



February 22, 2002

Advice No. 3124
(U 904 G)

Public Utilities Commission of the State of California

Subject: January 2002 Standby Procurement Charges

Southern California Gas Company (SoCalGas) hereby submits for filing revisions to its tariff schedules, applicable throughout its service territory, as shown on Attachment B.

Purpose

This routine monthly filing updates the Standby Procurement Charges in Schedule No. G-IMB for January 2002.

Background

Resolution G-3316, dated May 24, 2001, revised the Schedule No. G-IMB Standby Procurement Charge for negative monthly transportation imbalances that exceed the 10% tolerance band. The Standby Procurement Charges are:

1. Calculated at 150% of the highest daily border price index at the Southern California border for the period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.201¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index - Southern California Border Average" and "Gas Daily's Daily Price Survey - SoCal gas, large pkgs Midpoint."
2. Calculated for a period that begins from the first day of the "flow month" (the month that the imbalance is incurred) and ends five days prior to the start of the imbalance trading period.
3. Posted at least one day in advance of the imbalance trading period.

Information

For the "flow month" of January 2002, the highest daily border price index at the Southern California border is \$0.26050 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.39341 per therm for noncore retail service and all wholesale service, and \$0.39276 per therm for core retail service. The workpaper showing details of the calculation of these rates is incorporated herein as Attachment C.

Protest

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and received within 20 days of the date of this Advice Letter. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

Energy Division - IMC Branch
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Jerry Royer (jrr@cpuc.ca.gov) and Honesto Gatchalian (jnj@cpuc.ca.gov) of the Energy Division. A copy of the protest shall also be sent via both e-mail and facsimile to the addresses shown below on the same date it is mailed or delivered to the Commission.

Attn: Sid Newsom
Regulatory Tariff Administration - GT14D6
555 West Fifth Street
Los Angeles, CA 90013-1011
Facsimile No. (213) 244-4957
E-Mail: snewsom@sempra.com

Attn: C. Richard Swanson
Regulatory Tariff Manager – CP22D
8315 Century Park Court
San Diego, CA 92123-1550
Facsimile No. (858) 654-1788
E-Mail: rswanson@sempra.com

Effective Date

It is respectfully requested that the tariff sheets filed herein be made effective February 22, 2002, the date filed, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is February 25, 2002.

Notice

In accordance with Section III.G of General Order No. 96-A, a copy of this advice letter is being sent to the parties listed on Attachment A.

LEE SCHAVRIEN
Vice President
Regulatory Affairs

Attachments

ATTACHMENT A

Advice No. 3124

(See Attached Service List)

ACN Energy
 Christopher Waldron
 christopher.waldron@acnenergy.com

ACN Energy
 Hans Herzog
 hans.herzog@acnenergy.com

ACN Energy
 Tony Cusati
 tony.cusati@acnenergy.com

ACN Energy
 Mark Warno
 mark.warno@acnenergy.com

AFBCA/DB March
 3430 Bundy Ave., Bldg. 3408
 March AFC, CA 92518-1504

Aglet Consumer Alliance
 James Weil
 jweil@aglet.org

Alcantar & Kahl
 Elizabeth Westby
 egw@a-klaw.com

Alcantar & Kahl
 Kari Harteloo
 klc@a-klaw.com

Alcantar & Kahl LLP
 Phil Vizcarra
 120 Montgomery Street, Ste 2200
 San Francisco, CA 94104

Aquila Energy
 Cindi Doeschot
 cdoeschot@utilicorp.com

Arter & Hadden
 Dan Douglass
 douglass@arter-hadden.com

BP Amoco, Reg. Affairs
 Marianne Jones
 501 West Lake Park Blvd.
 Houston, TX 77079

Barkovich & Yap
 Catherine E. Yap
 ceyap@earthlink.net

Berliner, Camdon & Jimison
 John Jimison
 johnj@bcjlaw.com

Beta Consulting
 John Burkholder
 burkee@cts.com

CPUC
 Consumer Affairs Branch
 505 Van Ness Ave., #2003
 San Francisco, CA 94102

CPUC
 Energy Rate Design & Econ.
 505 Van Ness Ave., Rm. 4002
 San Francisco, CA 94102

