



April 30, 2002

Advice No. 3143
(U 904 G)

Public Utilities Commission of the State of California

Subject: April 2002 Buy-Back Rates

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 Buy-Back Rates in Schedule No. G-IMB for April 2002.

Background

As authorized in Schedule No. G-IMB - Transportation Imbalance Service, the Buy-Back Rates are established effective the last day of each month.

The Buy-Back Rates will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the imbalance was incurred; or 2) 50% of the applicable core subscription procurement charge during the month such excess imbalance was incurred.

Information

During the month of April 2002, the lowest incremental cost of gas, which is 11.123 cents per therm, is lower than 50% of the core subscription procurement charge. Therefore, the Buy-Back Rates for April 2002 are being set at the lowest incremental cost of gas. The workpaper showing details of the calculation of these rates is incorporated herein as Attachment C.

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets.

Pursuant to Resolution G-3316, the April 2002 Standby Procurement Charges will be filed by separate advice letter at least one day prior to May 25, 2002.

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 (jir@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 address shown below on the same date it is mailed or delivered to the Commission.

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

Effective Date

It is requested that the tariff sheets filed herein be made effective April 30, 2002 to coincide with SoCalGas' Core Subscription Procurement Rate filing in Advice No. 3139, dated March 29, 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.

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

ATTACHMENT A

Advice No. 3143

(See Attached Service List)

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ATTACHMENT B
Advice No. 3143

| Cal. P.U.C. Sheet No. | Title of Sheet | Cancelling Cal. P.U.C. Sheet No. |
|--------------------------|---|-------------------------------------|
| Revised 34970-G | PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6 | Revised 34966-G |
| Revised 34971-G | Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2 | Revised 34967-G |
| Revised 34972-G | Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3 | Revised 34924-G |
| Revised 34973-G | TABLE OF CONTENTS | Revised 34968-G |
| Revised 34974-G | TABLE OF CONTENTS | Revised 34969-G |

PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 6

(Continued)

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

| | | |
|----------------------|-----------|---|
| February, 2002 | \$0.50976 | D |
| March, 2002 | \$0.54201 | T |
| April, 2002 | TBD* | D |

Noncore Retail Standby (SP-NR)

| | | |
|----------------------|-----------|---|
| February, 2002 | \$0.51041 | D |
| March, 2002 | \$0.54266 | T |
| April, 2002 | TBD* | D |

Wholesale Standby (SP-W)

| | | |
|----------------------|-----------|---|
| February, 2002 | \$0.51041 | D |
| March, 2002 | \$0.54266 | T |
| April, 2002 | TBD* | D |

Buy-Back Rate

Core and Noncore Retail (BR-R)

| | | |
|----------------------|---------|---|
| February, 2002 | 6.579¢ | D |
| March, 2002 | 7.446¢ | I |
| April, 2002 | 11.123¢ | D |

Wholesale (BR-W)

| | | |
|----------------------|---------|---|
| February, 2002 | 6.547¢ | I |
| March, 2002 | 7.410¢ | D |
| April, 2002 | 11.123¢ | I |

* To be determined (TBD). Pursuant to Resolution G-3316, the April 2002 Standby Procurement Charge will be filed by separate advice letter at least one day prior to May 25, 2002.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3143
 DECISION NO. 89-11-060 & 90-09-089,
 648 et al.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Apr 30, 2002
 EFFECTIVE Apr 30, 2002
 RESOLUTION NO. _____

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

| | | |
|----------------------|-----------|---|
| February, 2002 | \$0.50976 | D |
| March, 2002 | \$0.54201 | |
| April, 2002 | TBD* | T |

Noncore Retail Service:

SP-NR Standby Rate, per therm

| | | |
|----------------------|-----------|---|
| February, 2002 | \$0.51041 | D |
| March, 2002 | \$0.54266 | |
| April, 2002 | TBD* | T |

Wholesale Service:

SP-W Standby Rate per therm

| | | |
|----------------------|-----------|---|
| February, 2002 | \$0.51041 | D |
| March, 2002 | \$0.54266 | |
| April, 2002 | TBD* | T |

* To be determined (TBD). Pursuant to Resolution G-3316, the April 2002 Standby Procurement Charge will be filed by separate advice letter at least one day prior to May 25, 2002.

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. 3143
 DECISION NO. 89-11-060 & 90-09-089,
 et al.
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Lee Schavrien
 Vice President
 Regulatory Affairs

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Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 3

(Continued)

RATES (continued)

Buy-Back Rate (continued)

Retail Service:

| | |
|-------------------------------|---------|
| BR-R Buy-Back Rate, per therm | |
| February, 2002 | 6.579¢ |
| March, 2002 | 7.446¢ |
| April, 2002 | 11.123¢ |

Wholesale Service:

| | |
|-------------------------------|---------|
| BR-W Buy-Back Rate, per therm | |
| February, 2002 | 6.547¢ |
| March, 2002 | 7.410¢ |
| April, 2002 | 11.123¢ |

If the incremental cost of gas is the basis for the Standby or Buy-Back Rates, Utility will provide CPUC the necessary work papers for such cost. Such documentation will be provided under confidentiality pursuant to General Order 66-C and Section 583 of the Public Utilities Code.

