

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



Southwest Gas Corporation
GAS (Corp ID 905)
Status of Advice Letter 1215G
As of July 25, 2022

Subject: Modification of Preliminary Statement Pursuant to Decision (D.) 22-02-025

Division Assigned: Energy

Date Filed: 05-26-2022

Date to Calendar: 05-30-2022

Authorizing Documents: D2202025

Disposition:	Accepted
Effective Date:	05-25-2022

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

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

May 26, 2022

Advice Letter No. 1215-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Modification of Preliminary Statement 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. 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 modify Southwest Gas' Preliminary Statement pursuant to Ordering Paragraph (OP) 57 in D.22-02-025 to modify the Biomethane Gas Plan (BGP).

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 57 in D.22-02-025 states:

Southwest Gas Corporation is authorized to submit a Tier 2 Advice Letter to modify as necessary its...[BGP] approved in Decision 20-05-003 to distinguish between biomethane purchases made pursuant to its BGP versus those made pursuant to this decision.

Southwest Gas has modified its BGP in its Preliminary Statement. A redline version of the revisions are included as Attachment B.

Effective Date

Pursuant to OP 57 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 approved June 25, 2022, which is thirty (30) calendar days after the date submitted.

8360 South Durango Drive / Las Vegas, Nevada 89113
P.O. Box 98510 / Las Vegas, Nevada 89193-8510 / (702) 876-7011
www.swgas.com



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Page 2
May 26, 2022

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
regserve@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 accordance with OP 57 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. 1215-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. 1215-G

<u>Cal. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Cal. P.U.C. Sheet No.</u>
2nd Revised Sheet No. 37.1	Preliminary Statement (<i>Continued</i>)	1st Revised Sheet No. 37.1
2nd Revised Sheet No. 37.2	Preliminary Statement (<i>Continued</i>)	1st Revised Sheet No. 37.2

PRELIMINARY STATEMENT
(Continued)

17. GAS COST INCENTIVE MECHANISM (GCIM) (Continued)

17H. BIOMETHANE GAS PROGRAM (BGP)

The purpose of the BGP is to identify and secure gas supply or sales contracts that further the goals of: the California Global Warming Solutions Act of 2006, as amended; the California Low Carbon Fuel Standard (California Code of Regulations §95480 through §95497); Senate Bill (SB) 1383 *Short-lived Climate Pollutants*; or other current or future legislative or regulatory efforts to reduce greenhouse gas emissions. BGP costs include the cost to purchase BGP supplies and the revenue that may be generated through the off-system sale or monetization of associated biomethane gas environmental attributes. Revenue associated with on-system BGP sales are not considered in or part of the GCIM calculations.

On-system sales of biomethane gas purchases made to meet SB 1440 Biomethane Procurement Program obligations approved in D.22-02-025 (SB 1440 BPP) shall be incremental to the BGP. These costs will be tracked separately from the BGP in the Biomethane Procurement and Administrative Cost Balancing Account established pursuant to D.22-02-025 and included in the Preliminary Statement of this Gas Tariff.

Costs associated with BGP and SB 1440 BPP target purchases and off-system sales revenues are flowed through the GCIM calculations and have no impact on any GCIM Shared Savings or Costs. This flow through is accomplished by calculating the Daily BGP Benchmark Costs for each BGP purchase, SB 1440 BPP purchase, or off-system sale transaction by multiplying the daily BGP purchase, SB 1440 BPP purchase, or off-system sale quantities by the contract price corresponding to that specific BGP purchase, SB 1440 BPP purchase, or off-system sale quantity. In addition, the GCIM Purchased Gas Cost includes the BGP purchase costs, any revenue from BGP off-system sales or monetization of associated biomethane gas environmental attributes, and the SB 1440 BPP purchase costs.

BGP purchase or sales prices are determined on a case-by-case basis and are heavily dependent on the type of facility producing the biomethane gas, the feedstock for the biomethane gas and the location of the biomethane gas processing facilities in relation to the Company's distribution system. There is no minimum quantity that the Company must purchase or sell pursuant to the

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PRELIMINARY STATEMENT
(Continued)

17. GAS COST INCENTIVE MECHANISM (GCIM) *(Continued)*

17H. BIOMETHANE GAS PROGRAM (BGP) *(continued)*

BGP. BGP purchase or sales contracts are independent of the SB 1440 BPP procurement targets or process and may be awarded through arms-length negotiations or as part of a solicitation process. Information related to BGP purchases and sales will be included with the Company's annual GCIM report submitted pursuant to Section 17J of this Preliminary Statement.

