

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



Southwest Gas Corporation
GAS (Corp ID 905)
Status of Advice Letter 1234G
As of January 3, 2023

Subject: Establishment of Residential Uncollectibles Balancing Account (RUBA) and the Residential Disconnection Protections Memorandum Account (RPDMA) Pursuant to Decision (D.)22-08-037.

Division Assigned: Energy

Date Filed: 11-18-2022

Date to Calendar: 11-23-2022

Authorizing Documents: D2208037

Disposition:	Accepted
Effective Date:	12-17-2022

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

ADVICE LETTER (AL) SUSPENSION NOTICE

ENERGY DIVISION

Utility Name: Southwest Gas

Date Utility Notified: 12/21/2022

Utility Number/Type: U 905 G

E-Mailed to: valerie.ontiveroz@swgas.com

Advice Letter Number(s): 1234-G

E-Mailed to: [Click or tap here to enter text.](#)

Date AL(s) Filed: 11/18/2022

ED Staff Contact: Isaac Tong

Utility Contact Person: Valerie J. Ontiveroz

ED Staff Email: Isaac.Tong@cpuc.ca.gov

Utility Phone No.: 702 876-7323

ED Staff Phone No.: 415-703-3200

INITIAL SUSPENSION (up to 120 DAYS from the expiration of the initial review period)

This is to notify you that the above-indicated AL is suspended for up to 120 days beginning **December 18, 2022 (30 days after the Advice Letter is filed)** for the following reason(s) below. If the AL requires a Commission resolution and the Commission's deliberation on the resolution prepared by Energy Division extends beyond the expiration of the initial suspension period, the advice letter will be automatically suspended for up to 180 days beyond the initial suspension period.

A Commission Resolution is Required to Dispose of the Advice Letter

Advice Letter Requests a Commission Order

Advice Letter Requires Staff Review

The expected duration of initial suspension period is 120 days

FURTHER SUSPENSION (up to 180 DAYS beyond initial suspension period)

The AL requires a Commission resolution and the Commission's deliberation on the resolution prepared by Energy Division has extended beyond the expiration of the initial suspension period. The advice letter is suspended for up to 180 days beyond the initial suspension period.

If you have any questions regarding this matter, please contact [Isaac Tong] at [analyst email address].

cc:

EDTariffUnit

[Paul Phillips]



SOUTHWEST GAS CORPORATION

November 18, 2022

Advice Letter No. 1234

Public Utilities Commission of the State of California

Subject: Establishment of Residential Uncollectibles Balancing Account (RUBA) and the Residential Disconnection Protections Memorandum Account (RPDMA) Pursuant to Decision (D.) 22-08-037.

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

Purpose

The purpose of this Advice Letter is to revise the Preliminary Statement of Southwest Gas' Tariff to establish the RUBA and RPDMA pursuant to Ordering Paragraphs (OP) 11 and 12 in D.22-08-037.

Background

On June 11, 2020, the Commission issued D.20-06-003 in Rulemaking 18-07-005, which adopted immediate reforms to reduce residential customer disconnections and improve reconnection processes for disconnected customers served by the large California natural gas and electric utilities.¹ In Phase 1-A of this proceeding, the Commission considered whether to apply the Phase 1 requirements to small and multijurisdictional utilities (SMJU).² On August 25, 2022, the Commission approved D.22-08-037, ordering the SMJU to implement the following residential customer protections to reduce disconnections and ease reconnections of residential service:

- Adopts residential customer protections arising from D.18-12-013 and Ordering Paragraph 1 of D.20-06-003, including severe weather safety provisions.
- Prohibits establishment of credit deposits for new residential service and reestablishment of residential service deposits.
- Prohibits residential reconnection fees.

¹ The large utilities are Southern California Edison Company, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company

² The SMJU include Southwest Gas, Liberty Utilities (Calpeco Electric) LLC, Bear Valley Electric Service, Inc., PacifiCorp, d/b/a Pacific Power, Alpine Natural Gas Company No. 1, LLC, and West Coast Gas Company.



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- Adopts policies for investigations into whether a customer was previously benefiting from a utility service.
- Allows physician assistants and nurse practitioners to certify that a customer qualifies for medical baseline and allows qualified medical professionals to e-sign applications for the medical baseline program.³

In Advice Letter No. 1228, Southwest Gas requested authorization to revise its tariff to implement the above provisions to OP 9.⁴

OPs 11 and 12 in D.22-08-037 respectively state:

[The SMJU]...may each establish a two-way balancing account for recovery of residential uncollectible charges in rates through a Tier 2 Advice Letter. The advice letter must affirm the utility's intention to apply for available California Arrearage Payment Program [CAPP] funding.

[The SMJU]...may each establish a memorandum account to track the administrative costs associated with implementing the requirements of this decision through a Tier 2 Advice Letter.

