April 20, 2017

Russell G. Worden
Managing Director, State Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, California 91770

SUBJECT: Southern California Edison Advice Letter 211-G Filing to Modify Catalina Gas Rule 2

Dear Mr. Worden:

In AL (Advice Letter) 211-G dated August 19, 2016, Southern California Edison (SCE) requested to revise the heating value of gas referenced within SCE’s Gas Rule 2, Description of Service, to more closely reflect the gas that is delivered to Santa Catalina Island (Catalina) gas customers receiving a propane-air mixture. The advice letter was not protested.

Southern California Edison (SCE) Advice Letter (AL) 211-G is rejected without prejudice.

Background

SCE owns and operates a small propane delivery utility on Catalina Island off the Coast of Los Angeles County, which delivers a propane-air mixture, intended to simulate the combustion characteristics of natural gas to about 1,300 customers, concentrated in the city of Avalon. The propane is barged to Catalina in liquid form and then gasified for distribution over pipelines. In order to create a gas mixture that is functionally interchangeable with natural gas, SCE blends its propane with air. SCE advises Catalina customers to use appliances designed for natural gas use.

General Order (G.O.) 58-A, Paragraph 6.c, requires gas utilities to deliver gas to customer within 25 Btu/cf of the heating value in their gas quality specifications. The heating value currently approved by the California Public Utilities Commission (Commission) is 1300 Btu/ cf, pursuant to AL 142-G in 2007. The propane-air mixture that SCE currently delivers to Catalina gas customers exceeds that heating value by more than 25 Btu/ cf.

During the course of an internal review of gas quality issues, SCE investigated the heating value of gas delivered to customers in 2014, 2015, and through July 19, 2016. This review determined that during 96% of the days within these periods, SCE delivered gas within a +/- 25 Btu/ cf range of 1,344 Btu/ cf and not the originally approved value of 1,300 Btu/ cf as specified in Gas Rule 2. Pursuant to Resolution ALJ-274, SCE submitted this information as part of the self-identified and proposed self-correction report to the Commission Safety and Enforcement Division (SED) on August 19, 2016. This report is currently under review by SED. SED has directed SCE to conduct additional surveys on the gas appliance heating value and interchangeability issues in the City of Avalon, CA on Catalina Island. The requested gas appliances combustion products
testing survey should either sample the entire population or include a statistical analysis to select representative samples. The Commission will not be able to consider approval for this AL until all work requested by SED has been completed to SED’s satisfaction.

Disposition

SED is still in the process of reviewing SCE’s request from safety perspective, and additional surveys and technical information have been requested by SED. Consequently, SCE AL 211-G omits relevant content necessary for proper consideration.

For this reason Energy Division rejects SCE AL 211-G without prejudice, consistent with General Order 96-B General Rule 7.1.

SCE may submit an advice letter similar to AL 211-G which includes all relevant information from the aforementioned SED investigation pursuant to ALJ-274 once that investigation is complete.

Sincerely,

[Signature]

Edward Randolph
Director, Energy Division

cc: Laura Genao, SCE
    Karyn.Gansecki@sce.com

    Russell A. Archer, SCE
    Russell.Archer@sce.com

    Pete Skala, Energy Division

    Franz Cheng, Energy Division

    Majed Ibrahim, Energy Division

    Jason Reiger, Legal Division
ADVICE LETTER (AL) SUSPENSION NOTICE
ENERGY DIVISION

Utility Name: Southern California Edison
Utility Number/Type: U 338-E
Advice Letter Number(s) 211-G
Date AL(s) Filed) 8/19/16
Date Utility Notified: 9/9/16
Utility Contact Person: Darrah Morgan
Utility Phone No.: (626) 302-2086
ED Staff Contact: Amardeep Assar
ED Staff Email: amardeep.assar@cpuc.ca.gov
ED Staff Phone No.: (415) 703-2148

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

This is to notify that the above-indicated AL is suspended for up to 120 days beginning 9/9/16 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
[X] 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 Amardeep Assar amardeep.assar@cpuc.ca.gov.

cc:
Edward Randolph
Franz Cheng
ED Tariff Unit
Darrah Morgan, SCE (Darrah.Morgan@sce.com)

* Note: reference – Decision D.02-02-049, dated February 21, 2002, and Rule 7.5 in appendix A of D.O7-01-024
August 19, 2016

ADVICE 211-G
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Filing to Modify Catalina Gas Rule 2

Southern California Edison Company (SCE) hereby submits for filing the following changes to its tariffs. The revised tariff sheets are listed on Attachment A and are attached hereto.

