

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



Southwest Gas Corporation
GAS (Corp ID 905)
Status of Advice Letter 1240G
As of January 20, 2023

Subject: Revisions to Preliminary Statement 16 Energy Savings Assistance Balancing Account (ESABA)

Division Assigned: Energy

Date Filed: 12-12-2022

Date to Calendar: 12-16-2022

Authorizing Documents: D2110023

Disposition:	Accepted
Effective Date:	01-11-2023

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



SOUTHWEST GAS CORPORATION

December 12, 2022

Advice Letter No. 1240-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Revisions to Preliminary Statement 16 – Energy Savings Assistance Balancing Account (ESABA)

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 sheet being modified as a result of this submission is listed in Attachment A.

Purpose

The purpose of this Advice Letter is for Southwest Gas to modify its tariff Preliminary Statement 16 pertaining to its ESABA in accordance with Ordering Paragraph (OP) 42 in Decision (D.) 21-10-023. D.21-10-023 approved Application (A.) 20-03-014, et al., the small and multijurisdictional utilities' (SMJU) California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA) program applications for program years 2021-2026.^{1,2}

Background

On October 21, 2021, the Commission issued D.21-10-023 approving Southwest Gas' CARE and ESA programs application for program years 2021-2026 (A.20-05-017). OP 42 in D.21-10-023 states:

[The SMJU] must each use all unspent and uncommitted Energy Savings Assistance program funds remaining at the end of a program year to offset the next program year's collections, as opposed to waiting until the end of a cycle.

Pursuant to OP 42 in D.21-10-023, this advice letter requests authorization to revise its ESABA in compliance with the above requirement.

¹ A.20-05-017 - Application of Southwest Gas Corporation (U905G) for Approval of Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2021-2026, filed on May 29, 2020.

² The SMJU are Alpine Natural Gas Operating Company, Bear Valley Electric Service, Liberty Utilities LLC, PacifiCorp, West Coast Gas Company, and Southwest Gas.



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Revision to Preliminary Statement 16D - ESABA

Preliminary Statement 16D is revised to update the purpose section to state that Southwest Gas' use of all unspent and uncommitted ESA program funds will be used to offset the subsequent ESA program year's collections pursuant to OP 42. Southwest Gas has also revised an incorrect reference in the ESABA.

Effective Date

Southwest Gas believes this Advice Letter should be classified as Tier 2 (Effective After Energy Division Disposition) pursuant to General Order (GO) 96-B. Southwest Gas respectfully requests that this Advice Letter be made effective January 11, 2023, 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
regserve@swgas.com

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 submitted in accordance with OP 42 in D.21-10-023 and will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule that are currently in effect.

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Service

In accordance with GO 96-B, General Rule 7.2, Southwest Gas is serving copies of this Advice Letter to the utilities and interested parties shown on the attached distribution list and the service list in A.20-03-014 et al.

Respectfully submitted,
SOUTHWEST GAS CORPORATION

By: Valerie J. Ontiveroz
Valerie J. Ontiveroz

Attachments

Distribution List

Advice Letter No. 1240

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

Scott Blaising
blaising@braunlegal.com

Jim Mosher
copperbeechllc@gmail.com

ATTACHMENT A
Advice Letter No. 1240-G-A

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
3rd Revised Sheet No. 27	Preliminary Statement (<i>Continued</i>)	2nd Revised Sheet No. 27
4th Revised Sheet No. 28	Preliminary Statement (<i>Continued</i>)	3rd Revised Sheet No. 28

PRELIMINARY STATEMENT
(Continued)

16. PUBLIC PURPOSE PROGRAM (PPP) BALANCING ACCOUNTS (Continued)

16A. PURPOSE (Continued)

5. PPP SURCHARGE RATE CALCULATION

The PPP Surcharge shall be calculated in accordance to formulas and throughput volumes specified in Decision 04-08-010.

