



May 1, 2002

Advice No. 3146
(U 904 G)

Public Utilities Commission of the State of California

Subject: D.01-12-018 Compliance Filing

Southern California Gas Company (SoCalGas) hereby submits for filing, revisions to its tariffs to be made effective November 1, 2002, applicable throughout its service territory, as shown on Attachment B. SoCalGas respectfully requests that the Commission approve this filing no later than August 1, 2002, with an effective date of November 1, 2002.

This filing is made in compliance with Ordering Paragraph Nos. 4, 19, 23, 24, 27, and 30 of Decision (D.) 01-12-018, issued December 11, 2001.

Purpose

This filing complies with Commission orders pursuant to D.01-12-018 to 1) provide billing credits to those customers of Energy Service Providers ("ESP") whose ESP provides consolidated billing services; 2) unbundle backbone transmission rights using embedded costs and update transportation rates to reflect the use of embedded costs; 3) unbundle non-reliability portion of core storage, 4) establish pooling rights at the citygate, storage, and receipt points; and 5) establish new balancing procedures.

Background

Currently if an ESP performs consolidated billing services, SoCalGas is required to send the customer an information-only bill. Pursuant to D.01-12-018, the requirement for an information-only bill is removed for those ESPs who provide consolidated billing for their customers and agree to provide monthly SoCalGas transportation charges and rate data, along with the requisite bill inserts and customer protection materials, in each end-user bill.

Currently, firm, tradable intrastate backbone transmission rights do not exist on the SoCalGas system. Pursuant to D.01-12-018, this advice letter proposes to establish a system of firm, tradable intrastate backbone transmission rights on the SoCalGas system. Currently the revenue requirement for transmission costs is calculated based on a Long Run Marginal Cost ("LRMC") methodology. Pursuant to D.01-12-018, SoCalGas will establish the revenue requirement for backbone and local transmission using embedded costs, and unbundle backbone transmission rights using embedded costs. As such, this advice letter will also update all transportation rates to reflect the use of embedded costs for backbone transmission

rights and for local transmission costs as shown on Attachment C-2 (Attachment C-1 shows Transportation Revenue Changes as opposed to Rate Changes shown on C-2).

Currently, each SoCalGas Core Transport Agent ("CTA") is assigned a pro rata share of the total storage allocated to the core. SoCalGas' tariff schedules require that CTAs fill and maintain their allocated storage inventory within specified limits to aid in cold weather system reliability. As such, all storage costs (reliability and non-reliability) are bundled in transportation rates. Pursuant to D.01-12-018, SoCalGas will unbundle storage costs from core rates and categorize capacity reservations as either reliability and non-reliability storage. CTAs are given the option to reject their entire annual reservation of non-reliability storage beginning November 1, 2002.

Currently, SoCalGas does not provide pooling services. Pursuant to D.01-12-018, SoCalGas proposes to establish pooling rights at the citygate, and receipt points with the filing of this advice letter.

Currently, SoCalGas has monthly balancing tolerances, except for winter balancing rules and overnomination events. Pursuant to D.01-12-018 this advice letter proposes to provide for the noncore (including wholesale) and core (including both retail core and CAT core) classes to be balanced separately along with new balancing procedures and the elimination of current Winter balancing rules.

Information

A. Consolidated Billing Credit for Customers of ESPs

Pursuant to D.01-12-018 and Ordering Paragraph Nos. 23, 24, and 27 customers of ESPs who provide consolidated billing services and agree to provide monthly SoCalGas transportation charges and rate data, along with the requisite bill inserts and customer protection materials, in each end-user bill will receive a credit from SoCalGas toward their transportation charges for the period of time when SoCalGas is not required to send an information-only bill. SoCalGas will deliver cost credits of \$0.78 per month for Residential and \$1.16 per month for Non-Residential as established in D.01-12-108 Ordering Paragraph No. 24 to qualifying customers through the customers' respective ESP. These credits shall be paid to ESPs at least semi-annually.

SoCalGas has established Schedule No. G-CBC – Energy Service Provider Consolidated Billing Credit, along with Form No. 6536-AC – Energy Service Provider Billing Agreement to accommodate those qualifying and interested ESPs who agree to provide consolidated billing services and meet the requirements to alleviate SoCalGas from sending information-only bills. In compliance with the terms of the Comprehensive Settlement ("CS") and Ordering Paragraph No. 30 of D.01-12-018, the necessary compliance monitoring, cost responsibility, and enforcement measures are outlined in the ESP Billing Agreement included in the attached tariff revisions as shown on Attachment B.

In order to provide sufficient time to implement system modifications and/or enhancements to allow customers of ESPs to receive the consolidated billing credit, SoCalGas respectfully requests that the Commission approve this filing no later than August 1, 2002, with an effective date of November 1, 2002. In the event this Advice Letter is not approved by August 1, 2002, SoCalGas requests that the effective date be delayed to allow 90 days for

implementation as requested in Advice No. 3109-A – Implementation Schedule.

B. To Create a System of Firm, Tradable Intrastate Backbone Transmission Rights and to Update all Transportation Rates to Reflect the Use of Embedded Costs.

Unbundling of Backbone Transmission Rights

Pursuant to D.01-12-108, SoCalGas will unbundle backbone transmission rights. Backbone transmission rights will be receipt point specific, not “path” specific. Backbone transmission rights are defined as the firm right to have SoCalGas receive gas at a specific receipt point and have SoCalGas redeliver the gas to its local transmission system or distribution system, or to any SoCalGas storage field. D.01-12-018 establishes a single postage stamp rate of \$0.07609 per dth per year (\$0.07191 per CSA, escalated using PBR escalation factors for 2001 and 2002, consistent with SoCalGas’ annual PBR indexing filings) at 100% reservation charge and \$0.08032 per dth per year (\$0.07591 per CSA, escalated using PBR escalation factors) at a 50% reservation / 50% volumetric charge. These rates for backbone transmission capacity are applicable to all eligible receipt points

Total backbone capacity available will be 3,875 MMcfd divided as follows among the following receipt points:

Blythe – 1,210 MMcfd
 Topock – 540 MMcfd
 North Needles – 750 MMcfd
 North Needles Expansion – 50 MMcfd
 Hector Road – 50 MMcfd
 Wheeler Ridge (North) – 520 MMcfd; South – 245 MMcfd
 Line 85 – 190 MMcfd
 North Coastal – 120 MMcfd
 Kramer Junction – 200 MMcfd

D.01-12-018 orders SoCalGas to reserve 1,044 MMcfd (313 MMcfd at N. Needles, 303 MMcfd at Topock, 355 MMcfd at Blythe, and 73 MMcfd at N. Coastal) for the core customers of SoCalGas. CTAs will have the option prior to the initial open season and each year thereafter for the term of the CS (August 31, 2006) to reserve firm backbone transmission rights for a term of one year at each of North Needles, Topock, and Blythe for their customers in proportion to the then-existing interstate capacity rights reserved by SoCalGas’ Gas Acquisition Department for core customers.

San Diego Gas & Electric (“SDG&E”) will be assigned prior to the open season 50 MMcfd at Wheeler Ridge and 10 MMcfd at Blythe. SDG&E shall have the option to take this capacity at either 100% reservation charge or at a rate design that has 50% volumetric charge and 50% reservation charge. SDG&E has the option to select a combination of the two rate designs.

Other Wholesale customers have the option of choosing either to reserve backbone transmission rights for a term of one year at each of the SoCalGas receipt points to match the customer’s contractual commitments upstream of each receipt point¹, or to reserve backbone

¹ Only upstream commitments in existence as of April 17, 2000, and with a remaining term on April 17, 2000, of at least 5 years will qualify for this treatment.

transmission rights for a term of one year at each of North Needles, Topock, and Blythe equal to the then-existing interstate capacity rights reserved for SoCalGas' Gas Acquisition Department times the ratio of the wholesale customer's core throughput as a percentage of the total SoCalGas core market. A wholesale customer can exercise either the 100% reservation rate design or the 50/50 rate design or a combination thereof.

Firm backbone transmission rights not allocated to SoCalGas' Gas Acquisition Department, CTAs, wholesale customers, California Producers, or existing Long-Term Contract (LTK) holders will be made available in an open season process. SoCalGas will announce in advance of the open seasons total set-asides for wholesale customers, California Producers, and LTK's (the set-asides for SDG&E and SoCalGas' Gas Acquisition Department have been set per the CS and stated above).

SoCalGas shall conduct open seasons annually. SoCalGas will market firm backbone transmission rights not awarded in the open season through individually-negotiated contracts on a firm basis, and any capacity that may be available above the quantities established as firm on an interruptible basis. The rate for individually negotiated firm or interruptible contracts shall not exceed 120% of the applicable rate in the open season.

The first open season² will have three stages. Open seasons after the initial open season shall have one stage only where any creditworthy party may participate. In the first stage of the initial open season³, only existing noncore (including wholesale customers) to the extent of their historical load and CTAs to the extent of their currently-contracted-for load are entitled to participate. Customers may submit bids up to 100% of their historical consumption⁴ and may bid to acquire such rights at any receipt points or combination of receipt points. The second stage of the initial open season is for those same customers who were eligible for the first stage that may not have acquired all the capacity up to their historical load and would like to do so. The third and final stage of the initial open season is open to any creditworthy person. The capacity available in the third stage is all firm capacity not awarded through set-asides for SoCalGas' Gas Acquisition, CTAs, SDG&E, California Producers, LTK's, other wholesale customers or the first two stages. A minimum of 20% of the capacity at each receipt point remaining for the third stage shall be offered for a term of one year only. The remaining capacity shall be offered for up to the full remaining term of the Settlement, terminating August 31, 2006. The decision set a market concentration limit of 30% for capacity held by one entity and its affiliates⁵ at each receipt point.

The decision also orders SoCalGas to establish a Secondary market through an Electronic Bulletin Board where holders of firm backbone transmission rights may trade for any term and up to 120% of the postage stamp rate. To facilitate a voluntary secondary market trading of

² The dates for the open season are pending Commission Resolution. SoCalGas filed an implementation schedule (Advice No. 3109-A) which set the open season dates.

³ No more than 50% of the capacity remaining after SoCalGas Gas Acquisition Dept. capacity reservation at any individual receipt point will be subject to being contracted in the first stage or second stage of the open season. As shown on Attachment D, each customer must complete a Bidding Rights Form for the first two stages of the initial open season to request for backbone transmission rights based on historical consumption.

⁴ The maximum customers can bid in the first and second stages will be based on their consumption in the most recent annual period for which data is available prior to conduct of the open season.

⁵ Affiliate means any person, corporation, utility, partnership, or other entity 50% or more of whose outstanding securities are owned, controlled, or held with power to vote, directly or indirectly either by the person or any of its subsidiaries, or the person's subsidiaries.

backbone receipt point rights, customers will be allowed to trade daily with SoCalGas manually processing the transactions. Trades must be submitted one day prior to the first nomination cycle for the effective flow day. SoCalGas continues to propose implementation of electronic trading of backbone rights on January 1, 2003, because SoCalGas does not believe it can complete necessary information systems modifications before that date. Manual trading of backbone rights will be permitted between November 1 and December 31, 2002, but the electronic trading platform will not be available until January 1, 2003. SoCalGas will also attempt to facilitate same day contracting for available SoCalGas-held capacity.

