

# ATTACHMENT V

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

In the Matter of the Application of San Diego Gas  
& Electric Company (U 902 G) and Southern  
California Gas Company (U 904 G) for Authority  
to Revise Their Rates Effective January 1, 2013, in  
Their Triennial Cost Allocation Proceeding

A.11-11-002  
(Filed November 1, 2011)

**SOUTHERN CALIFORNIA GAS COMPANY,  
SAN DIEGO GAS & ELECTRIC COMPANY, AND  
CLEAN ENERGY FUELS CORPORATION  
PHASE 2 SETTLEMENT AGREEMENT**

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March 14, 2013

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In the Matter of the Application of San Diego Gas & Electric Company (U 902 G) and Southern California Gas Company (U 904 G) for Authority to Revise Their Rates Effective January 1, 2013, in Their Triennial Cost Allocation Proceeding

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**SOUTHERN CALIFORNIA GAS COMPANY,  
SAN DIEGO GAS & ELECTRIC COMPANY, AND  
CLEAN ENERGY FUELS CORPORATION  
PHASE 2 SETTLEMENT AGREEMENT**

Pursuant to Article 12 of the Commission's Rules of Practice and Procedure, Southern California Gas Company (SoCalGas), San Diego Gas & Electric Company (SDG&E), (jointly SoCalGas/SDG&E or Applicants), and Clean Energy Fuels Corporation (CEFC) (collectively referred to hereafter as the Settling Parties) respectfully submit to the Commission this Settlement Agreement (Settlement). In this Settlement, the Settling Parties provide to the Commission a recommended resolution of certain issues in Phase Two of this proceeding.

**I  
REASONABLENESS OF THE SETTLEMENT**

The Settling Parties submit that this Settlement complies with the Commission's requirements that settlements be reasonable, consistent with law, and in the public interest. The Settling Parties have recognized that there is risk involved in litigation, and that a party's filed position might not prevail, in whole or in part, in the Commission's final determination. The Settling Parties have reached compromise positions that they believe are appropriate in light of the litigation risks. This Settlement reflects the Settling Parties' best judgments as to the totality of their positions and risks, and their agreement herein is explicitly based on the overall results achieved.

**II**  
**SETTLEMENT TERMS AND CONDITIONS**

**A. Effective Date; Term of Agreement**

1. The Effective Date of this Settlement is the date upon which the Commission approves the Settlement. The rates set forth in this Settlement shall go into effect upon the date(s) established by the Commission.
2. The term of the Settlement shall extend from the date upon which the Commission approves the Settlement through implementation (tariff approval) of the next SoCalGas and SDG&E TCAP.

**B. Settlement Terms**

1. The NGV compression rate adder shall be \$1.05000/therm for SoCalGas and \$1.05603/therm for SDG&E.<sup>1</sup>

**III**  
**ADDITIONAL TERMS AND CONDITIONS**

**A. The Public Interest**

The Settlement Parties agree jointly by executing and submitting this Settlement that the relief requested herein is just, fair and reasonable, and in the public interest.

**B. Non-Precedential Effect**

This Settlement is not intended by the Settlement Parties to be precedent for any future proceeding. The Settlement Parties have assented to the terms of this Settlement only for the purpose of arriving at the settlement embodied in this Settlement. Except as expressly precluded in this Settlement, each of the Settlement Parties expressly reserves its right to advocate, in current and future proceedings, positions, principles, assumptions, arguments and methodologies which may be the same or different than those underlying this Settlement, and the Settlement Parties

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<sup>1</sup> SDG&E's compression adder is slightly higher than SoCalGas' due to different Franchise Fee & Uncollectible rates.

expressly declare that, as provided in Rule 12.5 of the Commission's Rules, this Settlement should not be considered as a precedent for or against them. Likewise, the Settlement explicitly does not establish any precedent on the litigated issues in the case.

**C. Partial Settlement**

This Settlement is a partial settlement of Phase 2 issues. It is not intended to resolve issues not covered by the Settlement, or to preclude any of the Settling Parties from making any arguments or taking any positions with respect to such issues.

