

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



Southwest Gas Corporation
GAS (Corp ID 905)
Status of Advice Letter 1243G
As of May 8, 2023

Subject: Conservation and Energy Efficiency Program Increase Funding Request for Program Years 2023 through 2025 per Decision 21-03-052

Division Assigned: Energy

Date Filed: 12-22-2022

Date to Calendar: 12-30-2022

Authorizing Documents: D2103052

Disposition:

Signed

Effective Date:

04-27-2023

Resolution Required: Yes

Resolution Number: G-3594

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

RESOLUTION G-3594

April 27, 2023

R E S O L U T I O N

Resolution G-3594. Southwest Gas Tier 3 Advice Letter 1243-G Requesting Increase in Funding for Conservation and Energy Efficiency Programs during Program Years 2023 through 2025.

PROPOSED OUTCOME:

- Approves Southwest Gas Corporation (SWG) Tier 3 Advice Letter 1243-G requesting an increase in its Conservation and Energy Efficiency (CEE) Program budget from the currently authorized amount of \$250,000 per year to \$500,000 per year effective January 1, 2023, and to remain at this level through the remainder of the SWG's current general rate case cycle which ends December 31, 2025.

SAFETY CONSIDERATIONS:

- There are no safety considerations associated with this resolution.

ESTIMATED COST:

- Authorizes an additional \$250,000 per year for Program Years 2023 through 2025 for a total Energy Efficiency budget of \$500,000 per year. SWG ratepayers will bear this additional cost via the Public Purpose Program surcharge.

By Southwest Gas Advice Letter 1243-G, Filed on December 22, 2022.

SUMMARY

This resolution approves Southwest Gas (SWG) Advice Letter (AL) 1243-G which requests an increase in SWG's Conservation and Energy Efficiency (CEE) Program budget from the currently authorized amount of \$250,000 per year to \$500,000 per year effective January 1, 2023, and to remain at this level through the remainder of the

current SWG general rate case cycle which ends December 31, 2025. This AL was filed in compliance with Decision (D.) 21-03-052.

In this decision, SWG was approved to implement Gas Conservation and Energy Efficiency Programs with an annual budget of \$250,000 with the option to submit an advice letter to request additional funding up to a maximum of \$500,000 per year, beginning two years after a Commission decision is issued in this proceeding. The decision also stated that such a request for additional funding must be submitted via Tier 3 AL.

On December 22, 2022, SWG filed Tier 3 AL 1243-G requesting an increase in CEE program funding to \$500,000 per year for program years 2023 through 2025. Cal Advocates submitted a late protest to this AL on January 18, 2023 stating that SWG failed to demonstrate demand for existing and new rebate programs, SWG failed to provide sufficient evidence for the proposed increase from \$250,000 to \$500,000 per year, and SWG failed to demonstrate that the proposed forecast methodology used to calculate the \$500,000 is the most appropriate forecasting methodology. SWG replied to the Cal Advocates protest on January 25, 2023 by providing additional documentation on Energy Efficiency (EE) program demand and why the full \$500,000 annual budget is appropriate. SWG also offered an alternative funding approach using the Conservation and Energy Efficiency Balancing Account (CEEBA) for any amount spent above \$250,000, up to \$500,000, that will be recorded in the CEEBA and recovered from customers the year after it is spent.

This resolution approves SWG Tier 3 AL 1243-G per the guidelines and requirements in D.21-03-052. SWG's timing of this funding request, the use of a Tier 3 AL and the amount requested are all compliant with the Settlement Agreement approved in D.21-03-052. Further, SWG has demonstrated that this request for additional budget is reasonable and justified due to the demand for these new, approved programs and the expenditures needed for the existing EE programs. As such, SWG's CEE Program budget request is approved for the amount of \$500,000 per year effective January 1, 2023 through December 31, 2025. These funds will be collected as part of the CEEBA component of the Public Purpose Program Surcharge. All unspent, uncommitted CEE program funds must be used to offset collection in future years, or otherwise returned to ratepayers via the annual rate change implementation, or "true-up", advice letter process.