As a result of unbundling backbone transmission rights, existing noncore customers who have scheduled gas into storage will receive a one-time credit in November 2002 or once these provisions are implemented whichever is later. The one-time credit is necessary because currently all gas delivered by SoCalGas for injection into storage is assessed a transmission charge which includes both backbone transmission and local transport charges. This was to ensure that SoCalGas recover the transportation cost for the gas in storage. Once the gas is withdrawn, however, a credit is made to the customer for the transportation charge, and once the gas is delivered to the customers' meter the transportation charge is assessed. Beginning November 1, 2002, SoCalGas proposes in accordance with D.01-12-018 to separate the charges for backbone transmission rights and local transportation charges. Therefore, in order to avoid over charging the customer, SoCalGas will issue a one-time credit to those customers with gas in storage. This credit will be for the charge of transmission paid by the customer when gas was scheduled in storage less backbone transmission charges as specified in Schedule No. G-BR (\$0.07609).

Unbundle Backbone Transmission Rights Using Embedded Cost Methodology

Per Commission decision (D.)01-12-018 SoCalGas is ordered to unbundle backbone transmission rights and create a system of firm, tradable rights as explained above. As proposed in this advice filing these rights will become available on November 1, 2002 at which time SoCalGas shareholders will be 100% at risk for the cost of backbone transmission. Also, per Commission decision, SoCalGas will unbundle backbone transmission rights on an embedded cost basis. As shown at Attachment C-2, transportation rates are updated to reflect the use of embedded costs for backbone and local transmission, and the postage stamp rate for backbone transmission service. The following items were removed from Base Margin to comply with the Commission decision;

- Removed Embedded Cost of Transmission from Base Margin. Per the workpapers of Latimer Lorenz during the CS, the value removed (in year 2000 dollars) is approximately \$138.0 million. This value was escalated to approximately \$146.0 million using PBR escalation factors for 2001 and 2002, consistent with SoCalGas' annual PBR indexing filings.
- Removed Company Use Transmission Fuel costs from Base Margin. SoCalGas will assess an in-kind charge of 0.39% of intrastate transmission volumes beginning November 1, 2002. Thus, it is no longer necessary to recover such expenses through revenues bundled in customers' transportation rates. Transportation rates are reduced by approximately \$10.6 million to reflect such changes. The total base margin reduction for this filing is \$156.6 million.

Attachment C-3 lists the changes in base margin and Other Operating Costs required due to unbundling of backbone transmission rights and core non-reliability storage which is discussed in Section C of this advice letter. Attachment C-4 is a summary of revenue changes to date required in implementing D.01-12-018.

SoCalGas will recover the cost of backbone capacity reserved for the core through the core procurement charge as shown on Attachment C-5. The cost for Local Transmission will be categorized as an Other Operating Cost and recovered in bundled transport rates and collected from all customers. Per the decision and CS, Local Transmission will be allocated between customer classes based on cold year throughput.

SoCalGas is instructed by the CS to recover capacity-related costs such as core backbone transmission, core seasonal storage,⁶ and associated variable⁷ and Company Use⁸ costs into the core procurement charge. These modifications are reflected in Preliminary Statement V in the Purchase Gas Account ("PGA") as shown on Attachment C-5. In addition, the subaccount for Core Monthly Pricing has been modified to reflect the removal of these costs from bundled transport rates.

C. Unbundle Non-reliability Portion of Core Storage

With the unbundling of backbone transmission rights, pursuant to D.01-12-018 SoCalGas proposes to unbundle the core non-reliability portion of storage. Effective November 1, 2002, CTAs will have the option to accept or reject their annual reservation of non-reliability storage. Rejections must be for the CTAs full reservation, including inventory and injection.

Pursuant to D.01-12-018, this advice filing transfers all core seasonal storage costs for collection within the core procurement charge. These charges include items classified as reliability storage, non-reliability storage, and miscellaneous oil revenues, which serve as a credit against storage costs. Using the CS authorized core capacity reservations and rates⁹ for storage services (escalated to 2002 prices), it is possible to derive total core revenue requirements for inventory, injection and withdrawal as relating to reliability and non-reliability storage as shown on Attachment C-3 and C-6. Miscellaneous oil revenues as provided by the CS are \$1.25 million. The storage reservation for SoCalGas' core market are:

Reliability Storage
Inventory – 35 bcf
Injection – 234 mmcf/d
Withdrawal – 1935 mmcf/d

Non-Reliability Storage
Inventory – 35 bcf
Injection - 93 mmcf/d
Withdrawal – 0 mmcf/d

Section 5.4.4.1 of the CS states the amount of storage reserved for SoCalGas core customers taking procurement service from SoCalGas will be the total core reserved quantities for

⁶ Removed all core storage charges (reliability and non-reliability) from bundled transportation rates because such costs will be collected through the core procurement charge. Please note that only the non-reliability portion of core storage is an optional service for CTAs.

⁷ Storage variable charges will be assessed on an as incurred basis for net injection/withdrawal services on a year-round basis

⁸ Company Use Storage is to be collected as a 2.44% in-kind charge beginning November 1, 2002.

⁹ The embedded cost per unit of inventory, injection, and capacity are as follows: \$0.21741 per dth/yr. inventory, \$41.265 per year per dth/day of injection, and \$5.909 per year per dth/day of withdrawal rights (escalated to 2002 prices).

reliability/balancing and non-reliability storage, less the amount reserved for CTAs prior to CTAs declining any amount for non-reliability storage. Pursuant to D.01-12-018, CTAs are prohibited from declining any portion of reliability storage.

The following are estimate of storage set aside for CTAs:

<u>Reliability Storage - CTA</u>	<u>Non-Reliability Storage - CTA</u>
Inventory – 482,410 mmcf/d	Inventory – 482,410 mmcf/d
Injection – 3,225 mmcf/d	Injection – 1,282 mmcf/d
Withdrawal – 26,670 mmcf/d	Withdrawal – 0 mmcf/d

As instructed by the CS and decision, the CTA set-aside for both reliability and non-reliability capacity is removed from the core reservation. In addition, SoCalGas will remove a portion of the miscellaneous oil revenues for CAT customers. This credit is calculated per unit of inventory reserved and applied uniformly to the CAT marketer reliability cost of storage.

After making each CAT deduction, the residual revenue requirement for reliability and non-reliability is inserted into the Core Procurement Charge. Remaining miscellaneous oil revenue credits are applied to the reliability cost of storage. Total storage costs are allocated between the core customer classes using average year sales so they can be installed in the Core Procurement Charge on an Equal Cents Per Therm basis.

CTAs will be billed for their reliability and non-reliability storage on a monthly basis. The proposed implementation schedule filed on February 13, 2002 provides that CTAs may reject the non-reliability portion of their storage reservation beginning November 1, 2002. To the extent the CTA storage set-aside in subsequent years may vary from the amount set-aside for 2002, it is anticipated that core storage charges will be revised to incorporate such changes.

D. Pooling Rights to be Available at Receipt Points, and Citygate

Per D.01-12-018 SoCalGas will provide Pooling Services on its system beginning November 1, 2002. Pooling service is an optional service proposed to increase liquidity of trading of gas supply and assist marketers and gas consumers in managing their gas supplies. Customers will still be able to nominate in the traditional manner or choose to use pools. Pools shall be subject to the applicable transportation provisions as contained in SoCalGas Rule 30 as shown on Attachment B. Pooling is defined as: 1) the aggregation of gas from multiple physical and/or logical points to a single physical or logical point, and/or 2) the desegregation of gas from a single physical or logical point to multiple physical and/or logical points. Each Pooler may make up to 10 (ten) transfers from its citygate and at each Receipt Point Pool per day at no charge. A Pooler that makes more than 10 pool-to-pool transfers at each Receipt Point Pool, per day will pay a fee of \$50 for each such additional transfer. The current requirement that contracted marketers must nominate to individual end-use customers, that they represent, will be eliminated with the establishment of pools.

In compliance with establishing pooling rights, SoCalGas proposes Schedule G-Pool which establishes the tariff for pooling services, Master Services Contract Schedule K which establishes a Pooling Services Agreement, and revision to Rule 30 – Transportation of Natural Gas as shown on Attachment B.

E. Balancing Procedures as Modified with D.01-12-018

SoCalGas currently has monthly balancing tolerances, except for winter balancing rules and overnomination events. Pursuant to D.01-12-018 noncore (including wholesale) and core (including retail core and CAT core) customer classes will be balanced separately. SoCalGas' Gas Acquisition Department will be subject to the same rules and penalties as other core balancing entities. Noncore customers will have the option of choosing the default balancing service offered by SoCalGas or electing a daily self-balancing option¹⁰.

For noncore balancing, SoCalGas storage assets of 250 MMcfd of storage injection, 250 MMcfd of storage withdrawal, and 5.3 Bcf of inventory capacity will be assigned to manage customer imbalances. Pursuant to D.01-12-018, the Commission directed SoCalGas to present a detailed description of how it will ensure that the costs of noncore default balancing will be allocated only to noncore customers electing default balancing services. As shown on Attachment C-7 page 2, SoCalGas has prepared a detailed cost allocation illustrating that only those noncore customers electing Default Noncore Balancing will incur the associated costs on an Equal Cents Per Therm Basis.

Core customers will balance solely utilizing storage assets assigned to the core. Operational Flow Orders (OFO) Stage I & II will replace all existing SoCalGas tariff Rule 30 overnomination event and winter balancing rules effective November 1, 2002. Default noncore balancing entities are limited to a monthly imbalance of +/- 10%. The Core Procurement group and default CAT balancing entities are limited to a monthly imbalance of +/- 0%. Following trading, any imbalance that remains outside the tolerance level will be subject to a cash-out at 50% (buy-back) or 150% (sell) of the average Southern California Border price per NGL's Daily Gas Price Index during the imbalance period as shown on Attachment B, Schedule G-IMB. In complying with Commission decision, SoCalGas will implement trading of imbalance rights called chip trading. Chip trading is established to prevent any imbalance charges (i.e. OFO non-compliance) being assessed to customers. For example customers who have exceeded deliveries may trade with those customers who have burned more than their daily deliveries and vice versa. SoCalGas has modified Schedule G-IMB, Transportation Imbalance Service, and Rule 40, Balancing Services and Operational Flow Orders, to illustrate the changes as a result of D.01-12-018 as shown on Attachment B.

Per section 1.5.4 of the CS, SoCalGas will establish OFO procedures (SoCalGas Rule 40). On a daily basis an assessment will be made to determine deliveries into the system are greater or less than expected usage plus assigned storage assets. If deliveries are outside acceptable limits an OFO may be called. OFO events will be determined for core and noncore classed independently. Noncore OFO days will be declared when forecast deliveries are greater than or less than noncore demand plus default balancing assets. Core OFO events will be declared when forecast deliveries are greater or less than core demand plus assigned storage assets. During OFO events an imbalance charge will apply if, after chip trading, an imbalance outside of the tolerance exists. A Stage I OFO will have a \$1/dth charge for being outside tolerance after chip trading. During a Stage II OFO the imbalance charge after chip trading will increase to \$25/dth. On OFO days, if both core and noncore OFOs have been called, both classes will be allowed to chip trade with each other. If only one has an OFO day then only those customers in that class may chip trade.

¹⁰ The Self-Balancing option will be made available effective April 1, 2003 with elections being made by February of 2003.

When operational conditions exist such that supply is insufficient to meet demand and delivery to end-users is threatened, the diversion of supply may be used to ensure continued gas delivery to core end-users – there will be an additional \$25/dth diversion charge assessed to any customer receiving involuntarily diverted gas supply. The revenues from the diversion charge will be credited to the customers who had their gas diverted.