Daily Balancing Standby Rates

During November through March customers are required to deliver (flowing supply and firm storage withdrawal) at a minimum of 50% of burn during a five-day period. Volumes not in compliance with the 50% five-day minimum delivery requirement are purchased at the daily standby rate. The daily balancing standby rate is calculated as 150% of the highest Southern California Border price during the five-day period as published in "NGI's *Daily Gas Price Index*" including authorized franchise fees and, for retail customers, uncollectible expenses (F&U), and an authorized brokerage fee.

When the Utility's total inventory in storage declines to the "peak day minimum + 20 Bcf trigger", the minimum daily delivery requirement increases to 70%. The five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily Gas Price Index* for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 70% delivery requirement.

When the Utility's total inventory in storage declines to the "peak day minimum + 5 Bcf trigger", the minimum delivery requirement increases to 90% daily. Similar to the 70% regime, the five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily Gas Price Index* for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 90% delivery requirement.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3143
 DECISION NO. 89-11-060 & 90-09-089,
 347 et al.

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 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Apr 30, 2002
 EFFECTIVE Apr 30, 2002
 RESOLUTION NO. _____

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 | 34929-G,34254-G,32677-G,32678-G,32679-G 32680-G,32681-G |
| GW-SD | Wholesale Natural Gas Service | 34930-G,34415-G,32684-G 32685-G,32686-G |
| GW-SWG | Wholesale Natural Gas Service | 34931-G,34258-G,32689-G 32690-G,32691-G |
| GW-VRN | Wholesale Natural Gas Service | 34932-G,34260-G,32694-G 32695-G,32696-G,32697-G |
| G-IMB | Transportation Imbalance Service | 29614-G,34971-G,34972-G,34915-G 34963-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 |

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVISE LETTER NO. 3143
 DECISION NO. 89-11-060 & 90-09-089,
 345 et al.

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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Apr 30, 2002
 EFFECTIVE Apr 30, 2002
 RESOLUTION NO. _____

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 | 34974-G,34423-G |
| Table of Contents--Service Area Maps and Descriptions | 28516-G |
| Table of Contents--Rate Schedules | 34960-G,34961-G,34973-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 | 34696-G,33305-G |
| Table of Contents--Sample Forms | 33712-G,34024-G,34697-G,34698-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 | 34936-G,34937-G,34363-G,34364-G,34938-G,34970-G 32491-G,32492-G,34203-G,34939-G,34940-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 | 34819-G,34820-G,34371-G 34821-G,34822-G,34823-G,34824-G,34825-G,34826-G,34827-G,34682-G |
| Part VI Description of Regulatory Accounts-Memorandum | 34828-G,34279-G,34280-G 34281-G,34282-G,34283-G,34284-G,34285-G,34286-G,34683-G 34684-G,34289-G,34290-G,34291-G,34829-G,34830-G,34831-G,34832-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. 3143
 DECISION NO. 89-11-060 & 90-09-089,
 et al.
 1H5

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Lee Schavrien
 Vice President
 Regulatory Affairs

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 DATE FILED Apr 30, 2002
 EFFECTIVE Apr 30, 2002
 RESOLUTION NO. _____

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ATTACHMENT C

ADVICE NO. 3143

**RATE CALCULATION WORKPAPER
BASED ON ADVICE NO. 3139
CORE SUBSCRIPTION RATE FILING
EFFECTIVE APRIL 1, 2002**

Core Subscription Procurement Charge:

Retail CS: **22.746¢** per therm
(WACOG: 22.300¢ or [32.900¢ - 10.600¢ credit] + Franchise and Uncollectibles:
0.446¢ or [2.0012% * 22.300¢])

Wholesale CS: **22.636¢** per therm
(WACOG: 22.300¢ or [32.900¢ - 10.600¢ credit] + Franchise:
0.336¢ or [1.5051% * 22.300¢])

G-IMB Buy-Back Rates:

Lowest incremental cost of gas purchased during April 2002 is **11.123**
cents/therm, which is lower than the following:

BR-R = 50% of Retail Core Subscription Procurement Charge:
50% * 22.746 cents/therm = **11.373** cents/therm

BR-W = 50% of Wholesale Core Subscription Procurement Charge:
50% * 22.636 cents/therm = **11.318** cents/therm

Therefore: BR-R and BR-W = 11.123 cents/therm