BACKGROUND

On March 25, 2021, the Commission approved Decision (D.) 21-03-052 adopting the Settlement Agreement in Southwest Gas's Test Year (TY) 2021 General Rate Case (GRC), Application (A.) 19-08-015, including post-TYs 2022 through 2025. D.21-03-052 approved Southwest Gas's CEE Program portfolio for program years (PY) 2021-2025 that continued its Residential and Commercial Equipment Rebate Programs and authorized the Company to implement three new programs: 1) Residential Equipment Direct-Install (RED); 2) New Home Rebates; and 3) Solar Thermal Rebates.

Unlike the large Investor-Owned Utilities that implement Market Rate Energy Efficiency programs and have specific proceedings dedicated to reviewing applications for EE programs,¹ SWG uses its GRC to propose and receive approval of its EE programs.

In D.21-03-052, the Commission stated that SWG's "Gas Conservation and Energy Efficiency Program, including residential and commercial equipment rebate programs, including residential equipment direct-install, new home and solar thermal rebates will be implemented with an annual budget of \$250,000 with the option to submit an advice letter to request additional funding up to a maximum of \$500,000 per year, beginning two years after a Commission decision is issued in this proceeding."² These funds are part of the Conservation and Energy Efficiency Balancing Account (CEEBA) component of the Public Purpose Program Surcharge.³

Further, the Commission ordered SWG to file a Tier 3 Advice Letter for additional CEE funding consistent with provisions of this Settlement Agreement, requiring compliance with General Order 96 and approval by the Commission's Energy Division.⁴

On December 22, 2022, SWG filed Tier 3 AL 1243-G requesting an increase in funding to \$500,000 per year for program years 2023 through 2025. Per GO 96-B, the disposition of a Tier 3 AL must be through a resolution voted on by the Commission.

¹ R.13-11-005 and most recently A.22-02-005.

² D.21-03-052, p.10.

³ Ibid, pp.14-15.

⁴ Ibid, OP 3 at p.19.

NOTICE

Notice of AL 1243-G was made by publication in the Commission's Daily Calendar. Southwest Gas states that a copy of the Advice Letter was mailed and distributed in accordance with Section 4 of General Order 96-B.

PROTESTS

Advice Letter 1243-G was protested.

SWG's Advice Letter 1243-G was protested by the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) on January 18, 2023. This was not a timely protest as the protest period for AL 1243-G ended on January 11, 2023. Energy Division staff formally accepted this late protest via email to the A.19-08-015 service list on March 1, 2023.

Cal Advocates identified the following issues regarding SWG's CEE Program request for funding increase.

- SWG failed to demonstrate that there is demand for existing and new rebate programs within the company's Northern California, Southern California, and Lake Tahoe service territories.
- SWG failed to provide sufficient evidence for the proposed increase from \$250,000 to \$500,000 per year.
- SWG failed to demonstrate that the proposed forecast methodology used to calculate the \$500,000 is the most appropriate forecasting methodology.

SWG responded to the protest of Cal Advocates on January 25, 2023. In its response, SWG addressed each of the points raised in the Cal Advocates protest. In relation to demonstrating the need for increased EE budgets due to its current authorized budgets being nearly spent, SWG showed that it spent a total of \$241,000 in 2022, which is very close to that of its 2021 spending of \$243,919. All of this was spent on SWG's Residential and Commercial Equipment Rebate Programs; SWG was unable to implement Residential Equipment Direct-Install (RED), New Home Rebates, or Solar Thermal Rebate programs during the 2021 or 2022 program years primarily due to a lack of available program funding.

The Cal Advocates protest asserted that, since SWG did not spend the entire \$250,000 of CEE annual budget, demand for these programs was lacking. SWG replied that, because the Conservation and Energy Efficiency Balancing Account (CEEBA) is

a one-way balancing account, SWG necessarily must manage its CEE program expenses to ensure it spends less than the authorized amount annually. During 2021 and 2022, had the Company implemented its Commission-approved Residential Equipment Direct-Install (RED), New Home Rebates, and Solar Thermal Rebate programs, it would have exceeded the cost allowed by its current \$250,000 budget given the actual spend was so close to its allowed budget.