Requested Tariff/Rule Revisions/Additions as Shown on Attachment B

Revision or Addition	Rules/Tariffs/Contracts/Forms	Title - TARIFF/FORMS ACTION ITEMS	Effective Date	Related Section in Advice Filing
New	Tariff	G-BR - Backbone (Firm & Interruptible)	11/01/02	Section B
New	Tariff	G-Pool	11/01/02	Section D
New	Tariff	G-CGS - Core Storage	11/01/02	Section C
New	Tariff	G-CBC - ESP Billing Credit	11/01/02	Section A
Revise	Tariff	G-IMB	11/01/02	Section E
Revise	Tariff	G-BSS, G-LTS, G-TBS, G-PAC	11/01/02	Section B
Revise	Tariff	G-CS	11/01/02	Section B
Revise	Tariff	GT-F, GT-I	11/01/02	Section B
Revise	Tariff	GT-SD	11/01/02	Section B
Revise	Tariff	GW-SWG, GW-VRN, GW-SD, GW-LB	11/01/02	Section B
Revise	Tariff	G-CP	11/01/02	Section B, C
Revise	Tariff	GT-10, GN-10, GT-10L, GT-EN, GT-S, GTO-SSA, GO-IR, G-EN, G-S, GTO-SSB, GO-ET, GT-NGV, GT-M, GTO-AC, GT-AC, G-NGV, GT-MB, GTO-IR, G-AC, GT-R, G-MB, GTO-ET, G-R, GT-RL, GO-SSA, GT-SL, GO-SSB, GN-10L, G-SL, G-RL, G-M, GO-AC	11/01/02	Section B
Revise	Rule	Preliminary Statement	11/01/02	Section B, C
Revise	Rule	Rule 1 - Definitions	11/01/02	All
Revise	Rule	Rule 6 - Establishment of Credit	11/01/02	All
Revise	Rule	Rule 7 - Deposits	11/01/02	All
Revise	Rule	Rule 8 - Return of Deposits/Interest on Deposits	11/01/02	All
Revise	Rule	Rule 9 - Discontinuance of Service	11/01/02	Section B, C
Revise	Rule	Rule 23 - Continuity of Service and Interruption of Deliveries	11/01/02	Section B
Revise	Rule	Rule 30 - Transportation of Customer Owned Gas	11/01/02	Section B
Revise	Rule	Rule 32 - Core Aggregation Transportation	11/01/02	Section B
Revise	Rule	Rule 33 - Gas Select	11/01/02	All
Revise	Rule	Rule 35 - Contracted Marketer Transportation	11/01/02	Section B
Revise	Rule	Rule 39 - Customer Creditworthiness	11/01/02	All
New	Rule	Rule 40 - Balancing Services and Operational Flow Orders (OFOs)	11/01/02	Section E
New	Form 9928	Open Season Bidding Rights Assignment Form	11/01/02	Section B
New	Form 9927	Termination of Nominating or Trading Agent Authorization Form (for BRMA)	11/01/02	Section B
New	Form 9926	Assignment of Backbone Receipt Point Rights	11/01/02	Section B
New	Form 9924	Nomination and Trading Agent Authorization Form (for BRMA)	11/01/02	Section B
New	Form	Pooling Service Request Form	11/01/02	Section C
Revise	Form	CM Form 2	11/01/02	Section B

Revise	Form	CM Form 3	11/01/02	Section B
Revise	Form	CM Form 4	11/01/02	Section B
Revise	Form	Form 6536A - ESP Agreement	11/01/02	Section A
New	Form	Form 6536A - Attachment A (storage election reliability / balancing)	11/01/02	Section C
New	Form	Form 6536A - Attachment B (storage election non-reliability, inc intrayr)	11/01/02	Section C
New	Form	Form 6536A - Attachment C (Billing Credits)	11/01/02	Section A
New	Contract Amendment	Amendment to Master Service Contract, Backbone Receipt Contract (BRC) - Form 6597-19	11/01/02	Section B
New	Contract	Master Service Contract, Backbone Receipt Master Agreement (BRMA) - Schedule M, Form 6597-17	11/01/02	Section B
New	Contract	Master Service Contract, Backbone Receipt Contract (BRC) - Schedule N, Form 6597-18	11/01/02	Section B
New	Contract	Master Service Contract, Pooling Services Agreement - Schedule K, Form 6597-13	11/01/02	Section D
Revise	Contract	Master Service Contract - Schedule E (GasSelect)	11/01/02	All
Revise	Contract	Master Services Contract (MSC)	11/01/02	All
Revise	Contract	Master Service Contract - Schedule A	11/01/02	Section B
Revise	Contract	Master Service Contract - Schedule B (Cont. Mktr.)	11/01/02	Section B
Revise	Contract	TBS and PAC	11/01/02	Section B

Rate Impact by Class of Service

<u>Class of Service</u>	<u>Applicable Rate Schedules</u>	<u>Net M\$ Increase/(Decrease)</u>
Core	GR, GT-R, GS, GT-S GM, GT-M, GMB, GT-MB GRL, GT-RL, GSL, GT-SL GO-SSA, GTO-SSA, GO-SSB GTO-SSB, GO-AC, GTO-AC, GL GN-10, GT-10, GN-10L, GT-10L G-AC, GT-AC, G-NGV, GT-NGV	(78,762)
Noncore	G-CS, GT-F, GT-I	(37,141)
Wholesale	GT-SD, GW-LB, GW-SD, GW-SWG, GW-VRN	(14,403)
Storage	G-BSS, G-LTS, G-AUC, G-TBS	-0-
International		(311)
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TOTAL		(\$130,617)

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 (jyr@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@sempra.com

If there are questions regarding the content of this filing, please contact either,

Marzia Zafar		Rodger Schwecke
Regulatory Case Manager	or	Project Manager
213-244-2517		213-244-5573

Effective Date

SoCalGas respectfully requests that this advice letter be approved by August 1, 2002 and to be made effective beginning November 1, 2002. The purpose for an approval date of August 1, 2002 is that SoCalGas is not authorized to hold an open season for backbone transmission rights until the Energy Division approves the proposed tariffs.

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, which includes the interested parties in I.99-07-003.

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

ATTACHMENT A

Advice No. 3146

(See Attached Service Lists)

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Advice No. 3146

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Revised 35011-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 34845-G
Revised 35012-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 34846-G
Revised 35013-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 34847-G
Revised 35014-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 4	Revised 34848-G
Revised 35015-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 5	Revised 34849-G
Revised 35016-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 34970-G
Revised 35017-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 34622-G
Revised 35018-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 8	Revised 34622-G Revised 34623-G*
Revised 35019-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 10	Revised 34850-G
Revised 35020-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 11	Revised 34851-G
Revised 35021-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 12	Revised 34852-G
Revised 35022-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 13	Revised 34853-G
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Revised 35024-G	PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING, Sheet 1	Revised 34819-G
Revised 35025-G	PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING, Sheet 2	Revised 34575-G
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Revised 35028-G	ACCOUNTS - BALANCING, Sheet 4 PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY	Revised 34822-G
Revised 35029-G	ACCOUNTS - BALANCING, Sheet 5 PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY	Revised 34823-G
Original 35030-G	ACCOUNTS - BALANCING, Sheet 6 PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY	Revised 34823-G
Revised 35031-G	ACCOUNTS - BALANCING, Sheet 7 PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY	Revised 34824-G
Revised 35032-G	ACCOUNTS - BALANCING, Sheet 8 PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY	Revised 34825-G
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Revised 35035-G	ACCOUNTS - BALANCING, Sheet 11 PRELIMINARY STATEMENT, PART V, DESCRIPTION OF REGULATORY	Revised 34682-G
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Revised 35052-G	Schedule No. GT-M, CORE AGGREGATION TRANSPORTATION, FOR MULTI-FAMILY SERVICE, Sheet 5	Revised 31183-G
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Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 35073-G	OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 1 Schedule No. GO-SSA, SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 2	Revised 34871-G
Revised 35074-G	Schedule No. GTO-SSA, TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 1	Revised 31579-G
Revised 35075-G	Schedule No. GTO-SSA, TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 2	Revised 34872-G
Revised 35076-G	Schedule No. GTO-SSA, TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 4	Revised 34456-G
Revised 35077-G	Schedule No. GO-SSB, SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING , NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 1	Revised 32046-G*
Revised 35078-G	Schedule No. GO-SSB, SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING , NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 2	Revised 34873-G
Revised 35079-G	Schedule No. GTO-SSB, TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS, PURCHASING NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 1	Revised 31581-G
Revised 35080-G	Schedule No. GTO-SSB, TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS, PURCHASING NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 2	Revised 34874-G
Revised 35081-G	Schedule No. GTO-SSB, TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS, PURCHASING NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 3	Revised 32605-G
Revised 35082-G	Schedule No. GTO-SSB, TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS, PURCHASING NEW GAS	Revised 34459-G

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	EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 4	
Revised 35083-G	Schedule No. GO-AC, OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 1	Revised 32048-G
Revised 35084-G	Schedule No. GO-AC, OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 2	Revised 34875-G
Revised 35085-G	Schedule No. GTO-AC, TRANSPORTATION-ONLY OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 1	Revised 31584-G
Revised 35086-G	Schedule No. GTO-AC, TRANSPORTATION-ONLY OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 2	Revised 34876-G
Revised 35087-G	Schedule No. GTO-AC, TRANSPORTATION-ONLY OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 4	Revised 34462-G
Revised 35088-G	Schedule No. GTO-AC, TRANSPORTATION-ONLY OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 5	Revised 31282-G
Revised 35089-G	Schedule No. GL, STREET AND OUTDOOR LIGHTING, NATURAL GAS SERVICE, Sheet 1	Revised 34877-G
Revised 35090-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 34878-G
Revised 35091-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 34879-G
Revised 35092-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 34880-G
Revised 35093-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 5	Original 32617-G
Revised 35094-G	Schedule No. GT-10, CORE AGGREGATION TRANSPORTATION, FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE, Sheet 1	Revised 34554-G
Revised 35095-G	Schedule No. GT-10, CORE AGGREGATION	Revised 34881-G

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Revised 35096-G	TRANSPORTATION, FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE, Sheet 3 Schedule No. GT-10, CORE AGGREGATION TRANSPORTATION, FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE, Sheet 4	Revised 34882-G
Revised 35097-G	Schedule No. GT-10, CORE AGGREGATION TRANSPORTATION, FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE, Sheet 5	Revised 34470-G
Revised 35098-G	Schedule No. GT-10, CORE AGGREGATION TRANSPORTATION, FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE, Sheet 6	Revised 34471-G
Revised 35099-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 1	Revised 33690-G
Revised 35100-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 3	Revised 34883-G
Revised 35101-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 4	Revised 32627-G
Revised 35102-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 5	Revised 33693-G
Revised 35103-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 6	Revised 32629-G
Revised 35104-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 7	Revised 32630-G
Revised 35105-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 8	Revised 33694-G
Revised 35106-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 9	Original 32632-G
Revised 35107-G	Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME- QUALIFIED, Sheet 1	Revised 33695-G
Revised 35108-G	Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 34884-G