**D. Indivisibility**

This Settlement embodies compromises of the Settlement Parties' positions. No individual term of this Settlement is assented to by any of the Settlement Parties, except in consideration of the other Settlement Parties' assents to all other terms. Thus, the Settlement is indivisible and each part is interdependent on each and all other parts. Any party may withdraw from this Settlement if the Commission modifies, deletes from, or adds to the disposition of the matters stipulated herein. The Settlement Parties agree, however, to negotiate in good faith with regard to any Commission-ordered changes to the Settlement in order to restore the balance of benefits and burdens, and to exercise the right to withdraw only if such negotiations are unsuccessful.

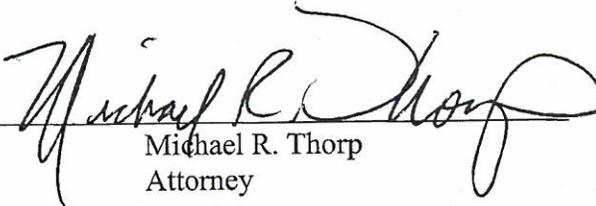
The Settlement Parties acknowledge that the positions expressed in the Settlement were reached after consideration of all positions advanced in the prepared testimony of SoCalGas, SDG&E, Clean Energy, and the other interested parties, as well as proposals offered during the settlement negotiations. This document sets forth the entire agreement of the Settlement Parties on all of those issues, except as specifically described within the Settlement. The terms and conditions of this Settlement may only be modified in writing subscribed by all Settlement Parties.

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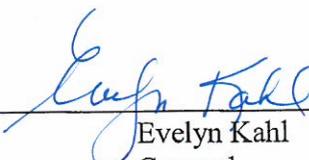
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Dated this 14th day of March, 2013.

