BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Implement Dairy Biomethane Pilot Projects to Demonstrate Interconnection to the Common Carrier Pipeline System in Compliance with Senate Bill 1383.

Rulemaking 17-06-015 (Filed June 15, 2017)

REPLY COMMENTS OF SOUTHWEST GAS CORPORATION (U 905 G) ON THE DRAFT SOLICITATION

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February 23, 2018
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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REPLY COMMENTS OF SOUTHWEST GAS CORPORATION (U 905 G) ON THE DRAFT SOLICITATION

Pursuant to Rule 6.2 of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure and Section 5.3 of the Draft Solicitation¹, Southwest Gas Corporation (Southwest Gas or Company) submits the following Reply Comments on the Draft Solicitation.

I. Reimbursement Mechanism for Applicant-Owned Pipeline Infrastructure

Southwest Gas generally supports the staged reimbursement mechanism for Applicant-Owned pipeline infrastructure proposed by Southern California Gas Company and San Diego Gas & Electric with one exception. Southwest Gas believes that a determination to make a reimbursement payment to an Applicant should be made by the Selection Committee, and not the gas utility, regardless of whether costs are within or above the bid amount. With this change, the invoices and proof of payments for material/services would be provided to the Selection Committee at the appropriate milestones and the Selection Committee would then determine whether and when a reimbursement payment would be issued to the Applicant. Having the Selection Committee determine the reimbursement payment provides an appropriate and consistent level of regulatory oversight on these pilot projects.

¹ Per email dated February 9, 2018, the Energy Division informed that the due date for Reply Comments was extended from February 12, 2018 to February 23, 2018.
II. Conclusion

Southwest Gas appreciates the opportunity to provide these Reply Comments, and looks forward to implementing the Dairy Biomethane Pilot Project framework.

DATED this 23rd day of February, 2018.

Respectfully submitted,

SOUTHWEST GAS CORPORATION

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