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Revised 35109-G	QUALIFIED, Sheet 2 Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 33697-G
Revised 35110-G	QUALIFIED, Sheet 3 Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 32636-G
Revised 35111-G	QUALIFIED, Sheet 4 Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 32637-G
Revised 35112-G	QUALIFIED, Sheet 5 Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 33698-G
Revised 35113-G	QUALIFIED, Sheet 6 Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 32639-G
Revised 35114-G	QUALIFIED, Sheet 7 Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 33699-G
Revised 35115-G	QUALIFIED, Sheet 8 Schedule No. GT-10L, CORE AGGREGATION TRANSPORTATION, COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-	Revised 32641-G
Revised 35116-G	QUALIFIED, Sheet 9 Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 1	Revised 34555-G
Revised 35117-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 34885-G
Revised 35118-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 31026-G
Revised 35119-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 5	Revised 33701-G
Revised 35120-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 6	Revised 31525-G
Revised 35121-G	Schedule No. GT-AC, CORE TRANSPORTATION-ONLY AIR	Revised 34475-G

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Revised 35122-G	CONDITIONING, SERVICE FOR COMMERCIAL AND INDUSTRIAL, Sheet 1 Schedule No. GT-AC, CORE TRANSPORTATION-ONLY AIR	Revised 34886-G
Revised 35123-G	CONDITIONING, SERVICE FOR COMMERCIAL AND INDUSTRIAL, Sheet 2 Schedule No. GT-AC, CORE TRANSPORTATION-ONLY AIR	Revised 29992-G
Revised 35124-G	CONDITIONING, SERVICE FOR COMMERCIAL AND INDUSTRIAL, Sheet 3 Schedule No. GT-AC, CORE TRANSPORTATION-ONLY AIR	Revised 34477-G
Revised 35125-G	CONDITIONING, SERVICE FOR COMMERCIAL AND INDUSTRIAL, Sheet 4 Schedule No. GT-AC, CORE TRANSPORTATION-ONLY AIR	Revised 33703-G
Revised 35126-G	CONDITIONING, SERVICE FOR COMMERCIAL AND INDUSTRIAL, Sheet 5 Schedule No. GT-AC, CORE TRANSPORTATION-ONLY AIR	Revised 31527-G**
Revised 35127-G	CONDITIONING, SERVICE FOR COMMERCIAL AND INDUSTRIAL, Sheet 6 Schedule No. GT-AC, CORE TRANSPORTATION-ONLY AIR	
Revised 35127-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 1	Revised 34557-G
Revised 35128-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 34887-G
Revised 35129-G	Schedule No. GT-EN, CORE TRANSPORTATION-ONLY GAS ENGINE, SERVICE FOR WATER PUMPING, Sheet 1	Revised 34888-G
Revised 35130-G	Schedule No. GT-EN, CORE TRANSPORTATION-ONLY GAS ENGINE, SERVICE FOR WATER PUMPING, Sheet 2	Revised 29998-G
Revised 35131-G	Schedule No. GT-EN, CORE TRANSPORTATION-ONLY GAS ENGINE, SERVICE FOR WATER PUMPING, Sheet 3	Revised 34481-G
Revised 35132-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 1	Revised 32059-G
Revised 35133-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 34889-G
Revised 35134-G	Schedule No. GT-NGV, TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR VEHICLE SERVICE, Sheet 1	Revised 34890-G
Revised 35135-G	Schedule No. GT-NGV, TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR	Revised 34891-G

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Revised 35136-G	VEHICLE SERVICE, Sheet 2 Schedule No. GT-NGV, TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR VEHICLE SERVICE, Sheet 3	Revised 34485-G
Revised 35137-G	Schedule No. GT-NGV, TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR VEHICLE SERVICE, Sheet 4	Revised 34486-G
Revised 35138-G	Schedule No. GO-ET, EMERGING TECHNOLOGIES OPTIONAL RATE, FOR CORE COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 32061-G
Revised 35139-G	Schedule No. GTO-ET, TRANSPORTATION- ONLY EMERGING TECHNOLOGIES OPTIONAL RATE, FOR CORE COMMERCIAL AND INDUSTRIAL, Sheet 1	Revised 30203-G
Revised 35140-G	Schedule No. GTO-ET, TRANSPORTATION- ONLY EMERGING TECHNOLOGIES OPTIONAL RATE, FOR CORE COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 30204-G
Revised 35141-G	Schedule No. GO-IR, INCREMENTAL RATE FOR EXISTING EQUIPMENT, FOR CORE COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 32062-G
Revised 35142-G	Schedule No. GTO-IR, TRANSPORTATION- ONLY INCREMENTAL RATE FOR EXISTING EQUIPMENT, FOR CORE COMMERCIAL AND INDUSTRIAL, Sheet 1	Revised 30209-G
Revised 35143-G	Schedule No. GTO-IR, TRANSPORTATION- ONLY INCREMENTAL RATE FOR EXISTING EQUIPMENT, FOR CORE COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 30210-G
Revised 35144-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 1	Revised 34487-G
Revised 35145-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 34488-G
Revised 35146-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 34489-G
Revised 35147-G	Schedule No. G-CS, CORE SUBSCRIPTION NATURAL GAS SERVICE, Sheet 1	Revised 34559-G
Revised 35148-G	Schedule No. G-CS, CORE SUBSCRIPTION NATURAL GAS SERVICE, Sheet 2	Revised 34892-G Revised 34976-G
Revised 35149-G	Schedule No. G-CS, CORE SUBSCRIPTION NATURAL GAS SERVICE, Sheet 3	Revised 34893-G

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Revised 35150-G	Schedule No. G-CS, CORE SUBSCRIPTION NATURAL GAS SERVICE, Sheet 5	Revised 32656-G
Revised 35151-G	Schedule No. GT-F, FIRM LOCAL TRANSPORTATION SERVICE, Sheet 1	Revised 34894-G
Revised 35152-G	Schedule No. GT-F, FIRM LOCAL TRANSPORTATION SERVICE, Sheet 2	Revised 34895-G
Revised 35153-G	Schedule No. GT-F, FIRM LOCAL TRANSPORTATION SERVICE, Sheet 3	Revised 32662-G*
Revised 35154-G	Schedule No. GT-F, FIRM LOCAL TRANSPORTATION SERVICE, Sheet 4	Revised 34562-G
Revised 35155-G	Schedule No. GT-F, FIRM LOCAL TRANSPORTATION SERVICE, Sheet 5	Revised 32664-G
Revised 35156-G	Schedule No. GT-F, FIRM LOCAL TRANSPORTATION SERVICE, Sheet 6	Revised 32665-G
Revised 35157-G	Schedule No. GT-F, FIRM LOCAL TRANSPORTATION SERVICE, Sheet 7	Revised 34838-G
Revised 35158-G	Schedule No. GT-I, INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE, Sheet 1	Revised 32665-G
Revised 35159-G	Schedule No. GT-I, INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE, Sheet 2	Revised 34838-G
Revised 35160-G	Schedule No. GT-I, INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE, Sheet 3	Revised 32667-G
Revised 35161-G	Schedule No. GT-I, INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE, Sheet 4	Revised 34896-G
Revised 35162-G	Schedule No. GT-I, INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE, Sheet 5	Revised 34897-G
Revised 35163-G	Schedule No. GT-I, INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE, Sheet 6	Revised 34564-G
Revised 35164-G	Schedule No. GT-SD, LOCAL TRANSPORTATION SERVICE, Sheet 1	Revised 34564-G
Revised 35165-G	Schedule No. GT-SD, LOCAL TRANSPORTATION SERVICE, Sheet 2	Revised 32671-G
Revised 35166-G	Schedule No. GT-SD, LOCAL TRANSPORTATION SERVICE, Sheet 3	Revised 34839-G
Revised 35167-G	Schedule No. GT-SD, LOCAL TRANSPORTATION SERVICE, Sheet 4	Revised 34839-G
Original 35168-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 1	Revised 32673-G
Original 35169-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 2	Revised 34898-G
Original 35170-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 3	Revised 30593-G
Original 35171-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 4	Revised 30594-G

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Original 35172-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 5	
Original 35173-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 6	
Original 35174-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 7	
Original 35175-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 8	
Original 35176-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 9	
Original 35177-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 10	
Original 35178-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 11	
Original 35179-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 12	
Original 35180-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 13	
Original 35181-G	Schedule No. G-BR, BACKBONE TRANSMISSION RECEIPT ACCESS, Sheet 14	
Revised 35182-G	Schedule No. GW-LB, WHOLESAL NATURAL GAS SERVICE, Sheet 1	Revised 34899-G
Revised 35183-G	Schedule No. GW-LB, WHOLESAL NATURAL GAS SERVICE, Sheet 2	Revised 34254-G
Revised 35184-G	Schedule No. GW-LB, WHOLESAL NATURAL GAS SERVICE, Sheet 3	Revised 34254-G
Revised 35185-G	Schedule No. GW-LB, WHOLESAL NATURAL GAS SERVICE, Sheet 4	Revised 32677-G
		Revised 32678-G
		Revised 32679-G, 32680-G
		Revised 34624-G
		Original 34625-G, 32680-G
Revised 35186-G	Schedule No. GW-SD, WHOLESAL NATURAL GAS SERVICE, Sheet 1	Revised 34900-G
Revised 35187-G	Schedule No. GW-SD, WHOLESAL NATURAL GAS SERVICE, Sheet 2	Revised 34930-G
		Revised 34900-G
		Revised 32684-G, 32685-G
Revised 35188-G	Schedule No. GW-SD, WHOLESAL NATURAL GAS SERVICE, Sheet 3	Revised 34626-G
Revised 35189-G	Schedule No. GW-SD, WHOLESAL NATURAL GAS SERVICE, Sheet 4	Revised 32685-G
		Revised 34626-G
		Original 34627-G
Revised 35190-G	Schedule No. GW-SWG, WHOLESAL NATURAL GAS SERVICE, Sheet 1	Revised 34901-G
Revised 35191-G	Schedule No. GW-SWG, WHOLESAL NATURAL GAS SERVICE, Sheet 2	Revised 34258-G
Revised 35192-G	Schedule No. GW-SWG, WHOLESAL NATURAL GAS SERVICE, Sheet 3	Revised 34258-G
		Revised 32689-G
		Revised 34628-G
		Revised 32689-G, 32690-G

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		G
Revised 35193-G	Schedule No. GW-VRN, WHOLESAL NATURAL GAS SERVICE, Sheet 1	Revised 34902-G
Revised 35194-G	Schedule No. GW-VRN, WHOLESAL NATURAL GAS SERVICE, Sheet 2	Revised 34260-G
Revised 35195-G	Schedule No. GW-VRN, WHOLESAL NATURAL GAS SERVICE, Sheet 3	Original 32694-G
		Original 32695-G
		Revised 34629-G
		Original 32695-G, 32696- G
Revised 35196-G	Schedule No. GW-VRN, WHOLESAL NATURAL GAS SERVICE, Sheet 4	Revised 34629-G
Revised 35197-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 1	Revised 34967-G
Revised 35198-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 29614-G
		Revised 34971-G
		Revised 34924-G, 34915- G
Revised 35199-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 34972-G
		Revised 34963-G, 33497- G
Revised 35200-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 4	Revised 33498-G
Original 35201-G	Schedule No. G-CGS, CORE GAS STORAGE, Sheet 1	
Original 35202-G	Schedule No. G-CGS, CORE GAS STORAGE, Sheet 2	
Original 35203-G	Schedule No. G-CGS, CORE GAS STORAGE, Sheet 3	
Original 35204-G	Schedule No. G-CGS, CORE GAS STORAGE, Sheet 4	
Original 35205-G	Schedule No. G-CGS, CORE GAS STORAGE, Sheet 5	
Original 35206-G	Schedule No. G-CGS, CORE GAS STORAGE, Sheet 6	
Original 35207-G	Schedule No. G-CGS, CORE GAS STORAGE, Sheet 7	
Revised 35208-G	Schedule No. G-BSS, BASIC STORAGE SERVICE, Sheet 1	Revised 34630-G
Revised 35209-G	Schedule No. G-BSS, BASIC STORAGE SERVICE, Sheet 2	Revised 34631-G
Revised 35210-G	Schedule No. G-BSS, BASIC STORAGE SERVICE, Sheet 3	Revised 34632-G
Revised 35211-G	Schedule No. G-BSS, BASIC STORAGE SERVICE, Sheet 4	Revised 34633-G
Revised 35212-G	Schedule No. G-BSS, BASIC STORAGE SERVICE, Sheet 5	Revised 34634-G
		Revised 34634-G
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		Revised 34635-G
		Revised 34636-G