CSC Energy
 Ron McKillip
 rmckilli@csc.com

CSC Energy
 Stacy Schlotterbeck
 sschlott@csc.com

Calpine Corp
 Avis Clark
 aclark@calpine.com

City of Anaheim
 Ben Nakayama
 Public Utilities Dept.
 P. O. Box 3222
 Anaheim, CA 92803

City of Azusa
 Light & Power Dept.
 215 E. Foothill Blvd.
 Azusa, CA 91702

City of Banning
 Paul Toor
 P. O. Box 998
 Banning, CA 92220

City of Burbank
 Fred Fletcher/Ronald Davis
 164 West Magnolia Blvd., Box 631
 Burbank, CA 91503-0631

City of Colton
 Thomas K. Clarke
 650 N. La Cadena Drive
 Colton, CA 92324

City of Glendale
 Larry Silva
 lsilva@ci.glendale.ca.us

City of Lompoc
 H. Paul Jones
 100 Civic Center Plaza
 Lompoc, CA 93438

City of Long Beach, Gas Dept.
 Chris Garner
 2400 East Spring Street
 Long Beach, CA 90806-2385

City of Los Angeles
 City Attorney
 1700 City Hall East
 Los Angeles, CA 90012

City of Pasadena
 Manuel A. Robledo
 150 S. Los Robles Ave., #200
 Pasadena, CA 91101

City of Riverside
Stephen Aronson
saronson@ci.riverside.ca.us

City of Vernon
Kenneth J. DeDario
kdedario@ci.vernon.ca.us

Coral Energy
Walter Cinibulk
wcinibulk@coral-energy.com

County of Los Angeles
Otto Radtke
1100 Northeastern Ave., Rm. 101
Los Angeles, CA 90063

Crossborder Energy
Tom Beach
tomb@crossborderenergy

Davis Wright Tremaine, LLP
Edward W. O'Neill
One Embarcadero Center, #600
San Francisco, CA 94111-3834

Davis, Wright, Tremaine
Judy Pau
judypau@dwt.com

Downey, Brand, Seymour & Rohwer
Ann Trowbridge
atrowbridge@dbsr.com

Downey, Brand, Seymour & Rohwer
Phil Stohr
pstohr@dbsr.com

Downey, Brand, Seymour & Rohwer
Dan Carroll
dcarroll@dbsr.com

Dynegy
Joseph M. Paul
jmpa@dynegy.com

Edison Source
Usha Kondragunta
955 Overland Ct.
San Dimas, CA 91773-1718

Edson & Modisette
925 L Street, Ste 1490
Sacramento, CA 95814

El Paso Natural Gas Company
Richard O. Baish
P. O. Box 1492
El Paso, TX 79978

Energy Law Group, LLP
Andrew Skaff
askaff@energy-law-group.com

Energy Law Group, LLP
Diane Fellman
dfellman@energy-law-group.com

Enserch Gas Marketing, Inc.
Cathy Hawes
353 Sacramento, St., Suite 400
San Francisco, CA 94111

Gas Purchasing
BC Gas Utility Ltd.
16705 Fraser Highway
Surrey, British Columbia, Canada V3S
2X7

General Services Administration
Dir., Public Utility Services Div.
Public Bldgs. Serv., Rm. 7325
18th and F Streets, N.W.
Washington, D.C. 20405

General Services Administration
Facilities Management (9PM-FT)
450 Golden Gate Ave.
San Francisco, CA 94102-3611

Goodin, MacBride, Squeri
J. H. Patrick
hpatrick@gmssr.com

Goodin, MacBride, Squeri
James D. Squeri
jsqueri@gmssr.com

Imperial Irrigation District
K. S. Noller
P. O. Box 937
Imperial, CA 92251

JBS Energy
Jeff Nahigian
jeff@jbsenergy.com

Jeffer, Mangels, Butler & Marmaro
One Sansome Street, 12th Floor
San Francisco, CA 94104-4430

Jones, Day, Reavis, & Pogue
Norman A. Pedersen, Esq.
555 West 5th Street, #4600
Los Angeles, CA 90013-1025

LADWP
Nevenka Ubavich
nubavi@ladwp.com

LADWP
Randy Howard
P. O. Box 51111, Rm. 956
Los Angeles, CA 90051-0100

Law Offices of William H. Booth
William Booth
wbooth@booth-law.com

LeBoeuf, Lamb, Greene
Christopher Hilén
chilen@llgm.com

Luce, Forward, Hamilton & Scripps
John Leslie
jleslie@luce.com

MRW & Associates
Robert Weisenmiller
mrw@mrwassoc.com

Matthew Brady & Associates
Matthew Brady
mbradylaw@pacbell.net

National Utility Service, Inc.
Jim Boyle
One Maynard Drive, P. O. Box 712
Park Ridge, NJ 07656-0712

