

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 11, 2014

**Advice Letter 946-G**

Justin Lee Brown  
Vice-President/Regulatory Affairs  
Southwest Gas Corporation  
PO Box 98510  
Las Vegas, NV 89193-8510

**SUBJECT: TO CORRECT A TYPOGRAPHICAL ERROR IN THE PRELIMINARY  
STATEMENT PERTAINING TO THE SWG FIXED COST  
ADJUSTMENT MECHANISM**

Dear Mr. Brown:

Advice Letter 946-G is effective as of July 11, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director  
Energy Division



## **SOUTHWEST GAS CORPORATION**

Justin Lee Brown , Vice President/Regulatory Affairs

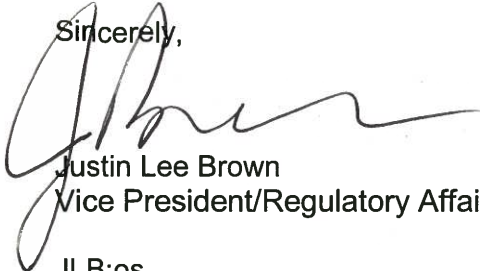
July 11, 2014

**ATTN: Tariff Unit, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4005  
San Francisco, CA 94102**

**Subject: Southwest Gas Corporation (U 905 G)  
Advice Letter No. 946**

Enclosed herewith are an original and one (1) copy of Southwest Gas Corporation's Advice Letter No. 946 together with California Gas Tariff P.U.C. Sheet No. 16.

Sincerely,



**Justin Lee Brown  
Vice President/Regulatory Affairs**

JLB:os  
Enclosures



# SOUTHWEST GAS CORPORATION

Advice Letter No. 946

July 11, 2014

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southwest Gas Corporation (Southwest Gas or Company) (U 905 G) hereby tenders for filing the following tariff sheet:

### California Gas Tariff

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
First Revised Sheet No. 16	Preliminary Statement ( <i>Continued</i> )	Original Sheet No. 16

#### Purpose

The purpose of this filing is to correct a typographical error in the Preliminary Statement pertaining to the Southwest Gas Fixed Cost Adjustment Mechanism (FCAM).

Pursuant to the Settlement Agreement approved in Decision (D.) 08-11-048<sup>1</sup>, the Core Fixed Cost Adjustment Mechanism (CFCAM) and Noncore Fixed Cost Adjustment Mechanism (NFCAM) were combined into a single FCAM for each of the Company's three rate jurisdictions. At the time the CFCAM and NFCAM preliminary statements were consolidated into the FCAM, a reference to "core" customers was inadvertently carried over into the applicability section of the combined FCAM. Through this Advice Letter Southwest Gas seeks only to amend its Preliminary Statement to provide clarification regarding the FCAMs applicability to both its core and non-core customers.

This typographical error has not resulted in any error in billing as customers have been correctly billed pursuant to the Commission approved rates shown in the Company's Tariff.

#### Effective Date

Since this Advice Letter is being submitted in accordance with D.08-11-048 and does not modify any rate or charge, Southwest Gas believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order 96-B. Southwest Gas respectfully requests that this Advice Letter be made effective July 11, 2014, which is the date of filing.

#### Protest

Anyone wishing to protest this filing may do so by sending a letter within 20 days of the filing. The protest should set forth the grounds upon which it is based and should be

<sup>1</sup> Issued in Application 07-12-012, Southwest Gas' Test Year 2009 General Rate Case.



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Page 2  
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submitted expeditiously. There is no restriction on who may file a protest. Protests should be mailed to:

Investigation, Monitoring & Compliance Program Manager  
California Public Utilities Commission, Energy Division  
505 Van Ness Avenue, Room 4002  
San Francisco, CA 94102  
Facsimile: 415-703-2200

A copy should also be mailed to the attention of Director, Energy Division, Room 4004 at the same address as above, and mailed and faxed to:

Mr. Justin Lee Brown  
Vice President/Regulatory Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, Nevada 89193-8510  
Facsimile: 702-222-1475

### **Notice**

Pursuant to Energy Industry Rule 3.1(1), Southwest Gas is exempt from the notice requirements set forth in General Rule 4.2 in G.O. 96-B since the tariff revisions proposed herein are being filed in compliance with D.08-11-048.

### **Service**

In accordance with General Order 96-B, General Rule 4.3, Southwest Gas is mailing copies of this advice letter and related tariff sheets to the utilities and interested parties shown on the attached list.