SOUTHERN CALIFORNIA GAS COMPANY and  
SAN DIEGO GAS & ELECTRIC COMPANY

By:   
Michael R. Thorp  
Attorney

CLEAN ENERGY FUELS CORPORATION

By:   
Evelyn Kahl  
Counsel

# Appendix B

## APPENDIX B

**TABLE 1**  
**Natural Gas Transportation Rates**  
**Southern California Gas Company**  
**2013 TCAP Application**

2013TCAP SCG RD Model - Clean Energy Settlement Agreement Rate Impacts

	TCAP Proposed Rates			Clean Energy Settlement Rates			Changes			
	Proposed Volumes	Proposed Rate	Proposed Revenues	Proposed Volumes	Proposed Rate	Proposed Revenues	Revenue Change	Rate Change	% Rate change	
	Mth	\$/therm	\$000's	Mth	\$/therm	\$000's	\$000's	\$/therm	%	
	D	E	F	D	E	F	G	H	I	
1	<b>CORE</b>									
2	Residential	2,483,053	\$0.56009	\$1,390,729	2,483,053	\$0.56003	\$1,390,575	(\$154)	(\$0.00006)	0.0%
3	Commercial & Industrial	1,013,177	\$0.23482	\$237,916	1,013,177	\$0.23480	\$237,889	(\$26)	(\$0.00003)	0.0%
4										
5	NGV - Pre SempraWide	131,912	\$0.06355	\$8,383	131,912	\$0.06498	\$8,572	\$188	\$0.00143	2.2%
6	SempraWide Adjustment	131,912	\$0.00048	\$63	131,912	\$0.00045	\$60	(\$3)	(\$0.00003)	-5.3%
7	NGV - Post SempraWide	131,912	\$0.06403	\$8,446	131,912	\$0.06543	\$8,631	\$185	\$0.00140	2.2%
8										
9	Gas A/C	575	\$0.06793	\$39	575	\$0.06792	\$39	(\$0)	(\$0.00001)	0.0%
10	Gas Engine	17,984	\$0.09148	\$1,645	17,984	\$0.09146	\$1,645	(\$0)	(\$0.00002)	0.0%
11	<b>Total Core</b>	<b>3,646,701</b>	<b>\$0.44939</b>	<b>\$1,638,776</b>	<b>3,646,701</b>	<b>\$0.44939</b>	<b>\$1,638,780</b>	<b>\$4</b>	<b>\$0.00000</b>	<b>0.0%</b>
12										
13	<b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b>									
14	Distribution Level Service	870,957	\$0.05130	\$44,684	870,957	\$0.05130	\$44,679	(\$4)	(\$0.00001)	0.0%
15	Transmission Level Service	639,338	\$0.01333	\$8,521	639,338	\$0.01333	\$8,521	(\$0)	(\$0.00000)	0.0%
16	<b>Total Noncore C&amp;I</b>	<b>1,510,295</b>	<b>\$0.03523</b>	<b>\$53,205</b>	<b>1,510,295</b>	<b>\$0.03523</b>	<b>\$53,200</b>	<b>(\$5)</b>	<b>(\$0.00000)</b>	<b>0.0%</b>
17										
18	<b>NONCORE ELECTRIC GENERATION</b>									
19	Distribution Level Service									
20	Pre Sempra Wide	319,035	\$0.03208	\$10,236	319,035	\$0.03208	\$10,235	(\$1)	(\$0.00000)	0.0%
21	Sempra Wide Adjustment	319,035	\$0.00030	\$97	319,035	\$0.00030	\$96	(\$0)	(\$0.00000)	-0.5%
22	Distribution Post Sempra Wide	319,035	\$0.03239	\$10,333	319,035	\$0.03238	\$10,331	(\$2)	(\$0.00001)	0.0%
23	Transmission Level Service	2,753,888	\$0.01259	\$34,674	2,753,888	\$0.01259	\$34,674	(\$0)	(\$0.00000)	0.0%
24	<b>Total Electric Generation</b>	<b>3,072,923</b>	<b>\$0.01465</b>	<b>\$45,007</b>	<b>3,072,923</b>	<b>\$0.01465</b>	<b>\$45,005</b>	<b>(\$2)</b>	<b>(\$0.00000)</b>	<b>0.0%</b>
25										
26	<b>TOTAL RETAIL NONCORE</b>	<b>4,583,218</b>	<b>\$0.02143</b>	<b>\$98,212</b>	<b>4,583,218</b>	<b>\$0.02143</b>	<b>\$98,205</b>	<b>(\$6)</b>	<b>(\$0.00000)</b>	<b>0.0%</b>
27										
28	<b>WHOLESALE</b>									
29	Wholesale Long Beach	84,077	\$0.01259	\$1,059	84,077	\$0.01259	\$1,059	(\$0)	(\$0.00000)	0.0%
30	Wholesale SWG	67,171	\$0.01259	\$846	67,171	\$0.01259	\$846	(\$0)	(\$0.00000)	0.0%
31	Wholesale Vernon	80,602	\$0.01259	\$1,015	80,602	\$0.01259	\$1,015	(\$0)	(\$0.00000)	0.0%
32	International	66,380	\$0.01259	\$836	66,380	\$0.01259	\$836	(\$0)	(\$0.00000)	0.0%
33	<b>Total Wholesale &amp; International</b>	<b>298,230</b>	<b>\$0.01259</b>	<b>\$3,755</b>	<b>298,230</b>	<b>\$0.01259</b>	<b>\$3,755</b>	<b>(\$0)</b>	<b>(\$0.00000)</b>	<b>0.0%</b>
34	SDGE Wholesale	1,233,373	\$0.00808	\$9,967	1,233,373	\$0.00808	\$9,967	(\$0)	(\$0.00000)	0.0%
35	<b>Total Wholesale Incl SDGE</b>	<b>1,531,603</b>	<b>\$0.00896</b>	<b>\$13,722</b>	<b>1,531,603</b>	<b>\$0.00896</b>	<b>\$13,722</b>	<b>(\$0)</b>	<b>(\$0.00000)</b>	<b>0.0%</b>
36										
37	<b>TOTAL NONCORE</b>	<b>6,114,821</b>	<b>\$0.01831</b>	<b>\$111,934</b>	<b>6,114,821</b>	<b>\$0.01830</b>	<b>\$111,927</b>	<b>(\$7)</b>	<b>(\$0.00000)</b>	<b>0.0%</b>
38										
39	Unbundled Storage			\$26,476			\$26,476	\$0		
40	System Total (w/o BTS)	9,761,522	\$0.18206	\$1,777,185	9,761,522	\$0.18206	\$1,777,183	(\$2)	(\$0.00000)	0.0%
41	Backbone Trans. Service BTS	2,808	\$0.16152	\$165,545	2,808	\$0.16152	\$165,545	\$0	\$0.00000	0.0%
42	<b>SYSTEM TOTALw/BTS</b>	<b>9,761,522</b>	<b>\$0.19902</b>	<b>\$1,942,730</b>	<b>9,761,522</b>	<b>\$0.19902</b>	<b>\$1,942,728</b>	<b>(\$2)</b>	<b>(\$0.00000)</b>	<b>0.0%</b>