Navigant Consulting
Katie Elder
katie-elder@rmiinc.com

Office of Energy Assessments
Bill Knox
billknox@dgs.ca.gov

Pacific Gas & Electric Co.
John Clarke
Regulatory R77 Beale, B30A B10C
San Francisco, CA 94105

Questar Southern Trails
Lenard Wright
lenardw@questar.com

Regulatory & Cogen Services, Inc.
Donald W. Schoenbeck
900 Washington Street, #1000
Vancouver, WA 98660

Richard Hairston & Co.
Richard Hairston
hairstonco@aol.com

SCANA Energy
Randy Campbell
rcampbell@wwdb.org

Sempra Solutions
Marie Bocek
mbocek@sempra-slns.com

Southern California Edison Co
Fileroom Supervisor
2244 Walnut Grove Ave., Room 290,
GO1
Rosemead, CA 91770

Southern California Edison Co
Karyn Gansecki
601 Van Ness Ave., #2040
San Francisco, CA 94102

Southern California Edison Co.
Colin E. Cushnie
cushnie@sce.com

Southern California Edison Co.
John Quinlan
john.quinlan@sce.com

Southern California Edison Co.
Kevin Cini
cinikr@sce.com

Southern California Edison Co.
Peter S. Goeddel
P. O. Box 800
Rosemead, CA 91770

Southwest Gas Corp.
Edward Zub
P. O. Box 98510
Las Vegas, NV 89193-8510

Suburban Water System
Bob Kelly
1211 E. Center Court Drive
Covina, CA 91724

Sutherland, Asbill & Brennan
Keith McCrea
kmccrea@sablaw.com

TURN
Marcel Hawiger
marcel@turn.org

TURN
Mike Florio
mflorio@turn.org

Transwestern Pipeline Co.
Glen R. Hass
glen.hass@enron.com

Vandenberg AFB
Ken Padilla
ken.padilla@vandenberg.af.mil

Western Division, Naval Facilities
Engineering Code 1642
900 Commodore Dr.
San Bruno, CA 94066-2402

White & Case
Regulatory Affairs
regaffairs@sf.whitecase.com

ATTACHMENT B
Advice No. 3124

| Cal. P.U.C. Sheet No. | Title of Sheet | Cancelling Cal. P.U.C. Sheet No. |
|--------------------------|---|-------------------------------------|
| Revised 34767-G | PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6 | Revised 34578-G |
| Revised 34768-G | Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2 | Revised 34579-G |
| Revised 34769-G | TABLE OF CONTENTS | Revised 34701-G |
| Revised 34770-G | TABLE OF CONTENTS | Revised 34702-G |

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 6

(Continued)

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

| | | |
|----------------------|------------|---|
| November, 2001 | \$0.46439 | |
| December, 2001 | \$0.43214 | |
| January, 2002 | \$0.39276* | R |

Noncore Retail Standby (SP-NR)

| | | |
|----------------------|------------|---|
| November, 2001 | \$0.46504 | |
| December, 2001 | \$0.43279 | |
| January, 2002 | \$0.39341* | R |

Wholesale Standby (SP-W)

| | | |
|----------------------|------------|---|
| November, 2001 | \$0.46504 | |
| December, 2001 | \$0.43279 | |
| January, 2002 | \$0.39341* | R |

Buy-Back Rate

Core and Noncore Retail (BR-R)

| | | |
|----------------------|---------|--|
| November, 2001 | 12.900¢ | |
| December, 2001 | 12.495¢ | |
| January, 2002 | 11.322¢ | |

Wholesale (BR-W)

| | | |
|----------------------|---------|--|
| November, 2001 | 12.900¢ | |
| December, 2001 | 12.435¢ | |
| January, 2002 | 11.267¢ | |

* Pursuant to Resolution G-3316, the January 2002 Standby Procurement Charge will be filed by separate advice letter at least one day prior to February 25, 2002. T

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3124
 DECISION NO.

