffs@pge.com

Southern California Gas Company
GLenart@socalgas.com
Tariffs@socalgas.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

ATTACHMENT A
Advice Letter No. 1210-G

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
13th Revised Sheet No. 2	Table of Contents	12th Revised Sheet No. 2
2nd Revised Sheet No. 45.20	Preliminary Statement (<i>Continued</i>)	1st Revised Sheet No. 45.20
Original Sheet No. 45.21	Preliminary Statement (<i>Continued</i>)	

SOUTHWEST GAS CORPORATION

P.O. Box 98510

Las Vegas, Nevada 89193-8510

California Gas Tariff

Canceling 13th Revised Cal. P.U.C. Sheet No. 2
12th Revised Cal. P.U.C. Sheet No. 2

TABLE OF CONTENTS

The following listed sheets contain all the effective rates and rules affecting rates and service and information relating thereto in effect on and after the date indicated thereon.

<u>DESCRIPTION</u>	<u>CAL. P.U.C. SHEET NOS.</u>
Title Page	1
Table of Contents	2 – 8
Held for Future Use	9
Preliminary Statement	10 – 45.21
Map and Description of Franchise and Service Area	46 – 64
Statement of Rates	65 – 73
Held for Future Use	74 – 77
Other Service Charges	78

Advice Letter No. 1210
Decision No. 22-02-025

Issued by
Amy L. Timperley
Vice President

Date Filed April 11, 2022
Effective _____
Resolution No. _____

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PRELIMINARY STATEMENT
(Continued)

36. BIOMETHANE PROCUREMENT AND ADMINISTRATIVE COST BALANCING ACCOUNT (BPACBA)

36A. PURPOSE

The BPACBA is an interest-bearing two-way balancing account for the purpose of recording and recovering costs related to the Company's compliance with Decision (D.) 22-02-025, which implemented Senate Bill 1440 and established short- and medium-term biomethane (i.e., renewable natural gas and/or bio-synthetic natural gas) procurement targets to reduce short-lived climate pollution emissions. The Company is authorized to establish the BPACBA pursuant to D.22-02-025. The BPACBA shall consist of two subaccounts.

Biomethane Commodity Cost Subaccount – The purpose of this subaccount is to record the above-market Biomethane commodity costs procured subject to D.22-02-025. The above-market Biomethane cost is defined as the difference in the monthly weighted average cost of Biomethane purchases (including the cost of any renewable attributes or credits that are bundled with the purchased Biomethane supply) and the monthly weighted average cost of traditional natural gas purchases.

Biomethane Procurement Administrative Cost Subaccount – The purpose of this subaccount is to record program administrative costs incurred to support the Company's Biomethane procurement subject to D.22-02-025.

36B. APPLICABILITY

The BPACBA provision applies to all rate schedules, except for any customers specifically excluded by the Commission.

36C. ACCOUNTING – Biomethane Commodity Cost Subaccount

Separate entries will be maintained for the Company's Southern California, and Northern California, including South Lake Tahoe, service areas. The Company will make the following entries to the Biomethane Commodity Cost Subaccount at the end of each month:

- a. A debit entry equal to the recorded above-market Biomethane commodity costs incurred subject to D.22-02-025;

PRELIMINARY STATEMENT
(Continued)

36. BIOMETHANE PROCUREMENT AND ADMINISTRATIVE COST BALANCING ACCOUNT (BPACBA) (Continued)

36C. ACCOUNTING – Biomethane Commodity Cost Subaccount (Continued)

- b. An entry to amortize the Biomethane Commodity Cost Subaccount; and
- c. An entry to record interest on the account calculated as set forth in Section No. 12B of this Preliminary Statement.

36D. ACCOUNTING – Biomethane Procurement Administrative Cost Subaccount

Separate entries will be maintained for the Company's Southern California, and Northern California, including South Lake Tahoe, service areas. The Company will make the following entries to the Biomethane Procurement Administrative Cost subaccount at the end of each month:

- a. A debit entry equal to the recorded administrative costs for Biomethane procurement incurred subject to D.22-02-025;
- b. An entry to amortize the Biomethane Procurement Administrative Cost Subaccount; and
- c. An entry to record interest on the account calculated as set forth in Section No. 12B of this Preliminary Statement.

36E. BPACBA DISPOSITION

The Company shall annually submit a Tier 2 Advice Letter to update the BPACBA rate with a requested effective date of January 1 of the following year. The Biomethane Commodity Cost Subaccount balance will be recovered from core customers through the upstream interstate pipeline component of the Company's Fixed Cost Adjustment Mechanism (FCAM) Balancing Account Adjustment. The Biomethane Procurement Administrative Cost Subaccount balance will be recovered from all customers through the margin component of the Company's FCAM Balancing Account Adjustment.



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:

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	