SWG responded to the Cal Advocates protest regarding forecast methodology of these budgets by providing details on how SWG engaged implementation contractors and assessed customer demand for these programs. SWG identified between 57 to 111 potential customers for the RED program. Each set of RED treatments are estimated to cost about \$1,100 per customer so the estimated spend could range from \$62,700 to \$122,100. Given that the RED program does not have an income restriction as the Energy Savings Assistance Program (ESA) does, SWG estimates that the potential customer pool will be larger. SWG also stated in its Reply to Protest that it has identified significant interest among implementation contractors in the deployment of the New Homes rebate program in California, and has estimated the demand in the California market compared to similar circumstances and programs it has implemented in Arizona.

In its Reply to Protest, SWG also proposed an alternative funding approach for the CEE programs, in the event the Commission did not grant the primary request in AL 1243-G. This alternative was also intended to be responsive to the protest from Cal Advocates, and contained three parts:

1. Southwest Gas is authorized to increase its annual CEE program budget to \$500,000 from 2023 through 2025.
2. SWG's annual CEEBA surcharge will be based on the annual authorized budget of \$250,000 per D.21-03-052.
3. Any amount spent above \$250,000, up to \$500,000, will be recorded in the CEEBA and recovered from customers the year after it is actually spent, i.e., any additional CEE program dollars expended in 2023 will be included in rates for recovery in 2024.

DISCUSSION

The Commission has reviewed Advice Letter 1243-G and finds that SWG's timing of this funding request, the use of a Tier 3 AL, and the amount requested are compliant with the Settlement Agreement in D.21-03-052. Further, SWG has demonstrated that its

request for additional budget is reasonable and justified. The Commission finds that SWG sufficiently addresses the Cal Advocates protest in its Reply to Protest, and we do not agree with Cal Advocates that SWG failed to demonstrate demand for increasing SWG's CEE program budgets, or that SWG did not provide enough evidence for the proposed increase from \$250,000 to \$500,000 per year, or that SWG did not provide information on its budget forecast methodology.

We find SWG's explanation of the demand for its CEE programs and the need for increased budgets reasonable. SWG explained in the AL and its Reply to Protest that it spent over 95 percent of its existing Residential and Commercial Equipment Rebate Programs budget in PY 2021 and 2022. The reason 100 percent of the budget was not expended was due to the nature of the one-way CEE balancing account, in which any overage above \$250,000 would not be recoverable by SWG. We find this a reasonable explanation for a one-way balancing account. Furthermore, SWG provides estimated household treatment data for the RED program, and implementer perspective and comparative market research for the New Homes rebate program. We find this information supports SWG's claim that there is indeed demand for these CEE programs, and that additional program funding is justified.

We also find that SWG's budgeting forecast for increasing the CEE budget from \$250,000 per year to \$500,000 per year is reasonable and justified. SWG relied on implementer feedback, customer data, and market research for its request. SWG cites residential program demand for non-ESA eligible households, as well as similar market conditions in nearby states (Arizona) to explain the variables used to calculate both the potential demand for these CEE programs and the proposed budgets. Based on the information provided by SWG on estimated program demand and budget forecasts for the three new CEE programs, as well as the budget expenditures for the existing Residential and Commercial Equipment Rebate programs in program years 2021 and 2022, the estimated program expenditures for program years 2023 through 2025 are reasonable and approved. Table 1 provides an overview of SWG's proposed annual expenditures for program years 2023 through 2025.