16B. APPLICABILITY

The PPP Balancing Accounts apply, as appropriate, to all sales and transportation service in the Company's California service areas as set forth in Rate Schedule No. G-PPPS.

16C. REVISION DATE

Decision 04-08-010 requires the Company to file an advice letter with the proposed PPP Surcharges by October 31 of each year, with a requested effective date of January 1 of the following year. The Company may file at other times if failure to make the rate change would result in a forecasted total rate increase of 10 percent or more on January 1 of the following year, as provided for in Decision 04-08-010.

16D. ENERGY SAVINGS ASSISTANCE BALANCING ACCOUNT (ESABA)

1. PURPOSE

The purpose of the ESABA is to balance the Company's Commission-authorized Energy Savings Assistance (ESA) program costs, including outreach, administrative, and program audit costs, with the PPP Surcharge revenue that recovers these costs. The ESABA is a one-way balancing account. Any actual program costs in excess of amounts authorized by the Commission are not recoverable.

The Company will use all unspent and uncommitted ESA program funds remaining at the end of a program year to offset the next program year's collections. The difference will not be used to reduce the ESA portion of the PPP Surcharge for the subsequent year's program unless authorized by the Commission. Customer refunds will only occur when the Commission authorizes such.

N/T
N/T
N/T

PRELIMINARY STATEMENT

(Continued)

16. PUBLIC PURPOSE PROGRAM (PPP) BALANCING ACCOUNTS *(Continued)*

16D. ENERGY SAVINGS ASSISTANCE BALANCING ACCOUNT (ESABA) *(Cont.)*

2. ESABA ADJUSTMENT

If amounts collected in the ESABA are less than the authorized program costs expended, the balance in the ESABA will be amortized into rates by dividing the balance in the account at the end of the most recent available month by the three-year average (consecutive 36-month period) based on the most recently available billed gas volumes. The ESABA will be amortized into rates in accordance with Section No. 16C of this Preliminary Statement. The current ESABA Adjustment rate is a component of the PPP Surcharge set forth in the currently effective Statement of Rates and Schedule No. G-PPPS of this California Gas Tariff.

3. ACCOUNTING PROCEDURE

Separate accounts will be maintained for the Company's California service areas. The Company shall make the following entries to the ESABA:

- a. On a monthly basis, a debit entry equal to the Company's actual Commission-authorized ESA program costs, including outreach, administrative, and program audit costs;
- b. On a monthly basis, a credit entry equal to the revenue collected through the ESA component, including the ESABA Adjustment, of the Company's PPP Surcharge;
- c. On a monthly basis, a debit entry equal to the amount of collections calculated to be remitted to the CDTFA on a quarterly basis for the ESA portion of the PPP Surcharge (reimbursement from the Commission for the CDTFA remittance, less administrative and Research & Development costs, generally occurs within the subsequent quarter). Any differences between amounts collected, remitted or reimbursed are to be used when calculating the ESA component of the PPP surcharge; and

**ADVICE LETTER NO. 1240
ATTACHMENT B**

Redlined Version of Tariff

PRELIMINARY STATEMENT
(Continued)

16. PUBLIC PURPOSE PROGRAM (PPP) BALANCING ACCOUNTS (Continued)

16A. PURPOSE (Continued)

5. PPP SURCHARGE RATE CALCULATION

The PPP Surcharge shall be calculated in accordance to formulas and throughput volumes specified in Decision 04-08-010.

16B. APPLICABILITY

The PPP Balancing Accounts apply, as appropriate, to all sales and transportation service in the Company's California service areas as set forth in Rate Schedule No. G-PPPS.

16C. REVISION DATE

Decision 04-08-010 requires the Company to file an advice letter with the proposed PPP Surcharges by October 31 of each year, with a requested effective date of January 1 of the following year. The Company may file at other times if failure to make the rate change would result in a forecasted total rate increase of 10 percent or more on January 1 of the following year, as provided for in Decision 04-08-010.