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Revised 35214-G	Schedule No. G-BSS, BASIC STORAGE SERVICE, Sheet 7	Revised 34637-G Revised 34637-G Original 34638-G
Revised 35215-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 1	Revised 34639-G
Revised 35216-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 2	Revised 34640-G
Revised 35217-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 3	Revised 34641-G Revised 34641-G Revised 34642-G, 34643-G
Revised 35218-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 4	Revised 34643-G
Revised 35219-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 5	Revised 34644-G
Revised 35220-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 6	Revised 34645-G
Revised 35221-G	Schedule No. G-LTS, LONG-TERM STORAGE SERVICE, Sheet 7	Revised 34645-G Revised 34646-G Revised 34646-G
Revised 35222-G	Schedule No. G-TBS, TRANSACTION BASED STORAGE SERVICE, Sheet 1	Revised 34647-G
Revised 35223-G	Schedule No. G-TBS, TRANSACTION BASED STORAGE SERVICE, Sheet 2	Revised 34648-G Revised 34648-G
Revised 35224-G	Schedule No. G-TBS, TRANSACTION BASED STORAGE SERVICE, Sheet 3	Revised 34649-G
Revised 35225-G	Schedule No. G-TBS, TRANSACTION BASED STORAGE SERVICE, Sheet 4	Revised 34650-G
Revised 35226-G	Schedule No. G-TBS, TRANSACTION BASED STORAGE SERVICE, Sheet 5	Revised 34650-G Revised 34651-G Revised 34651-G
Revised 35227-G	Schedule No. G-TBS, TRANSACTION BASED STORAGE SERVICE, Sheet 6	Revised 34652-G
Revised 35228-G	Schedule No. G-PAC, PACKAGED STORAGE SERVICE, Sheet 1	Original 34653-G
Revised 35229-G	Schedule No. G-PAC, PACKAGED STORAGE SERVICE, Sheet 2	Original 34654-G
Revised 35230-G	Schedule No. G-PAC, PACKAGED STORAGE SERVICE, Sheet 3	Original 34654-G Original 34655-G
Revised 35231-G	Schedule No. G-PAC, PACKAGED STORAGE SERVICE, Sheet 4	Original 34655-G Original 34656-G
Revised 35232-G	Schedule No. G-PAC, PACKAGED STORAGE SERVICE, Sheet 5	Original 34656-G Original 34657-G Original 34657-G
Original 35233-G	Schedule No. G-CBC, ENERGY SERVICE PROVIDER (ESP), CONSOLIDATED BILLING CREDIT, Sheet 1	

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Revised 35234-G	Schedule No. G-WHL, HUB WHEELING SERVICE, Sheet 1	Revised 34905-G
Original 35235-G	Schedule No. G-POOL, POOLING SERVICE, Sheet 1	
Original 35236-G	Schedule No. G-POOL, POOLING SERVICE, Sheet 2	
Revised 35237-G	Schedule No. G-POOL, POOLING SERVICE, Sheet 3	
Revised 35238-G	Rule No. 01, DEFINITIONS, Sheet 1	Revised 33478-G
Revised 35239-G	Rule No. 01, DEFINITIONS, Sheet 2	Revised 33478-G
Revised 35240-G	Rule No. 01, DEFINITIONS, Sheet 3	Revised 33479-G
Revised 35241-G	Rule No. 01, DEFINITIONS, Sheet 4	Revised 34504-G
Revised 35242-G	Rule No. 01, DEFINITIONS, Sheet 5	Revised 33479-G
Revised 35243-G	Rule No. 01, DEFINITIONS, Sheet 6	Revised 33480-G
Revised 35244-G	Rule No. 01, DEFINITIONS, Sheet 7	Revised 33481-G
Revised 35245-G	Rule No. 01, DEFINITIONS, Sheet 8	Revised 33481-G
Revised 35246-G	Rule No. 01, DEFINITIONS, Sheet 9	Revised 33482-G
Revised 35247-G	Rule No. 01, DEFINITIONS, Sheet 10	Revised 33482-G
Revised 35248-G	Rule No. 01, DEFINITIONS, Sheet 11	Revised 34505-G
Revised 35249-G	Rule No. 01, DEFINITIONS, Sheet 12	Revised 33483-G
Revised 35250-G	Rule No. 01, DEFINITIONS, Sheet 13	Revised 34505-G
Revised 35251-G	Rule No. 01, DEFINITIONS, Sheet 14	Revised 33483-G, 33484-G
Revised 35252-G	Rule No. 01, DEFINITIONS, Sheet 15	G
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Original 35254-G	Rule No. 01, DEFINITIONS, Sheet 17	Revised 33485-G
Original 35255-G	Rule No. 01, DEFINITIONS, Sheet 18	Revised 33485-G
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		Revised 33489-G
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		Revised 33490-G
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Original 35259-G	Rule No. 06, ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT, Sheet 4	
Revised 35260-G	Rule No. 07, DEPOSITS, Sheet 1	Revised 24604-G
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Original 35268-G	Rule No. 09, DISCONTINUANCE OF SERVICE, Sheet 7	Revised 33501-G
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Revised 35269-G	Rule No. 23, CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY, Sheet 1	Revised 34569-G
Revised 35270-G	Rule No. 23, CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY, Sheet 2	Revised 34570-G, 33041-G
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Original 35319-G	ATTACHMENT B - CORE FIRM STORAGE, DECLARATIONS FOR NON-RELIABILITY/BALANCING, (Form 6536-AB, 5/02), Sheet 1	
Original 35320-G	ATTACHMENT C - ENERGY SERVICE PROVIDER, BILLING AGREEMENT, (Form 6536-AC, 5/02), Sheet 1	
Original 35321-G	MASTER SERVICES CONTRACT, (Form 6597, 5/02), Sheet 1	
Original 35322-G	MASTER SERVICES CONTRACT - SCHEDULE A, LOCAL TRANSPORTATION SERVICES AGREEMENT, (Form 6597-1, 5/02), Sheet 1	
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Original 35326-G	MASTER SERVICES CONTRACT - SCHEDULE K, POOLING SERVICE AGREEMENT, (Form No. 6597-13, 5/02), Sheet 1	
Original 35327-G	MASTER SERVICES CONTRACT - SCHEDULE L, PACKAGED STORAGE SERVICE AGREEMENT, (Form No. 6597-16, 5/02), Sheet 1	
Original 35328-G	MASTER SERVICES CONTRACT - SCHEDULE M, BACKBONE RECEIPT	

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Original 35329-G	MASTER SERVICES CONTRACT - SCHEDULE N, BACKBONE RECEIPT CONTRACT, (Form No. 6597-18, 5/02), Sheet 1	
Original 35330-G	AMENDMENT TO BACKBONE RECEIPT CONTRACT, (Form No. 6597-19, 5/02), Sheet 1	
Original 35331-G	NOTICE BY CONTRACTED MARKETER, TO ADD OR DROP CUSTOMERS, (CM Form 2, 5/02), Sheet 1	
Original 35332-G	NOTICE BY CUSTOMER TO ADD OR CHANGE, AGENT OR CONTRACTED MARKETER, (CM Form 3, 5/02), Sheet 1	
Original 35333-G	NOTICE TO TERMINATE A CONTRACTED, MARKETER OR AGENT, (CM Form 4, 5/02), Sheet 1	
Original 35334-G	NOMINATION AND TRADING AUTHORIZATION FORM, Designation of a Nominating or Trading Agent for Backbone, Receipt Master Agreement (Form No, 9924, 5/02), Sheet 1	
Original 35335-G	ASSIGNMENT OF FIRM BACKBONE RECEIPT POINT RIGHTS, (Form No. 9926, 5/02), Sheet 1	
Original 35336-G	TERMINATION OF NOMINATING OR TRADING AGENT, FOR BACKBONE RECEIPT MASTER AGREEMENT, (Form No. 9927, 5/02), Sheet 1	
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PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 1

RESIDENTIAL CORE SALES SERVICE (1)

Commodity Charge
(per therm)

Schedules GR, GS & GM

Baseline Usage	63.653¢	I
Non-Baseline Usage	81.483¢	I
Customer Charge: 16.438¢/meter/day		

Schedule GMB

Baseline Usage	57.480¢	I
Non-Baseline Usage	62.784¢	I
Customer Charge: \$9.352/meter/day		I

Schedules GRL & GSL

Baseline Usage	50.923¢	I
Non-Baseline Usage	65.187¢	I
Customer Charge: 13.151¢/meter/day		

RESIDENTIAL CORE AGGREGATION SERVICE

Transmission Charge
(per therm)

Schedules GT-R, GT-S & GT-M

Baseline Usage	20.106¢	R
Non-Baseline Usage	37.936¢	R
Customer Charge: 16.438¢/meter/day		

Schedule GT-MB

Baseline Usage	13.933¢	R
Non-Baseline Usage	19.237¢	R
Customer Charge: \$9.352meter/day		I

Schedules GT-RL & GT-SL

Baseline Usage	16.085¢	R
Non-Baseline Usage	30.349¢	R
Customer Charge: 13.151¢/meter/day		

(1) The residential core procurement charge as set forth in Schedule No. G-CP is 43.547¢/therm which includes the core brokerage fee. I

(Continued)

(TO BE INSERTED BY UTILITY)
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 Regulatory Affairs

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PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 2

(Continued)

NON-RESIDENTIAL CORE SALES SERVICE (1) Commodity Charge
 (per therm)

Schedule GN-10 (2)

GN-10: Tier I	78.712¢	I
Tier II	61.560¢	
Tier III	49.135¢	
GN-10V: Tier I	78.712¢	
Tier II	58.526¢	
Tier III	49.135¢	I

Customer Charge:

Annual usage of less than 1,000 therms per year: 32.877¢/meter/day
 Annual usage of 1,000 therms per year or more: 49.315¢/meter/day

Schedule GN-10L

GN-10L: Tier I	62.970¢	I
Tier II	49.248¢	
Tier III	39.308¢	I

Customer Charge:

Annual usage of less than 1,000 therms per year: 26.301¢/meter/day
 Annual usage of 1,000 therms per year or more: 39.452¢/meter/day

Schedule G-AC

G-AC: rate per therm	50.412¢	I
G-ACL: rate per therm	40.330¢	I
Customer Charge: \$150/month		

Schedule G-EN

G-EN: rate per therm	54.771¢	I
Customer Charge: \$50/month		

Schedule G-NGV

G-NGU: rate per therm	49.894¢	I
G-NGC: rate per therm	84.894¢	I
P-1 Customer Charge: \$13/month		
P-2A Customer Charge: \$65/month		

(1) The non-residential core procurement charge as set forth in Schedule No. G-CP is 43.547¢/therm which includes the core brokerage fee.

(2) Schedule GL rates are set commensurate with Rate Schedule GN-10.