Communications regarding this filing should be directed to:

Ed Giesecking  
Director/Pricing and Tariffs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-364-3271  
E-mail: [ed.giesecking@swgas.com](mailto:ed.giesecking@swgas.com)

Debra S. Gallo  
Director/Government and  
State Regulatory Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
Las Vegas, NV 89193-8510  
Telephone: 702-876-7163  
E-mail: [debra.gallo@swgas.com](mailto:debra.gallo@swgas.com)

Respectfully submitted,

SOUTHWEST GAS CORPORATION

By

  
Justin L. Brown

Attachments

DISTRIBUTION LIST

Advice Letter No. 946

In accordance with General Order 96-B, General Rule 4.3

Southern California Edison Company

Pacific Gas & Electric Company

Liberty Utilities

Sierra Pacific Power Company

San Diego Gas & Electric Company

Southern California Gas Company

Southern California Water Company

Duane Morris, LLP

Director/Office of Ratepayer Advocates

Robert M. Pocta, Office of Ratepayer Advocates  
([rmp@cpuc.ca.gov](mailto:rmp@cpuc.ca.gov))

Nathanial Skinner, Office of Ratepayer Advocates  
([nws@cpuc.ca.gov](mailto:nws@cpuc.ca.gov))

Pearlie Sabino, Office of Ratepayer Advocates  
([pzs@cpuc.ca.gov](mailto:pzs@cpuc.ca.gov))

PRELIMINARY STATEMENT  
(Continued)

9. FIXED COST ADJUSTMENT MECHANISM (FCAM)

9A. PURPOSE

The purpose of the FCAM is to balance the difference between authorized levels of Southwest Margin, recorded Upstream Storage Charges, and Interstate Reservation/Firm Access Charges with recorded revenues intended to recover these costs.

9B. APPLICABILITY

This FCAM provision applies to bills for service under all rate schedules in the Company's California service areas.

9C. REVISION DATE

The Company shall submit an annual Post Test Year Rate Adjustment filing to adjust the Southwest Margin component of this provision, and shall file to adjust the Upstream Storage Charge and Interstate Reservation/Firm Access Charge rates for this provision as often as necessary to ensure that effective rates reflect projected costs. The Company shall file periodically to update the Fixed Cost Balancing Account Adjustment, which will include a margin balancing component to clear over- and under-recoveries of authorized margin.

9D. FORECAST PERIOD

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 immediately following the Revision Date, as specified in the Company's most recent general rate case.

9E. FIXED COST BALANCING ACCOUNT ADJUSTMENT

The Fixed Cost Balancing Account Adjustment shall consist of an amount necessary to recover or return the amount accumulated in the Fixed Cost Adjustment Mechanism and shall be determined by dividing the balance in the account at the end of the latest available month at the time of filing by the total volumes of gas estimated to be delivered to customers during the Forecast Period. The Fixed Cost Balancing Account Adjustment shall be as set forth from time to time in the currently-effective Statement of Rates of this California Gas Tariff.

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING 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  
 PLC      HEAT    WATER

Contact Person: **Edward Giesecking**

Phone #: **(702) 364-3271**

E-mail: **ed.giesecking@swgas.com**

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **946**

Subject of AL: **To correct a typographical error in the Preliminary Statement pertaining to the Southwest Gas Fixed Cost Adjustment Mechanism (FCAM).**

Keywords (choose from CPUC listing): TEXT CHANGES

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

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<sup>1</sup>: **Not applicable**

Resolution Required?  Yes  No

Requested effective date: **July 11, 2014**

No. of tariff sheets: 1

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: **None**

Service affected and changes proposed<sup>1</sup>: **See 'Subject of AL' above**

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

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:**

**CPUC, Energy Division**  
**Attention: Tariff Unit**  
**505 Van Ness Ave.,**  
**San Francisco, CA 94102**  
**mas@cpuc.ca.gov and jnj@cpuc.ca.gov**

**Utility Info (including e-mail)**  
**Mr. Justin Lee Brown,**  
**Vice-Pres./Regulatory Affairs**  
**Southwest Gas Corporation**  
**P. O. Box 98510**  
**Las Vegas, NV 89193-8510**  
**Justin.Brown@swgas.com**  
**Facsimile: 702-222-1475**

<sup>1</sup> Discuss in AL if more space is needed.