16D. ENERGY SAVINGS ASSISTANCE BALANCING ACCOUNT (ESABA)

1. PURPOSE

The purpose of the ESABA is to balance the Company's Commission-authorized Energy Savings Assistance (ESA) program costs, including outreach, administrative, and program audit costs, with the PPP Surcharge revenue that recovers these costs. The ESABA is a one-way balancing account. Any actual program costs in excess of amounts authorized by the Commission are not recoverable.

The Company will use all unspent and uncommitted ESA program funds remaining at the end of a program year to offset the next program year's collections. If the ESA portion of PPP Surcharge revenue amounts recorded in the ESABA exceed the authorized program costs expended, the difference is carried forward to supplement the subsequent year's program. The difference will not be used to reduce the ESA portion of the PPP Surcharge for the subsequent year's program unless authorized by the Commission. Customer refunds will only occur when the Commission authorizes such.

Issued by _____ Date Filed _____

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

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

9651240
21-10-023

PRELIMINARY STATEMENT

(Continued)

16. PUBLIC PURPOSE PROGRAM (PPP) BALANCING ACCOUNTS *(Continued)*

16D. ENERGY SAVINGS ASSISTANCE BALANCING ACCOUNT (ESABA) *(Cont.)*

2. ESABA ADJUSTMENT

If amounts collected in the ESABA are less than the authorized program costs expended, the balance in the ESABA will be amortized into rates by dividing the balance in the account at the end of the most recent available month by the three-year average (consecutive 36-month period) based on the most recently available billed gas volumes. The ESABA will be amortized into rates in accordance with Section No. ~~167~~167C of this Preliminary Statement. The current ESABA Adjustment rate is a component of the PPP Surcharge set forth in the currently effective Statement of Rates and Schedule No. G-PPPS of this California Gas Tariff.

3. ACCOUNTING PROCEDURE

Separate accounts will be maintained for the Company's California service areas. The Company shall make the following entries to the ESABA:

- a. On a monthly basis, a debit entry equal to the Company's actual Commission-authorized ESA program costs, including outreach, administrative, and program audit costs;
- b. On a monthly basis, a credit entry equal to the revenue collected through the ESA component, including the ESABA Adjustment, of the Company's PPP Surcharge;
- c. On a monthly basis, a debit entry equal to the amount of collections calculated to be remitted to the CDTFA on a quarterly basis for the ESA portion of the PPP Surcharge (reimbursement from the Commission for the CDTFA remittance, less administrative and Research & Development costs, generally occurs within the subsequent quarter). Any differences between amounts collected, remitted or reimbursed are to be used when calculating the ESA component of the PPP surcharge; and



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Southwest Gas Corporation (U 905 G)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Valerie J. Ontiveroz

Phone #: (702) 876-7323

E-mail: valerie.ontiveroz@swgas.com

E-mail Disposition Notice to: valerie.ontiveroz@swgas.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 1240

Tier Designation: Tier 2

Subject of AL: Revisions to Preliminary Statement 16 – Energy Savings Assistance Balancing Account (ESABA)

Keywords (choose from CPUC listing): Procurement

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.21-10-023

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: Not applicable.

Summarize differences between the AL and the prior withdrawn or rejected AL: Not applicable.

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: 1/11/23

No. of tariff sheets: 2

Estimated system annual revenue effect (%): Not applicable.

Estimated system average rate effect (%): Not applicable.

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: Not applicable.

Service affected and changes proposed¹: See 'Subject of AL' above.

Pending advice letters that revise the same tariff sheets: Not applicable.

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: Ms. Valerie J. Ontiveroz
Title: Regulatory Manager/California
Utility Name: Southwest Gas Corporation
Address: P. O. Box 98510
City: Las Vegas State: Nevada
Telephone (xxx) xxx-xxxx: 702-876-7323
Facsimile (xxx) xxx-xxxx: 702-364-3446
Email: valerie.ontiveroz@swgas.com

Name:
Title:
Utility Name:
Address:
City: State: Nevada
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	