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ADVICE LETTER NO. 1215
ATTACHMENT B

Tariff Sheet Redlines

PRELIMINARY STATEMENT

(Continued)

17. GAS COST INCENTIVE MECHANISM (GCIM) (Continued)

17H. BIOMETHANE GAS PROGRAM (BGP)

The purpose of the BGP is to identify and secure gas supply or sales contracts that further the goals of: the California Global Warming Solutions Act of 2006, as amended; the California Low Carbon Fuel Standard (California Code of Regulations §95480 through §95497); Senate Bill (SB) 1383 *Short-lived Climate Pollutants*; ~~SB 1440 Biomethane Procurement~~, or other current or future legislative or regulatory efforts to reduce greenhouse gas emissions. BGP costs include the cost to purchase BGP supplies and the revenue that may be generated through the off-system sale or monetization of associated biomethane gas environmental attributes. Revenue associated with on-system BGP sales are not considered in or part of the GCIM calculations. ~~To be considered part of the BGP, biomethane gas purchases must meet at least one of the following conditions:~~

On-system sales of biomethane gas purchases made to meet SB 1440 Biomethane Procurement Program obligations approved in D.22-02-025 (SB 1440 BPP) shall be incremental to the BGP. These costs will be tracked separately from the BGP in the Biomethane Procurement and Administrative Cost Balancing Account established pursuant to D.22-02-025 and included in the Preliminary Statement of this Gas Tariff.

- ~~1. The biomethane is delivered to California through a dedicated pipeline.~~
- ~~2. The biomethane is delivered to California through a common carrier pipeline and meets both of the following requirements:~~
 - ~~a. The source of biomethane injects the biomethane into a common carrier pipeline that physically flows within California, or toward the end user in California for which the biomethane was produced.~~
 - ~~b. The seller or purchaser of the biomethane demonstrates that the capture or production of biomethane directly results in at least one of the following environmental benefits to California:~~
 - ~~i. The reduction or avoidance of the emission of any criteria air pollutant, toxic air containment, or greenhouse gas in California.~~

Issued by _____ Date Filed _____

Advice Letter No. _____ ~~Justin Lee Brown~~ Amy L. Timperley _____ Effective _____

Decision No. _____ ~~Senior Vice President~~ Chief Regulatory Officer _____ Resolution No. _____

SOUTHWEST GAS CORPORATION
P.O. Box 98510
Las Vegas, Nevada 89193-8510
California Gas Tariff

Canceling _____ Cal. P.U.C. Sheet No. _____
_____ Cal. P.U.C. Sheet No. _____

- ~~ii. The reduction or avoidance of pollutants that could have an adverse impact on waters of the state.~~
- ~~iii.i. The alleviation of a local nuisance within California that is associated with the emission of odors.~~

Advice Letter No. _____ Issued by ~~Justin Lee Brown~~ Amy L. Timperley Date Filed _____ Effective _____
Decision No. 11401215 ~~Senior Vice President~~ Chief Regulatory Officer ~~July 31, 2020~~ May 26, 2022 Resolution No. _____
20-05-00322-02-025

PRELIMINARY STATEMENT

(Continued)

17. GAS COST INCENTIVE MECHANISM (GCIM) *(Continued)*

17H. BIOMETHANE GAS PROGRAM (BGP) *(continued)*

Costs associated with BGP and SB 1440 BPP target purchases costs and off-system sales revenues are flowed through the GCIM calculations and have no impact on any GCIM Shared Savings or Costs. This flow through is accomplished by calculating the Daily BGP Benchmark Costs for each BGP purchase, SB 1440 BPP purchase, or off-system sale transaction by multiplying the daily BGP purchase, SB 1440 BPP purchase, or off-system sale quantities by the contract price corresponding to that specific BGP purchase, SB 1440 BPP purchase, or off-system sale quantity. In addition, the GCIM Purchased Gas Cost includes ~~both~~ the BGP purchase costs, ~~and~~ any revenue from BGP off-system sales or monetization of associated biomethane gas environmental attributes, and the SB 1440 BPP purchase costs.

BGP purchase or sales prices are determined on a case-by-case basis and are heavily dependent on the type of facility producing the biomethane gas, the feedstock for the biomethane gas and the location of the biomethane gas processing facilities in relation to the Company's distribution system. There is no minimum quantity that the Company must purchase or sell pursuant to the BGP. BGP purchase or sales contracts are independent of the SB 1440 BPP procurement targets or process and may be awarded through arms-length negotiations or as part of a solicitation process. Information related to BGP purchases and sales will be included with the Company's annual GCIM report submitted pursuant to Section 17J of this Preliminary Statement.



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	