Table 1 - PYs 2023-2025 Proposed CEE Annual Expenditures	
Residential Equipment Rebates	\$120,000
Commercial Equipment Rebates	\$140,000
Solar Thermal Rebates	\$20,000
New Home Rebates	\$170,000
RED	\$40,000
CEE Plan Administration	\$10,000
Total	\$500,000

Lastly, SWG’s alternative funding proposal in its Reply to Protest is rejected. Authorizing the full \$500,000 per year but not collecting these funds is not part of the Settlement Agreement decision funding requirements, nor would it provide certainty of the program funding that the Settlement Agreement authorized. SWG will continue to use the Conservation and Energy Efficiency Balancing Account (CEEBA) pursuant to its California Gas Tariff Preliminary Statement, Section 16.G.1 for tracking the costs and expenditures of the approved budgets for CEE programs. Any unspent, uncommitted CEE program funds from each program year will be used to offset collection in future year, or otherwise returned to ratepayers in the rate change implementation, or “true-up”, advice letter submitted by Southwest Gas each year.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review. Any comments are due within 20 days of the date of its mailing and publication on the Commission’s website and in accordance with any instructions accompanying the notice. Section 311(g)(2) provides that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments on March 24, 2023. No comments on the draft resolution were received.

FINDINGS

1. Commission Decision 21-03-052 adopted the Settlement Agreement in Southwest Gas's Test Year 2021 General Rate Case, Application 19-08-015, including post-Test Years 2022 through 2025.
2. Decision 21-03-052 approved Southwest Gas's Conservation and Energy Efficiency Program portfolio for program years 2021-2025 that continued its Residential and Commercial Equipment Rebate Programs and authorized the Company to implement three new programs: 1) Residential Equipment Direct-Install; 2) New Home Rebates; and 3) Solar Thermal Rebates.
3. Decision 21-03-052 authorized Southwest Gas Conservation and Energy Efficiency Programs with an annual budget of \$250,000 with the option to submit a Tier 3 advice letter to request additional funding up to a maximum of \$500,000 per year, beginning two years after a Commission decision was issued in the proceeding.
4. Decision 21-03-052 directed Southwest Gas to collect these funds as part of the Conservation and Energy Efficiency Balancing Account (CEEBA) component of the Public Purpose Program Surcharge.
5. Southwest Gas filed Tier 3 Advice Letter 1243-G on December 22, 2022, requesting to increase Conservation and Energy Efficiency Program funding to \$500,000 per year for program years 2023 through 2025. This request would increase Conservation and Energy Efficiency Program budgets beginning two years after the Commission decision was issued.
6. Southwest Gas Tier 3 Advice Letter 1243-G and its Reply to Protest from Cal Advocates describe the programmatic demand and budget forecasting for increasing the budgets for its Conservation and Energy Efficiency Programs for program years 2023 through 2025.

THEREFORE IT IS ORDERED THAT:

1. The request of Southwest Gas to increase the annual funding for its Conservation and Energy Efficiency Programs for program years 2023 through 2025 from \$250,000 per year to \$500,000 per year, as requested in Advice Letter 1243-G, is approved.
2. Southwest Gas shall continue to use the Conservation and Energy Efficiency Balancing Account for tracking the costs and expenditures of the approved budgets for Conservation and Energy Efficiency programs. Any unspent, uncommitted Conservation and Energy Efficiency program funds from each program year will be used to offset collection in a future year, or otherwise returned to ratepayers in the rate change implementation, or "true-up", advice letter submitted by Southwest Gas each year.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on April 27, 2023; the following Commissioners voting favorably thereon:

/s/ RACHEL PETERSON

Rachel Peterson
Executive Director

ALICE REYNOLDS
President

GENEVIEVE SHIROMA
DARCIE HOUCK
JOHN REYNOLDS
KAREN DOUGLAS
Commissioners



SOUTHWEST GAS CORPORATION

December 22, 2022

Advice Letter No. 1243-G

(U 905 G)

Public Utilities Commission of the State of California

Subject: Conservation and Energy Efficiency Program Increase Funding Request for Program Years 2023 through 2025 per Decision 21-03-052

Purpose

Southwest Gas Corporation (Southwest Gas or Company) hereby submits this Advice Letter requesting an increase in its Conservation and Energy Efficiency (CEE) Program budget from the currently authorized amount of \$250,000 per year to \$500,000 per year effective January 1, 2023, and to remain at this level through the remainder of the Company's current general rate case cycle which ends December 31, 2025. There are no tariff sheets associated with this Advice Letter submission.