# Appendix C

**APPENDIX C**

**TABLE 1**  
**Natural Gas Transportation Rate Revenues**  
**San Diego Gas & Electric**  
**2013 TCAP Application**

2013TCAP SDGE RD Model - Clean Energy Settlement Agreement Rate Impacts

	TCAP Proposed Rates			Clean Energy Settlement Rates			Changes		
	Proposed Volumes	Average Rate	Proposed Revenues	Proposed Volumes	Average Rate	Proposed Revenues	Revenues	Rates	Rate change
	mtherms	\$/therm	\$000's	mtherms	\$/therm	\$000's	\$000's	\$/therm	%
	D	E	F	D	E	F	G	H	I
1 <b>CORE</b>									
2 Residential	307,841	\$0.67033	\$206,355	307,841	\$0.67015	\$206,300	(\$55)	(\$0.00018)	0.0%
3 Commercial & Industrial	182,595	\$0.19258	\$35,164	182,595	\$0.19255	\$35,158	(\$6)	(\$0.00003)	0.0%
4									
5 NGV - Pre SempraWide	11,606	\$0.07821	\$908	11,606	\$0.08355	\$970	\$62	\$0.00534	6.8%
6 SempraWide Adjustment	11,606	(\$0.00545)	(\$63)	11,606	(\$0.00516)	(\$60)	\$3	\$0.00029	-5.3%
7 NGV Post SempraWide	11,606	\$0.07276	\$845	11,606	\$0.07839	\$910	\$65	\$0.00563	7.7%
8									
9 Total CORE	502,042	\$0.48275	\$242,363	502,042	\$0.48276	\$242,367	\$4	\$0.00001	0.0%
10									
11 <b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b>									
12 Distribution Level Service	33,562	\$0.17305	\$5,808	33,562	\$0.17303	\$5,807	(\$1)	(\$0.00002)	0.0%
13 Transmission Level Service	15,070	\$0.01680	\$253	15,070	\$0.01680	\$253	(\$0)	(\$0.00000)	0.0%
14 Total Noncore C&I	48,633	\$0.12463	\$6,061	48,633	\$0.12462	\$6,061	(\$1)	(\$0.00002)	0.0%
15									
16 <b>NONCORE ELECTRIC GENERATION</b>									
17 Distribution Level Service									
18 Pre Sempra Wide	97,473	\$0.03173	\$3,093	97,473	\$0.03172	\$3,092	(\$1)	(\$0.00001)	0.0%
19 Sempra Wide Adjustment	97,473	(\$0.00100)	(\$98)	97,473	(\$0.00100)	(\$97)	\$0	\$0.00000	-0.5%
20 Distribution Level Post SempraWide	97,473	\$0.03073	\$2,995	97,473	\$0.03072	\$2,995	(\$0)	(\$0.00001)	0.0%
21 Transmission Level Service	568,347	\$0.01259	\$7,156	568,347	\$0.01259	\$7,156	(\$0)	(\$0.00000)	0.0%
22 Total Electric Generation	665,820	\$0.01525	\$10,151	665,820	\$0.01525	\$10,150	(\$1)	(\$0.00000)	0.0%
23									
24 <b>TOTAL NONCORE</b>	714,453	\$0.02269	\$16,212	714,453	\$0.02269	\$16,211	(\$1)	(\$0.00000)	0.0%
25									
26 <b>SYSTEM TOTAL</b>	<b>1,216,495</b>	<b>\$0.21256</b>	<b>\$258,575</b>	<b>1,216,495</b>	<b>\$0.21256</b>	<b>\$258,578</b>	<b>\$3</b>	<b>\$0.00000</b>	<b>0.0%</b>

(End of Attachment V)