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Sheet 3

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NON-RESIDENTIAL CORE AGGREGATION SERVICE Transmission Charge
 (per therm)

Schedule GT-10

GT-10:	Tier I	35.165¢	R R
	Tier II	18.013¢	
	Tier III	5.588¢	
GT-10V:	Tier I	35.165¢	
	Tier II	14.979¢	
	Tier III	5.588¢	

Customer Charge:

Annual usage of less than 1,000 therms per year: 32.877¢/meter/day
 Annual usage of 1,000 therms per year or more: 49.315¢/meter/day

Schedule GT-10L

GT-10L:	Tier I	28.132¢	R R
	Tier II	14.410¢	
	Tier III	4.470¢	

Customer Charge:

Annual usage of less than 1,000 therms per year: 26.301¢/meter/day
 Annual usage of 1,000 therms per year or more: 39.452¢/meter/day

Schedule GT-AC

GT-AC:	rate per therm	6.865¢	R R
GT-ACL:	rate per therm	5.492¢	
Customer Charge:	\$150/month		

Schedule GT-EN

GT-EN:	rate per therm	11.224¢	R
Customer Charge:	\$50/month		

Schedule GT-NGV

GT-NGU:	rate per therm	6.347¢	R R
GT-NGC:	rate per therm	41.347¢	
P-1 Customer Charge:	\$13/month		
P-2A Customer Charge:	\$65/month		

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SUMMARY OF RATES AND CHARGES

Sheet 4

(Continued)

NONCORE RETAIL SERVICE

Schedules G-CS, GT-F, & GT-I

Noncore Commercial/Industrial (G-CS3, GT-F3 & GT-I3)

Customer Charge:

G-CS3D/GT-F3D/GT-I3D (Distribution Level):	
Per month	\$350
G-CS3T/GT-F3T/GT-I3T (Transmission Level):	
Per month	\$700

Transmission Charges:

G-CS3D/GT-F3D/GT-I3D (Distribution Level):		
Tier I 0 - 20,833 Therms	7.885¢	R
Tier II 20,834 - 83,333 Therms	4.871¢	
Tier III 83,334 - 166,667 Therms	2.943¢	
Tier IV Over 166,667 Therms	1.565¢	R
G-CS3T/GT-F3T/GT-I3T (Transmission Level):		
Tier I 0 - 166,667 Therms	0.953¢	R
Tier II Over 166,667 Therms	0.206¢	R

Schedule G-CS

Core Subscription Procurement Charge, per therm	15.158¢
Core Subscription Reservation Charge, per therm	3.382¢

Enhanced Oil Recovery (G-CS4, GT-F4 & GT-I4)

Transmission Charge	1.215¢	R
Customer Charge: \$500/month		

Electric Generation (G-CS5, GT-F5 & GT-I5)

For customers using less than 3 million therms per year		
Transmission Charge	3.429¢	R
Customer Charge: \$50		
For customers using 3 million therms or more per year		
Transmission Charge	1.174¢	R
Customer Charge: N/A		

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 (Continued)

Sheet 5

WHOLESALE SERVICE

Schedule GW-LB (Long Beach, GT-F7 & GT-I7)

Volumetric Charge	0.715¢
ITCS-LB	0.038¢

Schedule GW-SD and GT-SD (San Diego Gas & Electric, GT-F8, GT-I8, GT-F11 & GT-I11)

Volumetric Charge	0.351¢
ITCS-SD	0.038¢

Schedule GW-SWG (Southwest Gas, GT-F9 & GT-I9)

Volumetric Charge	0.623¢
ITCS-SWG	0.038¢
Storage Reservation Charge (per year)	\$1,192,118

Schedule GW-VRN (City of Vernon, GT-F10 & GT-I10)

Transmission Charge	0.515¢
ITCS-VRN	0.038¢

BACKBONE TRANSMISSION RECEIPT ACCESS

Schedule G-BR

Open Season:

<u>Rate</u>	<u>Description of Service</u>	<u>Rate Structure</u>	<u>Reservation Rate (per Dth)</u>	<u>Volumetric Rate (per Dth)</u>
G-BRF1	Firm	100% Reservation	\$0.07609	\$0.00000
G-BRF2	Firm	50% Res/50% Vol.	\$0.04016	\$0.04016
G-BRFS	Firm Seasonal	100% Reservation	\$0.09131	\$0.00000

Non-Open Season:

<u>Rate</u>	<u>Description of Service</u>	<u>Rate Structure</u>	<u>Maximum Rate (per Dth)</u>
G-BRFN	Firm	Negotiable	\$0.09131
G-BRI	Interruptible	100% Volumetric	\$0.09131

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PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 6

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IMBALANCE SERVICE

Standby Charge

Core Retail Standby Charge (SP-CR), per therm

November, 2002	\$0.xxxxx
December, 2002	\$0.xxxxx
January, 2003	\$0.xxxxx

Noncore Retail and Wholesale Standby Charge (SP-NRW), per therm

November, 2002	\$0.xxxxx
December, 2002	\$0.xxxxx
January, 2003	\$0.xxxxx

Buy-Back Rate

Core and Noncore Retail and Wholesale Buy-Back Rate (BR-RW), per therm

November, 2002	\$0.xxxxx
December, 2002	\$0.xxxxx
January, 2003	\$0.xxxxx

In-Kind Fuel Charge

In-kind fuel charge for a positive imbalance 2.44%

OFO Noncompliance Charges

Stage 1, per decatherm (i.e., per red Chip)	\$1.00
Stage 2, per decatherm (i.e., per red Chip)	\$25.00

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PRELIMINARY STATEMENT
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 SUMMARY OF RATES AND CHARGES

Sheet 8

(Continued)

STORAGE SERVICE (Continued)

Schedule G-LTS (Long-Term Storage Service) (Continued)

Variable Injection Charges			L
In-Kind Energy Charge, percent reduction.....	2.440%		L,T
Operating and Maintenance Charge			L
Rate, per therm injected	0.123¢		L,T
Variable Withdrawal Charge			L,T
Operating and Maintenance Charge			L
Rate, per therm withdrawn	0.172¢		L,T

Schedule G-TBS (Transaction Based Storage Service)

Reservation Charges*			
Annual Firm Inventory, per decatherm reserved	21.741¢/year		
Daily Firm Withdrawal, per decatherm/day reserved	3.913¢/day		
Daily Firm Injection, per decatherm/day reserved	19.283¢/day		
*G-TBS reservation charges for new contracts shall be no more than 200% or less than 50% of the individual reservation charges set forth for inventory, withdrawal and injection services.			T
Variable Injection Charges			T
In-Kind Energy Charge, percent reduction	2.440%		
Operating and Maintenance Charge			
Rate, per therm injected	0.123¢		T
Variable Withdrawal Charge			T
Operating and Maintenance Charge			
Rate, per therm withdrawn	0.172¢		T

Schedule G-PAC (Packaged Storage Service)

Reservation Charge			
Annual Inventory, per decatherm reserved	70.606¢*		
*G-PAC reservation charge for inventory and corresponding injection and withdrawal capacities.			T
Variable Injection Charges			T
In-Kind Energy Charge, percent reduction	2.440%		
Operating and Maintenance Charge			
Rate, per therm injected	0.123¢		T
Variable Withdrawal Charge			T
Operating and Maintenance Charge			
Rate, per therm withdrawn	0.172¢		

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SUMMARY OF RATES AND CHARGES

Sheet 10

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RATE COMPONENT SUMMARY

CORE

Residential Sales Service

Charge
(per therm)

Base Margin	37.770¢
Other Operating Costs/Revenues	1.481¢
Transition Costs	(0.158)¢
Balancing/Tracking Account Amortization	(1.726)¢
Core Averaging/Other Noncore	(0.953)¢
Weighted Average Cost of Gas (WACOG)	37.213¢
Core Brokerage Fee Adjustment	0.201¢
Core Pipeline Demand Charges	3.968¢
Core Storage Charges	1.255¢
Backbone Transmission Charges	0.910¢

Total Costs	79.960¢

Non-Residential - Commercial/Industrial

Charge
(per therm)

Base Margin	20.405¢
Other Operating Costs/Revenues	0.595¢
Transition Costs	(0.158)¢
Balancing/Tracking Account Amortization	(1.132)¢
Core Averaging/Other Noncore	2.909¢
Weighted Average Cost of Gas (WACOG)	37.213¢
Core Brokerage Fee Adjustment	0.201¢
Core Pipeline Demand Charges	3.968¢
Core Storage Charges	1.255¢
Backbone Transmission Charges	0.910¢

Total Costs	66.167¢

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PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 11

(Continued)

RATE COMPONENT SUMMARY (Continued)

CORE (Continued)

Non-Residential - Air Conditioning

Charge
(per therm)

Base Margin	9.969¢
Other Operating Costs/Revenues	0.539¢
Transition Costs	(0.158)¢
Balancing/Tracking Account Amortization	(0.784)¢
Weighted Average Cost of Gas (WACOG)	37.213¢
Core Brokerage Fee Adjustment	0.201¢
Core Pipeline Demand Charges	3.968¢
Core Storage Charges	1.255¢
Backbone Transmission Charges	0.910¢

Total Costs	53.112¢

Non-Residential - Gas Engine

Charge
(per therm)

Base Margin	14.393¢
Other Operating Costs/Revenues	0.537¢
Transition Costs	(0.158)¢
Balancing/Tracking Account Amortization	(0.937)¢
Weighted Average Cost of Gas (WACOG)	37.213¢
Core Brokerage Fee Adjustment	0.201¢
Core Pipeline Demand Charges	3.968¢
Core Storage Charges	1.255¢
Backbone Transmission Charges	0.910¢

Total Costs	57.382¢

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PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 12

(Continued)

RATE COMPONENT SUMMARY (Continued)

NON-CORE

Commercial/Industrial

Charge
(per therm)

Base Margin	0.239¢
Other Operating Costs/Revenues	0.949¢
Transition Costs	(0.145)¢
Balancing/Tracking Account Amortization	(0.517)¢

Total Local Transportation Related Costs	3.551¢

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Electric Generation

Charge
(per therm)

Base Margin	0.464¢
Other Operating Costs/Revenues	1.038¢
Transition Costs	(0.145)¢
Balancing/Tracking Account Amortization	(0.452)¢
Sempra-Wide Common Adjustment (EG Only)	0.348¢

Total Local Transportation Related Costs	1.253¢

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Wholesale - City of Long Beach

Charge
(per therm)

Base Margin	0.239¢
Other Operating Costs/Revenues	1.104¢
Transition Costs	(0.144)¢
Balancing/Tracking Account Amortization	(0.446)¢

Total Local Transportation Related Costs	0.753¢

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PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 13

(Continued)

RATE COMPONENT SUMMARY (Continued)

NON-CORE (Continued)

Wholesale - San Diego Gas & Electric

Charge
(per therm)

Base Margin	(0.023)¢	R
Other Operating Costs/Revenues	1.023¢	I
Transition Costs	(0.144)¢	
Balancing/Tracking Account Amortization	(0.467)¢	I

Total Local Transportation Related Costs	0.389¢	T,R

Wholesale - Southwest Gas

Charge
(per therm)

Base Margin	0.149¢	R
Other Operating Costs/Revenues	1.100¢	I
Transition Costs	(0.144)¢	
Balancing/Tracking Account Amortization	(0.445)¢	I

Total Local Transportation Related Costs	0.661¢	T,R

Wholesale - City of Vernon

Charge
(per therm)

Base Margin	0.198¢	R
Other Operating Costs/Revenues	0.944¢	I
Transition Costs	(0.144)¢	
Balancing/Tracking Account Amortization	(0.445)¢	I

Total Local Transportation Related Costs	0.553¢	T,R

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PRELIMINARY STATEMENT

Sheet 5

PART III
COST ALLOCATION AND REVENUE REQUIREMENT

(Continued)

B. REVENUE REQUIREMENT: (Continued)

16. GAS MARGIN

This amount shall be the total annual base revenues authorized by the Commission. The authorized gas margin pursuant to SoCalGas Advice No. 3146, effective November 1, 2002, is \$1,208,528,000. Of the total revenues \$1,134,682,000 is allocated to the core market and \$73,846,000 is allocated to the noncore market. The allocated noncore margin includes EOR revenues of \$12,466,000.