Background

On March 24, 2021, the Commission approved Decision (D.) 21-03-052 adopting the Settlement Agreement in Southwest Gas' Test Year (TY) 2021 General Rate Case, Application (A.) 19-08-015, including post-TYs 2022 through 2025.

In addition, D.21-03-052 approved Southwest Gas' CEE program portfolio for program years (PY) 2021-2025 that continued its Residential and Commercial Equipment Rebate Programs and authorized the Company to implement three new programs 1) Residential Equipment Direct-Install (RED); 2) New Home Rebates; and 3) Solar Thermal Rebates. Southwest Gas CEE programs are described below.

Residential Equipment Rebates

The Residential Equipment Rebates program offers rebates for qualifying energy-efficient water heating and space heating equipment to residential customers in single-family, multi-family, and mobile homes. Customers who receive direct-install measures under the RED program (described further below) may also take advantage of the rebates available under this program. In addition to the measures provided under the RED program, residential customers may also obtain rebates for the following measures:



- Natural Gas Tankless Water Heater
- Natural Gas Storage Water Heater
- Natural Gas Gravity Wall Furnace
- Natural Gas Central Furnace
- Smart Thermostat
- Energy efficient clothes washer

Commercial Equipment Rebates

The Commercial Equipment Rebates program offers energy audits, direct-install measures, and rebates for qualifying energy-efficient water heating, space heating, and commercial food service equipment to commercial customers. Measures eligible for the Commercial Equipment Rebates Program include:

- Energy Audit
- Pre-rinse Spray Valve
- Conveyor/Convection Oven
- Steam Cooker
- Fryer
- Griddle
- Conveyor/Underfired Broiler
- Storage Water Heater
- Condensing Furnace
- Condensing HVAC Boiler

RED

The RED program is a no upfront cost to the customer energy assistance program, which offers the direct installation of water heating and space heating equipment to residential customers in single-family, multi-family and mobile home residences. The RED program is specifically targeting residential customers that do not qualify for Southwest Gas' Energy Savings Assistance program, an income-qualified home weatherization program. The following measures are offered under the RED program:

- Faucet Aerator – Kitchen and Bathroom
- Low-Flow Showerhead
- Smart Low-Flow Showerhead, and
- Duct Sealing¹

¹ Duct sealing is only offered to single family and mobile home customers at this time since it did not pass cost-effectiveness using the total resource cost (TRC) test for multi-family customers.



Additionally, on November 18, 2022, the Commission's Energy Division approved Advice Letter No. 1230, which modified its RED program to include:

- Water Heater Blanket
- Pipe Wrap, and
- Smart thermostats.

New Homes Rebates

The New Home Rebates program offers rebates for single-family homes built to the State of California Title 24 Energy Efficiency Standards and equipped with energy-efficient natural gas appliances to home builders. Residential customers will offer rebates for the following measures under the New Home Rebates Program:

- Natural Gas Tankless Water Heater
- Natural Gas Furnace

Solar Thermal Rebates

The Solar Thermal Rebates program provides a rebate from \$7.00 per therm saved up to \$29.85 per therm saved depending on the system to reduce the cost for customers to install qualifying solar thermal water heating systems.

In A.19-08-015, Southwest Gas requested to maintain its then current CEE budget of \$1 million per program year to implement its suite of programs. However, per the Settlement Agreement, an annual CEE budget of \$250,000 was approved, including an option for Southwest Gas to submit a Tier 3 advice letter to request additional funding up to a maximum of \$500,000 per year, beginning two years after the issuance of D.21-03-052.²

Revised Funding for January 1, 2023 – December 31, 2025

For PY 2021, Southwest Gas successfully utilized nearly all of its annual program budget of \$250,000 for its Residential and Commercial Equipment Rebate Programs. Consistent with PY 2021, Southwest Gas anticipates it will again use almost all of its annual \$250,000 budget in PY 2022.

Although Southwest Gas has achieved success in the Residential and Commercial Equipment Rebate Programs, it was not able to implement RED; New Home Rebates; or Solar Thermal Rebate programs during the 2021 or 2022 program years due primarily to a lack of available program funding. Southwest Gas' 2021 and 2022 CEE program expenditures are reflected in Table 1 below.