PURPOSE

The purpose of this advice letter is to revise the heating value of gas referenced within SCE’s Gas Rule 2, Description of Service, to more closely reflect the gas that is delivered to Santa Catalina Island (Catalina) gas customers receiving a propane-air mixture.

BACKGROUND

SCE owns and operates a small propane delivery utility on Catalina Island off the coast of Los Angeles County (Catalina Gas), which delivers a propane-air mixture intended to simulate the combustion characteristics of natural gas to approximately 1,300 customers. The propane is barged over to Catalina in liquid form and gasified. SCE advises its customers to use appliances designed to use natural gas. In order to create a gas mixture that is functionally interchangeable with natural gas, SCE blends its propane with air. SCE distributes the propane-air gas mix to customers at an operating pressure of approximately 8 psi, as compared to large, mainland gas utilities’ typical distribution operating pressures up to 60 psi. Gas is also delivered to customers at a certain “heating value” (measured in British Thermal Units per cubic foot (Btu/ft³)).

General Order (GO) 58A, Paragraph 6.c requires that each utility that delivers propane-air mix establish and maintain a standard heating value for its product.¹ SCE last

updated its standard heating value in Advice 142-G,² approved on August 6, 2007. The heating value approved by the California Public Utilities Commission (Commission) and included in SCE’s Gas Rule 2 is 1,300 Btu/ft³.

**PROPOSED TARIFF CHANGES**

As a result of an on-going review of its Catalina Gas operations, SCE has identified that the heating value established in 2007 in Advice 142-G does not reflect the actual heating value of the propane-air mix of gas that SCE delivers to its Catalina Gas customers. As a result, SCE proposes to increase the tariffed heating value to a level that more accurately reflects the heating value of the gas it delivers.

The proposed revision is described below and shown in Attachment A.

**Gas Heating Value Revision**

The Commission’s GO 58A, Paragraph 6.c requires that: “Each gas utility supplying a liquefied petroleum gas—air mix, shall establish and maintain, with the approval of the Commission, a standard heating value for its product. The maximum daily variation shall not exceed twenty-five (25) Btu per standard cubic foot above or below the standard heating value.”

SCE’s current Rule 2 tariff implementing GO 58A requirements establishes a standard heating value of 1,300 Btu/standard cubic foot (Btu/ft³). As the Commission is aware from SCE’s submission of monthly reports through August 31, 2015, during most periods SCE has safely delivered gas to its customers at heating values outside of the plus/minus 25 Btu/ft³ range of 1,300 Btu/ft³. In this advice filing, SCE proposes to modify its Gas Rule 2 to revise its established heating value for gas-air mixture and to establish a heating value for liquid propane.

During the course of an internal review of gas quality issues, SCE investigated the heating value of the gas delivered to customers in 2014, 2015, and through July 19, 2016. This review showed that during 96 percent of the days within these periods, SCE delivered gas within a plus/minus 25 Btu/ft³ range of 1,344 Btu/ft³. During 90 percent of the days within these periods, SCE did not deliver gas within a plus/minus 25 Btu/ft³ range of the 1,300 Btu/ft³ value specified in Gas Rule 2. In light of this assessment, SCE has concluded that the presently-identified Rule 2 heating value should be reset to reflect more closely the heating value of the gas being delivered to Catalina customers.

Another consideration regarding the heating value of the propane gas served by Catalina Gas is its interchangeability with natural gas. SCE advises its gas customers on Santa Catalina Island to use gas appliances designed to operate on natural gas. In

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² Advice 142-G, filed on June 29, 2007.
order to create a gas mixture that is interchangeable with natural gas, SCE blends its propane with air.

The most common single index parameter for gas interchangeability is known as the “Wobbe Number,” also sometimes referred to as the Interchangeability Factor. SCE intends to revise its target Wobbe Number range from its current operating level of a minimum of 1,150 and a maximum of 1,225, to a tighter range with a minimum Wobbe Number of 1,190 and a maximum Wobbe Number of 1,230. This change will increase the Wobbe Number to a level closer to the typical level of natural gas, will tighten the delivered gas heating value range, and will help ensure compliance with the plus/minus 25 Btu/ft³ requirement of the proposed Rule 2 heating value in compliance with GO 58A.