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17. COST AND REVENUE ALLOCATION FACTORS

These factors were determined pursuant to D.00-04-060, D.01-12-018 and SoCalGas Advice No. 3146, effective November 1, 2002, and are used to allocate costs and revenues to the core and noncore customer classes.

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	<u>Factor</u>	
<u>Cost Categories:</u>	<u>Core</u>	<u>Noncore</u> <u>(including wholesale)</u>
Transition Costs	0.379	0.621
Unaccounted-for Gas	0.721	0.279
Company Use Gas: Storage Collected as 2.44% In-Kind Charge		
NGV Balancing Account	0.422	0.578
Storage Transition and Bypass Account	0.358	0.642
Core Fixed Cost Account	1.000	0.000
Enhanced Oil Recovery Account	0.907	0.093
<u>Revenue Categories:</u>		
Exchange and Interutility Transactions	0.381	0.619
Core Brokerage Fee Adjustment	1.000	0.000
Noncore Brokerage Fee Adjustment	0.000	1.000
Fuel Cell Equipment Revenues	0.951	0.049

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PRELIMINARY STATEMENT

Sheet 1

PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

A. GENERAL

Balancing accounts are those regulatory accounts where authorized expenses are compared with revenues from rates designed to recover those expenses. The resulting under- or overcollection, plus interest calculated in the manner described in Preliminary Statement, Part I, is recorded on the Utility's financial statements as an asset or liability, which is owed from or due to the ratepayers. Balances in balancing accounts are to be amortized in rates.

B. LISTING OF BALANCING ACCOUNTS

- Purchased Gas Account (PGA)
- Core Fixed Cost Account (CFCA)
- Noncore Fixed Cost Account (NFCA)
- Enhanced Oil Recovery Account (EORA)
- Noncore Storage Balancing Account (NSBA)
- Storage Cost Balancing Account (SCBA)
- California Alternate Rates for Energy Account (CAREA)
- Brokerage Fee Account (BFA)
- Hazardous Substance Cost Recovery Account (HSCRA)
- Natural Gas Vehicle Account (NGVA)

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PRELIMINARY STATEMENT

Sheet 2

PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS

PURCHASED GAS ACCOUNT (PGA)

The PGA is a balancing account. The purpose of this account is to balance the recorded cost of gas bought for the Utility portfolio with revenue from the sale of that gas. Effective with the implementation of the Gas Industry Restructuring Decision (D.01-12-018) on February 1 and November 1, 2002, certain non-gas costs such as San Juan Lateral demand charges, core interstate demand charges, carrying cost of storage inventory, core intrastate backbone demand charges, and core storage charges were shifted to the procurement cost of gas. Accordingly, the PGA is modified to balance the recorded cost of these non-gas items with corresponding revenues based on rates established to recover these costs.

- a. The PGA consists of six subaccounts of which three relate to procurement activity and the remaining three subaccounts relate to the unbundling of non-gas costs. They are:
 - 1. The Core Subaccount which tracks the cost of gas procured, including core brokerage fees, for core customers and revenues from the sale of that gas.
 - 2. The Core-Subscription Subaccount which tracks the cost of gas procured for core-subscription customers and revenues from the sale of that gas.
 - 3. The Take-or-Pay Subaccount which tracks revenue from take-or-pay charges that core-subscription customers incur.
 - 4. The Demand Charge Subaccount which tracks the interstate and San Juan Lateral demand charge costs with revenues established to recover these costs from customers.
 - 5. The Intrastate Backbone Demand Charge Subaccount which tracks the core intrastate backbone demand charge costs with revenues established to recover these costs from customers.
 - 6. The Storage Charge Subaccount which tracks the core storage charges and associated carrying costs of storage inventory with revenues established to recover these costs from customers.

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PRELIMINARY STATEMENT

Sheet 3

PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

PURCHASED GAS ACCOUNT (PGA) (Continued)

b. The Utility shall maintain the PGA by making entries at the end of each month as follows:

1. A debit entry equal to the recorded net gas cost in the Utility Portfolio Account during the month, which includes gas commodity purchases, core intrastate backbone transmission receipt access charges, core interstate demand charges, core storage charges, and carrying cost of storage inventory for procurement customers.
2. Credit entries equal to the procurement revenue from the sale of gas delivered during the month and amortization of the forecasted revision date PGA balance, excluding the allowance for F&U.
3. A credit entry equal to the brokerage fee charged to core customers less the allowance for F&U.
4. A debit entry equal to 1/12 of the annual core brokerage fee revenue requirement.
5. An entry equal to the interest on the average of the balance in the account during the month, excluding the core-subscription subaccount, calculated in the manner described in Preliminary Statement, Part I, J.

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CORE FIXED COST ACCOUNT (CFCA)

The CFCA is an interest bearing balancing account recorded on SoCalGas' financial statements. The purpose of this account is to balance the difference between authorized margin, transition, and other non-gas fixed costs allocated to the core market with revenues intended to recover these costs.

On a monthly basis, SoCalGas maintains this account as follows:

SoCalGas debits this account with the core portion of the following costs: gas margin costs, transition costs, and other non-gas operating costs. In addition, SoCalGas debits this account for storage costs allocated to CTAs (Core Transportation Agents).

SoCalGas credits this account with the core portion of the following revenues: transmission revenues from core deliveries; revenues from the sale of core storage capacity rights from CTAs; base revenues that would have been collected from customers absent the core pricing flexibility program; and other revenues that the Commission has directed SoCalGas to allocate to the core market.

In addition, SoCalGas adjusts this account to amortize previously accumulated overcollected or undercollected balances to reflect payment to, or recovery from, ratepayers. SoCalGas also adjusts this account to reflect volumetric differences associated with the core amortization recorded in other regulatory accounts.

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PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

NONCORE FIXED COST ACCOUNT (NFCA)

The NFCA is an interest-bearing balancing account. The purpose of this account is to record the variance between forecasted and actual noncore and wholesale revenues, excluding Enhanced Oil Recovery (EOR), unbundled storage, and backbone transmission revenues. Also excluded are (1) non-tariff contracts for service to DGN, (2) future non-tariff contracts with Sempra Energy affiliates not subject to competitive bidding, and (3) Competitive Load Growth Opportunities for noncore Rule 38 and Red Team incentive revenues.

On a monthly basis, SoCalGas maintains this account as follows:

SoCalGas debits this account with 75% of the seasonally forecasted noncore and wholesale revenues excluding the transactions stated above less F&U.

SoCalGas credits this account with 75% of the actual noncore and wholesale revenues excluding the transactions stated above less F&U.

In addition, SoCalGas adjusts this account to amortize previously accumulated overcollected or undercollected balances to reflect payment to, or recovery from, ratepayers.

ENHANCED OIL RECOVERY ACCOUNT (EORA)

This EORA is a balancing account. The purpose of this account is to balance recorded EOR revenue less backbone transmission revenue with forecasted EOR revenues less backbone transmission revenues.

The Utility shall maintain the EORA by making entries at the end of each month as follows:

- a. A debit entry equal to one-twelfth of the forecasted EOR revenue amount used to offset the revenue requirement in the most recent regulatory proceeding;
- b. A debit entry equal to the amortization of the forecasted revision date EORA balance;
- c. A credit entry equal to 3.0 cents per therm plus 75 percent of EOR non-gas revenue under contracts signed on or before December 3, 1986, and an amount equal to the short-run marginal cost plus 95 percent of EOR non-gas revenue under contracts signed subsequent to December 3, 1986. EOR non-gas revenue shall equal revenue from EOR customers excluding the following:

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PRELIMINARY STATEMENT

Sheet 5

PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

ENHANCED OIL RECOVERY ACCOUNT (EORA) (Continued)

1. A floor rate of 3.0¢ per therm for contracts signed on or before December 3, 1986, and a floor rate equal to the short-run marginal cost for contracts signed subsequent to December 3, 1986;
 2. Gas procurement costs;
 3. Interutility transportation costs;
 4. LUAF, other company use and CCSI; and
 5. Backbone transmission revenues.
- d. An entry equal to interest on the average of the balance in the account during the month, calculated in the manner described in Preliminary Statement, Part I, J.

NONCORE STORAGE BALANCING ACCOUNT (NSBA)

The NSBA is a balancing account. The purpose of this account is to (1) balance the authorized at-risk non-gas costs for unbundled storage service as authorized in Decision No.00-04-060 and the reservation and in-kind energy charge revenues collected from customers who contract for these unbundled storage services, and (2) record the unallocated fully scaled unbundled noncore storage revenue requirement.

The Utility shall maintain the NSBA by making entries at the end of the month as follows:

- a. A credit entry equal to 50% of all reservation and variable O&M charge revenues less (a) the revenues collected from the reservation charges resulting from the Utility's sale of core storage capacity rights under Schedule No. G-AUC, (b) the allowance for F&U on net revenue, as applicable, and (c) the reservation charge revenues collected for subscribed unbundled storage service from expansion storage facilities;
- b. A debit entry equal to 50% of one-twelfth of the authorized at-risk non-gas costs allocated to unbundled storage service (i.e., \$21 million annually pursuant to D.00-04-060), less the allowance for F&U on net revenue, as applicable;
- c. A debit entry equal to 50% of Company use fuel and well incidents allocated to the unbundled storage programs,
- d. A debit entry equal to the difference between 100% of one-twelfth of the authorized fully scaled unbundled noncore storage revenue requirement and one-twelfth of the \$21 million at-risk unbundled storage level pursuant to D.00-04-060, less the allowance for F&U on net revenue, as applicable;

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PART V

DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

NONCORE STORAGE BALANCING ACCOUNT (NSBA) (Continued)

- e. An entry equal to the authorization of the forecasted remaining balance less F&U; and,
- f. An entry equal to the interest on the average of the balance in the account during the month, calculated in the manner described in Preliminary Statement, Part I, J.

The balance of the NSBA shall be allocated in the Utility's cost allocation proceedings to all customers. Effective with the implementation of the SCBA pursuant to the Gas Industry Restructuring Decision (D. 01-12-018), the NSBA will no longer record current storage activity and only reflect amortization revenues to refund to or collect from customers any residual balance in the NSBA.

STORAGE COST BALANCING ACCOUNT (SCBA)

The SCBA is a balancing account. The purpose of this account is to initially balance 25% of the actual storage costs for unbundled storage service pursuant to the Gas Industry Restructuring Decision (D. 01-12-018) and the reservation charge revenues collected from customers who contract for these unbundled storage services, including oil revenues in excess of oil revenues allocated to the core customers. Effective April 1, 2003, storage costs and corresponding storage and miscellaneous oil revenues are 100% risk and accordingly, storage activity on and subsequent to this date will not be reflected in the SCBA.