² D.21-03-052, Attachment A, at pgs. 21-22.



Table 1 - CA CEE Program Budget & Expenditures		
	Final PY 2021 Spent	PY 2022 (Jan - Nov) Spent
Residential Equipment Rebates	\$76,386	\$100,765
Commercial Equipment Rebates	\$161,984	\$97,026
Solar Thermal Rebates	\$0	\$0
New Home Rebates	\$0	\$0
RED	\$0	\$2,404
CEE Plan Administration	\$5,549	\$9,086
Total	\$243,919	\$209,281^[1]

[1] The \$209,281 figure represents the actual amounts that have been paid out for 2022 up to November. In addition to this number, Southwest Gas has \$22,413 in committed charges it anticipates will be paid out at the conclusion of the program year. The committed charges consist of rebate activities that have already been executed (but not yet billed to Southwest Gas) and spending estimates based on historical expenditures. Actual charges will vary from estimated amounts.

As demonstrated above, Southwest Gas has utilized the majority of its \$250,000 authorized annual budget in both the 2021 and 2022 PYs. Additionally, Southwest Gas believes that increasing its PY budget to \$500,000 for its CEE programs, will enable the Company to implement the RED, New Home Rebates and Solar Thermal Rebates programs. As stated in Southwest Gas’ Advice Letter No. 1230, the additional measures added to the RED program “...will not only increase program attractiveness to customers thereby maximizing participation, but the additional measures will also increase RED program energy savings.”³

Table 2 below reflects how Southwest Gas will utilize the increased \$500,000 annual budget to support its suite of CEE programs.

Table 2 - PYs 2023-2025 Estimated Annual Expenditures	
Residential Equipment Rebates	\$120,000
Commercial Equipment Rebates	\$140,000
Solar Thermal Rebates	\$20,000
New Home Rebates	\$170,000
RED	\$40,000
CEE Plan Administration	\$10,000
Total	\$500,000

Southwest Gas has engaged an implementation contractor to launch the RED program on a pilot basis upon approval of its request for additional CEE program funding. Information gathered during the pilot will be used to evaluate the success of the RED program and how the program can be expanded to reach additional customers.

³ Advice Letter No. 1230, at pg. 2. This Advice Letter may be found here: https://www.swgas.com/rate/1409215276891/SWG_AL-1230_CEE-Plan-Modifications--RED-Program-.pdf.



Similarly for the New Homes Rebates program and the Solar Thermal Rebates program, Southwest Gas is working with its implementation contractors to launch the new programs upon approval of additional CEE program funding. Southwest Gas estimates that rebates will range from \$400-\$750 per home, and, with a 20 percent participation rate (or 400 homes), will result in approximately 40 thousand in annual therm savings (or an average of 100 therms/home). Southwest Gas will closely monitor the number of new home rebates provided and the performance of its other approved CEE programs to provide the maximum energy saving benefits to its customers while ensuring program costs do not exceed the authorized CEE program budget.

Therefore, in order to make all energy saving programs described above available to its customers, Southwest Gas is submitting this Advice Letter requesting an increase in funding to \$500,000 per year effective with the 2023 program year.

Effective Date

In accordance with the Settlement Agreement approved in D.21-03-052, this Advice Letter is classified as Tier 3 pursuant to General Order (GO) 96-B and, as such, requires Commission Resolution to approve. Therefore, Southwest Gas respectfully requests that this Advice Letter be approved on or before the Commission business meeting on February 23, 2023.

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

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Advice Letter No. 1243-G
Page 6
December 22, 2022

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 D.21-03-052.

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 on the official service list in A.19-08-015.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By: 
Valerie J. Ontiveroz

Distribution List

Advice Letter No. 1243-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

Scott Blaising
blaising@braunlegal.com

Jim Mosher
copperbeechllc@gmail.com



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) #: 1243

Tier Designation: Tier 3

Subject of AL: Conservation and Energy Efficiency Program Increase Funding Request for Program Years 2023 through 2025 per Decision 21-03-052

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.21-03-052

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: No. of tariff sheets: Not applicable.

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	