6H3

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Feb 22, 2002
 EFFECTIVE Feb 22, 2002
 RESOLUTION NO. G-3316

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(Continued)

RATES (continued)

Standby Procurement Charge

This charge is applied to customer's cumulative negative transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Standby Procurement Charge is posted at least one day in advance of each corresponding imbalance trading period for noncore/wholesale and core transport agents (CTAs). It is calculated at 150% of the highest daily border price index at the Southern California border beginning on the first day of the month that the imbalance is created to five days prior to the start of each corresponding imbalance trading period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.201¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index – Southern California Border Average" and "Gas Daily's Daily Price Survey – SoCal gas, large pkgs Midpoint."

Core Retail Service:

SP-CR Standby Rate, per therm

| | | |
|----------------------|------------|---|
| November, 2001 | \$0.46439 | |
| December, 2001 | \$0.43214 | |
| January, 2002 | \$0.39276* | R |

Noncore Retail Service:

SP-NR Standby Rate, per therm

| | | |
|----------------------|------------|---|
| November, 2001 | \$0.46504 | |
| December, 2001 | \$0.43279 | |
| January, 2002 | \$0.39341* | R |

Wholesale Service:

SP-W Standby Rate per therm

| | | |
|----------------------|------------|---|
| November, 2001 | \$0.46504 | |
| December, 2001 | \$0.43279 | |
| January, 2002 | \$0.39341* | R |

* Pursuant to Resolution G-3316, the January 2002 Standby Procurement Charge will be filed by separate advice letter at least one day prior to February 25, 2002. T

Buy-Back Rate

This rate is applied to customer's cumulative positive transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Buy-Back Rate is established effective the last day of each month and will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the excess imbalance was incurred; or 2) 50% of the applicable core subscription procurement charge during the month such excess imbalance was incurred.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3124
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Feb 22, 2002
 EFFECTIVE Feb 22, 2002
 RESOLUTION NO. G-3316

TABLE OF CONTENTS

(Continued)

| | | |
|--------|---|--|
| GT-SD | Intrastate Transmission Service | 34413-G,30593-G,30594-G,30595-G |
| GT-RLS | Residual Load Service | 27508-G,31497-G,27510-G |
| GW-LB | Wholesale Natural Gas Service | 34585-G,34254-G,32677-G,32678-G,32679-G 32680-G,32681-G |
| GW-SD | Wholesale Natural Gas Service | 34586-G,34415-G,32684-G 32685-G,32686-G |
| GW-SWG | Wholesale Natural Gas Service | 34587-G,34258-G,32689-G 32690-G,32691-G |
| GW-VRN | Wholesale Natural Gas Service | 34588-G,34260-G,32694-G 32695-G,32696-G,32697-G |
| G-IMB | Transportation Imbalance Service | 29614-G,34768-G,34580-G,34700-G 34687-G,33497-G,33498-G |
| G-ITC | Interconnect Access Service | 32698-G,32699-G |
| G-BSS | Basic Storage Service | 32700-G,32701-G,32702-G,32703-G 32704-G,32705-G,32706-G,32707-G |
| G-AUC | Auction Storage Service | 32708-G,32709-G,32710-G,32711-G 32712-G,32713-G,32714-G,32715-G |
| G-LTS | Long-Term Storage Service | 32716-G,32717-G,32718-G,32719-G 32720-G,32721-G,32722-G,32723-G |
| G-TBS | Transaction Based Storage Service | 32724-G,32725-G,27374-G,27375-G 31929-G,27377-G,27378-G |
| G-CBS | UDC Consolidated Billing Service | 34071-G,34072-G,34073-G,33095-G |
| G-PPPS | Tax Surcharge to Fund Public Purpose Programs | 34261-G,34262-G |
| G-SRF | Surcharge to Fund Public Utilities Commission Utilities Reimbursement Account | 24565-G |
| G-MHPS | Surcharge to Fund Public Utilities Commission Master Metered Mobile Home Park Gas Safety Inspection and Enforcement Program | 32828-G |
| G-MSUR | Transported Gas Municipal Surcharge | 25005-G,25006-G |
| GIT | Interruptible Interutility Transportation | 24567-G,24568-G |
| GLT | Long-Term Transportation of Customer-Owned Natural Gas | 24569-G,24570-G,24571-G |
| GLT-1 | Transportation of Customer-Owned Natural Gas | 24572-G,24573-G,24574-G 24575-G,24576-G,24577-G |
| GLT-2 | Transportation of Customer-Owned Natural Gas | 24578-G,24579-G,24580-G 24581-G,24582-G,24583-G |
| G-LOAN | Hub Loaning | 34263-G |
| G-PRK | Hub Parking | 34264-G |
| G-WHL | Hub Service | 34418-G |