While natural gas typically has a Wobbe Number in the 1,300 range, Wobbe Number values of 1,200 can be used safely in natural gas appliances. Some gas utilities inject air into natural gas streams to serve a Wobbe Number blend of 1,200 to reflect the historic gas mix in that region and because higher Wobbe Number supplies were shown to result in interchangeability problems. Given that gas with Wobbe Numbers around 1,200 have been safely used in gas appliances, that some utilities have experienced interchangeability problems when increasing their Wobbe Number, and that SCE has historically served gas with a Wobbe Number between 1,150 and 1,225; SCE intends to establish a midpoint Wobbe Number of 1,210. In addition, SCE will tighten its target gas mixture range from the current Wobbe Number range of 75 (1,150-1,225) to a Wobbe Number range of 40 (1,190-1,230). With these changes, SCE will supply gas that is compatible with the gas historically provided, but also supply gas at the higher end of the historic range that more closely matches typical natural gas Wobbe Number values.

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4 As a point of reference, Southern California Gas Company Rule 30 (paragraph I.3.m, Effective Dec. 3, 2015, at Sheet 18) defines its interchangeability standard as “a minimum Wobbe Number of 1279 and shall not have a maximum Wobbe Number of greater than 1385.”
5 Ibid.
Accordingly, SCE proposes the following changes to Rule 2, Section A, *Kind and Heating Value*:

Revise the heating value from “1,300” to “1,362” British Thermal Units (Btu) per cubic foot.

No cost information is required for this advice filing.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

**TIER DESIGNATION**

Pursuant to GO 96-B, Energy Industry Rule 5.2, this advice letter is submitted with a Tier 2 designation.

**EFFECTIVE DATE**

This advice filing will become effective on September 18, 2016, the 30th calendar day after the date filed.

**NOTICE**

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be submitted to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, California 94102  
E-mail: EDTariffUnit@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:
Russell G. Worden
Managing Director, State Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, California 91770
Telephone: (626) 302-4177
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Michael R. Hoover
Director, State Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2030
San Francisco, California 94102
Facsimile: (415) 929-5544
E-mail: Karyn.Gansecki@sce.com

and

Russell A. Archer
Senior Attorney
Southern California Edison Company
2244 Walnut Grove Avenue, 3rd Floor
Rosemead, CA 91770
Facsimile: (626) 302-2865
E-mail: Russell.Archer@sce.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and must be received by the deadline shown above.

In accordance with General Rule 4 of GO 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B service list. Address change requests to the GO 96-B service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-3719. For changes to all other service lists, please contact the Commission’s Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at SCE’s corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE’s web site at https://www.sce.com/wps/portal/home/regulatory/advice-letters.
For questions, please contact Robert Grimm at (626) 302-3423 or by electronic mail at Robert.Grimm@sce.com.

Southern California Edison Company

/s/ Russell G. Worden
Russell G. Worden

RGW:ra/rg:cm
Enclosures
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.: Southern California Edison Company (U 338-E)

Utility type:  ☑ ELC  ☐ GAS  ☐ PLC  ☐ HEAT  ☐ WATER
Contact Person: Darrah Morgan
Phone #: (626) 302-2086
E-mail: Darrah.Morgan@sce.com
E-mail Disposition Notice to: AdviceTariffManager@sce.com

EXPLANATION OF UTILITY TYPE

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

Advice Letter (AL) #: 211-G  Tier Designation: 2
Subject of AL: Filing to Modify Catalina Gas Rule 2
Keywords (choose from CPUC listing): Compliance, Rules
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:
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: 9/18/16  No. of tariff sheets: -3-
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: See Attachment A
Service affected and changes proposed¹:
Pending advice letters that revise the same tariff sheets: None

¹ Discuss 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 filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Russell G. Worden
Managing Director, State Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, California 91770
Telephone: (626) 302-4177
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Michael R. Hoover
Director, State Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2030
San Francisco, California 94102
Facsimile: (415) 929-5544
E-mail: Karyn.Gansecki@sce.com

and

Russell A. Archer
Senior Attorney
Southern California Edison Company
2244 Walnut Grove Avenue, 3rd Floor
Rosemead, California 91770
Facsimile: (626) 302-2865
E-mail: Russell.Archer@sce.com
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Rule 2
DESCRIPTION OF SERVICE

A. Kind and Heating Value

The gas supplied by SCE is made up of a mixture of propane/air and has a heating value of approximately 1362 British Thermal Units (Btu) per cubic foot.

B. Pressure - General Service

The standard pressure of gas as measured at the outlet of the service meters installed on customers' premises is 8 inches of water column.

When gas is metered at low pressure the number of cubic feet so measured, without correction for pressure or temperature, is the quantity to which the rate schedules are applied.

Gas will be supplied at “high pressure” subject to the approval of SCE, when and where such service is available from existing high pressure mains. Such “high pressure” service shall be subject to change at any time at the option of SCE.

Where gas is metered at “high pressure,” the number of cubic feet as actually metered, corrected to absolute pressure of 14.73 pounds per square inch, is the quantity to which the right schedules are applicable.
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