This Advice Letter requests authorization to revise Southwest Gas' Tariff Preliminary Statement to establish: 1) the RUBA, a two-way balancing account to record and recover costs related to the difference between authorized revenues associated with uncollectible expense for residential customers and actual residential customer bad debt expense; and 2) the RPDMA, to track Southwest Gas' incremental costs associated with the implementation of the above customer protections, as well as to track waived reconnection charges until Southwest Gas may address this issue in its next General Rate Case.

Additionally, pursuant to OP 11, Southwest Gas affirms that it applied for 2022 CAPP funding on October 27, 2022. Southwest Gas' 2022 CAPP funding application was subsequently approved on November 9, 2022.

Effective Date

Pursuant to OPs 11 and 12, Southwest Gas designates this Advice Letter as Tier 2 (Effective After Energy Division Disposition). Therefore, Southwest Gas respectfully requests that this Advice Letter be made effective on December 17, 2022, which is thirty (30) calendar days after the date submitted.

³ D.22-08-037 at pgs. 2-3. D.22-08-037 also adopts disconnection rate caps, quarterly reporting requirements for the SMJUs, and authorizes the SMJUs to establish a two-way balancing account for recovery of residential uncollectible charges in rates and a memorandum account to track any administrative costs associated with the implementation of the Decision requirements.

⁴ Advice Letter No. 1228 was submitted to the Energy Division on September 29, 2022 and is currently awaiting disposition.



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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 OPs 11 and 12 in D.22-08-037.

Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving copies of this Advice Letter to interested parties shown on the attached distribution list and the individuals listed on the official service list in R.18-07-005.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 
Valerie J. Ontiveroz

Attachments

Distribution List

Advice Letter No. 1234-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
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California Public Utilities Commission
robert.pocta@cpuc.ca.gov

Nathaniel Skinner
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Scott Blaising
blaising@braunlegal.com

Jim Mosher
copperbeechllc@gmail.com

ATTACHMENT A
Advice Letter No. 1234-G

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
14th Revised Sheet No. 2	Table of Contents (<i>Continued</i>)	13th Revised Sheet No. 2
Original Sheet No. 45.20.2	Preliminary Statement (<i>Continued</i>)	
Original Sheet No. 45.20.3	Preliminary Statement (<i>Continued</i>)	
Original Sheet No. 45.20.4	Preliminary Statement (<i>Continued</i>)	

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.

DESCRIPTION	CAL. P.U.C. SHEET NOS.
Title Page	1
Table of Contents	2 – 8
Held for Future Use	9
Preliminary Statement	10 – 45.20.4
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

PRELIMINARY STATEMENT
(Continued)

37. RESIDENTIAL UNCOLLECTIBLES BALANCING ACCOUNT (RUBA)

37A. PURPOSE

The RUBA is an interest-bearing two-way balancing account for the purpose of recording and recovering costs related to the difference between authorized revenues associated with uncollectible expense for residential customers and actual residential customer bad debt expense. The Company is authorized to establish the RUBA pursuant to Decision 22-08-037.

37B. APPLICABILITY

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

37C. ACCOUNTING

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

- a. A debit entry equal to the difference between authorized revenues associated with uncollectible expense for residential customers and actual residential customer bad debt expense;
- b. An entry to amortize the RUBA as authorized by the Commission consisting of a credit or debit entry equal to the RUBA 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;

37D. FORECAST 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 RUBA adjustment rate is to be effective.

PRELIMINARY STATEMENT
(Continued)

37. RESIDENTIAL UNCOLLECTIBLES BALANCING ACCOUNT (RUBA) (Continued)

37E. RUBA ADJUSTMENT RATES

The Company shall annually file a Tier 2 Advice Letter to update the RUBA adjustment rate with a requested effective date of January 1 of the following year. The RUBA rate shall be determined by dividing the September 30 balances recorded in the RUBA subaccounts by the respective Forecast Period volumes. The RUBA adjustment rates shall be set forth in the currently-effective Statement of Rates of this California Gas Tariff.

N
N

PRELIMINARY STATEMENT
(Continued)

38. RESIDENTIAL DISCONNECTION PROTECTIONS MEMORANDUM ACCOUNT (RDPMA)

38A. PURPOSE

The purpose of the RDPMA is to track the Company's incremental costs associated with the implementation of the customer protections required by Decision 22-08-037.

38B. APPLICABILITY

The RDPMA balance will be recovered from all customers, except any customers specifically excluded by the Commission.

38C. ACCOUNTING

The Company shall maintain the RDPMA by recording entries at the end of each month as follows, net of Franchise Fees & Uncollectibles (FF&U), where applicable:

- a. A debit entry equal to the actual operation and maintenance (O&M) costs and capital-related costs (i.e., depreciation, taxes and return) associated with implementing the customer protections established in D.22-08-037;
- b. A debit entry equal to waived reconnection charges until addressed in the Company's next general rate case; and
- c. Interest on the tracked balance will be calculated as set forth in Section 12B of this Preliminary Statement.

38D. DISPOSITION

Costs recorded in the RDPMA may be recovered in rates only after a request by the Company and approval by the Commission either through a general rate case or other applicable proceeding.

N
N



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	