T

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3124
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Feb 22, 2002
 EFFECTIVE Feb 22, 2002
 RESOLUTION NO. G-3316

TABLE OF CONTENTS

The following listed sheets contain all effective Schedules of Rates and Rules affecting service and information relating thereto in effect on the date indicated thereon.

| <u>GENERAL</u> | <u>Cal. P.U.C. Sheet No.</u> |
|--|---|
| Title Page | 21888-G |
| Table of Contents--General and Preliminary Statement | 34770-G,34423-G |
| Table of Contents--Service Area Maps and Descriptions | 28516-G |
| Table of Contents--Rate Schedules | 34616-G,34617-G,34769-G |
| Table of Contents--List of Cities and Communities Served | 33771-G |
| Table of Contents--List of Contracts and Deviations | 33771-G |
| Table of Contents--Rules | 34573-G,33305-G |
| Table of Contents--Sample Forms | 33712-G,34024-G,33354-G,34193-G,32785-G |

PRELIMINARY STATEMENT

| | |
|--|---|
| Part I General Service Information | 24331-G,24332-G,24333-G,24334-G,24749-G |
| Part II Summary of Rates and Charges | 34592-G,34593-G,34363-G,34364-G,34594-G,34767-G 32491-G,32492-G,34203-G,34595-G,34596-G,34368-G,34369-G |
| Part III Cost Allocation and Revenue Requirement ... | 27024-G,27025-G,27026-G,27027-G,34370-G |
| Part IV Income Tax Component of Contributions and Advances | 24353-G,24354-G |
| Part V Description of Regulatory Accounts-Balancing | 33994-G,33995-G,34371-G 33997-G,33998-G,33999-G,34000-G,34001-G,34002-G,34003-G,34004-G |
| Part VI Description of Regulatory Accounts-Memorandum | 34278-G,34279-G,34280-G 34281-G,34282-G,34283-G,34284-G,34285-G,34286-G,34287-G 34288-G,34289-G,34290-G,34291-G,34292-G,34293-G,34294-G,34295-G |
| Part VII Description of Regulatory Accounts-Tracking | 34372-G,34373-G,34374-G 34375-G,34376-G,34377-G,34378-G,34379-G |
| Part VIII Gas Cost Incentive Mechanism (GCIM) | 31776-G,31777-G,31778-G,30523-G,30524-G |
| Part IX Hazardous Substances Mechanism (HSM) | 26199-G,26200-G,26201-G |
| Part X Global Settlement | 32530-G,32531-G,32532-G,32533-G |

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3124
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Feb 22, 2002
 EFFECTIVE Feb 22, 2002
 RESOLUTION NO. G-3316

T
T

T

ATTACHMENT C

ADVICE NO. 3124

**RATE CALCULATION WORKPAPER
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING
EFFECTIVE JANUARY 2002**

G-IMB Standby Procurement Charge Calculation

The highest daily border price index is an average of the highest prices from “NGI’s Daily Gas Price Index - Southern California Border Average” and “Gas Daily’s Daily Price Survey - SoCal gas, large pkgs Midpoint.”

The highest daily border price index for the period was on January 2, 2002.

1/2/02 NGI’s Daily Gas Price Index (NDGPI) = \$0.2600 per therm

1/2/02 Gas Daily’s Daily Price Survey (GDDPS) = \$0.2610 per therm

Highest Daily Border Price Index (HDBPI) = (NDGPI + GDDPS) / 2

HDBPI = \$0.26050 per therm

SP-CR (Core Retail) = 150% x HDBPI + Core Brokerage Fee

SP-CR = 150% x \$ 0.26050 + \$ 0.00201 = \$ 0.39276

SP-NR (Noncore Retail) = 150% x HDBPI + Noncore Brokerage Fee

SP-NR = 150% x \$ 0.26050 + \$ 0.00266 = \$ 0.39341

SP-W (Wholesale) = 150% x HDBPI + Noncore Brokerage Fee

SP-W = 150% x \$ 0.26050 + \$ 0.00266 = \$ 0.39341