The Utility shall maintain the SCBA by making entries at the end of the month as follows:

- a. A credit entry equal to 25% of all reservation and variable O&M charge revenues less the allowance for F&U on net revenue, as applicable.
- b. A credit entry equal to 25% of actual oil revenues in excess to the \$1.25 million authorized oil revenues credited to core customers
- c. A debit entry equal to 25% of actual storage costs including 3.6% of the allocated administrative and general expenses, depreciation, taxes, and financing costs on storage-related assets
- d. An entry equal to the amortization of the remaining balance less F&U; and,
- e. An entry equal to the interest on the average of the balance in the account during the month, calculated in the manner described in Preliminary Statement, Part I, J.

The balance of the SCBA shall be allocated in the Utility's cost allocation proceedings to all customers.

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PRELIMINARY STATEMENT

Sheet 7

PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

CALIFORNIA ALTERNATE RATES FOR ENERGY ACCOUNT (CAREA)

The CAREA is a balancing account. The purpose of this account is to balance California Alternate Rates for Energy (CARE) program expenses incurred against revenues received.

Commencing on the effective date of this tariff, Utility shall maintain the CAREA by making entries at the end of each month as follows:

- a. A debit entry equal to recorded administrative costs for the CARE program.
- b. A debit entry equal to the recorded CARE program discounts billed for the month, excluding F&U.
- c. A debit entry equal to revenue shortfalls associated with discounts to the service establishment charge adopted in D.97-04-082 and implemented in D.97-07-054 for CARE customers.
- d. A debit entry equal to the revenue shortfall associated with the discounted customer charge adopted for CARE program customers.
- e. A credit entry equal to recorded CARE program surcharge billed for the month, excluding F&U.
- f. An entry equal to the amortization of the forecasted revision date CAREA balance.
- g. An entry equal to the interest on the average of the balance in the account during the month, calculated in the manner described in Preliminary Statement, Part I, J.

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PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

BROKERAGE FEE ACCOUNT (BFA)

The BFA is a balancing account. The purpose of the BFA is to balance authorized noncore brokerage fee costs and recorded actual brokerage fee revenues.

Effective January 1, 1995, the Utility shall maintain the BFA by making entries at the end of each month as follows:

Noncore Subaccount

- a. A debit entry equal to one-twelfth of the authorized annual noncore brokerage fee costs;
- b. A credit entry equal to the monthly recorded revenues collected from the noncore brokerage fee surcharge; and,
- c. An entry equal to the interest on the average of the balance in the account during the month using the interest rate described in Preliminary Statement, Part I, J herein.

HAZARDOUS SUBSTANCE COST RECOVERY ACCOUNT (HSCRA)

The HSCRA is a balancing account, which compares covered hazardous substance and insurance litigation costs related to manufacturing gas plant sites, presently identified federal Superfund sites, and other sites identified by the Utility with recoveries from third parties, insurance carriers, and ratepayers as set forth in D. 94-05-020. The HSCRA consists of five subaccounts:

Subaccount A - Hazardous Substance Cost Subaccount - Ratepayer's 90% Share
Subaccount B - Hazardous Substance Cost Subaccount - Shareholder's 10% Share
Subaccount C - Insurance Litigation Cost Subaccount - Ratepayer's 70% Share
Subaccount D - Insurance Litigation Cost Subaccount - Shareholder's 30% Share
Subaccount E - Insurance Recovery Subaccount

Effective June 3, 1994, the following entries are recorded to the HSCRA at the end of each month:

Hazardous Substance and Insurance Litigation Costs

- a. A debit entry is recorded to Subaccount A equal to 90% of covered hazardous substance costs.
- b. A debit entry is recorded to Subaccount B equal to 10% of covered hazardous substance costs.

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PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

HAZARDOUS SUBSTANCE COST RECOVERY ACCOUNT (continued)

Hazardous Substance and Insurance Litigation Costs (continued)

- c. A debit entry is recorded to Subaccount C equal to 70% of covered insurance litigation costs.
- d. A debit entry is recorded to Subaccount D equal to 30% of covered insurance litigation costs.

Ratepayer Recovery

- e. A credit entry is recorded to Subaccount A equal to the revenues collected from customers net of franchise fees and uncollectibles.

Third Party Recovery

- f. A credit entry is recorded to Subaccount A equal to 90% of recoveries from third parties.
- g. A credit entry is recorded to Subaccount B equal to 10% of recoveries from third parties.

Insurance Carrier Recovery

- h. A credit entry is recorded to Subaccount E equal to insurance recoveries net of contingency fees, if any. Each insurance recovery will be recorded separately and distributed against covered hazardous substance and insurance litigation costs on a first-in, first-out basis.
- i. A credit entry is recorded to Subaccount C equal to the lesser of 70% of insurance recoveries net of contingency fees paid to outside attorneys to obtain recoveries, if any, or the balance in Subaccount C. Subaccount C cannot have a credit balance.
- j. A credit entry is recorded to Subaccount D equal to the lesser of 30% of insurance recoveries net of contingency fees paid to outside attorneys to obtain recoveries, if any, or the balance in Subaccount D. Subaccount D cannot have a credit balance.
- k. A credit entry is recorded to Subaccount B equal to the lesser of 90% of the remaining insurance recoveries net of contingency fees paid to outside attorneys to obtain recoveries, if any, not applied in entry i. and j. above or the balance in Subaccount B.

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PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

HAZARDOUS SUBSTANCE COST RECOVERY ACCOUNT (Continued)

- l. A credit entry is recorded to Subaccount A for the lesser of 10% of the remaining insurance recoveries net of contingency fees paid to outside attorneys to obtain recoveries, if any, not applied in entry i. and j. above or 11.111% of the insurance recoveries net of contingency fees paid to attorneys to obtain recoveries, if any, recorded in Subaccount B.
- m. A debit entry is recorded to Subaccount E equal to the sum of insurance recoveries allocated to Subaccount A through D in entries i. through l. above.
- n. A debit entry is recorded to Subaccount E, 72 months after receiving a specific insurance recovery for one-fifth or 20% of the balance for that specific insurance recovery in Subaccount E. The entry is only recorded if the recovery has not been fully allocated to offset covered hazardous substance and insurance litigation costs.
- o. If an entry is recorded for entry n. above, a credit entry is recorded to Subaccount A for 60% of entry n. to recognize the ratepayer's portion of the insurance recovery. The difference between entries n. and o. or 40% of entry n. is the Utility's share of the insurance recovery.
- p. A debit entry is recorded to Subaccount E, 84 months after receiving a specific insurance recovery for one-fourth or 25% of the balance for that specific insurance recovery in Subaccount E. The entry is only recorded if the recovery has not been fully allocated to offset covered hazardous substance and insurance litigation costs.
- q. If an entry is recorded for entry p. above, a credit entry is recorded to Subaccount A for 60% of entry p. to recognize the ratepayer's portion of the insurance recovery. The difference between entries p. and q. or 40% of entry p. is the Utility's share of the insurance recovery.
- r. A debit entry is recorded to Subaccount E, 96 months after receiving a specific insurance recovery for one-third or 33.333% of the balance for that specific insurance recovery in Subaccount E. The entry is only recorded if the recovery has not been fully allocated to offset covered hazardous substance and insurance litigation costs.
- s. If any entry is recorded for entry r. above, a credit entry is recorded to Subaccount A for 60% of entry r. to recognize the ratepayer's portion of the insurance recovery. The difference between entries r. and s. or 40% of entry r. is the Utility's share of the insurance recovery.

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DATE FILED May 1, 2002
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RESOLUTION NO. _____

PRELIMINARY STATEMENT

Sheet 11

T

PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

HAZARDOUS SUBSTANCE COST RECOVERY ACCOUNT (Continued)

- t. A debit entry is recorded to Subaccount E, 108 months after receiving a specific insurance recovery for one-half or 50% of the balance for that specific insurance recovery in Subaccount E. The entry is only recorded if the recovery has not been fully allocated to offset covered hazardous substance and insurance litigation costs.
- u. If an entry is recorded for entry t. above, a credit entry is recorded to Subaccount A for 60% of entry t. to recognize the ratepayer's portion of the insurance recovery. The difference between entries t. and u. or 40% of entry t. is the Utility's share of the insurance recovery.
- v. A debit entry is recorded to Subaccount E, 120 months after receiving a specific insurance recovery for any remaining portion of the specific insurance recovery in Subaccount E. The entry is only recorded if the recovery has not been fully allocated to offset covered hazardous substance and insurance litigation costs.
- w. If an entry is recorded for entry v. above, a credit entry is recorded to Subaccount A for 60% of entry v. to recognize the ratepayer's portion of the insurance recovery. The difference between entries v. and w. or 40% of entry v. is the Utility's share of the insurance recovery.
- x. An entry to Subaccounts A through E equal to interest on the average balance in the account during the month, calculated in the manner described in the Preliminary Statement, Part I, J.

Upon final disposition of all covered hazardous substance and insurance litigation costs and related recoveries, any balance remaining in Subaccounts B and D will be the responsibility of the Utility.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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Regulatory Affairs

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PRELIMINARY STATEMENT

Sheet 12

T

PART V
DESCRIPTION OF REGULATORY ACCOUNTS - BALANCING

(Continued)

C. DESCRIPTION OF ACCOUNTS (Continued)

NATURAL GAS VEHICLE ACCOUNT (NGVA)

The NGVA is an interest bearing balancing account recorded on SoCalGas' financial statements. The purpose of this account is to balance actual natural gas vehicle (NGV) program costs with actual NGV program net revenues. D.92-01-021 (NGV Pilot) established the NGVA, and D.95-11-035 (Low Emission Vehicles) authorized SoCalGas to continue using this account for the six-year NGV program period of December 21, 1995, through December 20, 2001. Resolution G-3322 authorized SoCalGas to continue to use this account through December 31, 2002.

In addition to the ratepayer-funded NGV program authorized by D.95-11-035, Resolution G-3191a authorized a throughput sharing mechanism for ratepayers and SoCalGas shareholders. In return for shareholder-funded NGV promotional expenses, shareholders get a portion of the revenue on throughput above a schedule proscribed in Resolution G-3191a.

The NGVA consists of the following two subaccounts: Natural Gas Vehicle Operations Account (NGVOA), and Natural Gas Vehicle Revenue Account (NGVRA). On a monthly basis, SoCalGas maintains these subaccounts as follows:

SoCalGas debits the NGVOA for operation and maintenance costs associated with compressed natural gas (CNG) fueling stations, incremental vehicle lease payments for SoCalGas fleet NGVs, program support activities, labor overhead costs and related taxes, and audit expenses, if any. SoCalGas also makes an entry to amortize prior balances resulting from the net of the NGVRA and NGVOA.

SoCalGas credits the NGVRA with NGV revenues, and debits the NGVRA for the cost of gas, company use and lost and unaccounted for gas costs, and electricity costs associated with making CNG, if any.

For each BCAP filing, SoCalGas will reconcile this account and adjust rates as needed. If there is a balance due from (to) ratepayers, pursuant to Commission order, SoCalGas will increase (decrease) rates to recover the balance. However, since program spending in 2002 is limited to the amount authorized in Resolution G-3322 and over-expenditures may not be recovered from ratepayers, shareholders absorb the balance in the event actual expenses exceed authorized levels.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

12R5

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Lee Schavrien
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PRELIMINARY STATEMENT
 PART XI
PERFORMANCE BASED REGULATION

(Continued)

K. CORE PRICING FLEXIBILITY (continued)

2. Class Average Long Run Marginal Cost (LRMC) Floor Rates

a. D.98-01-040, Finding of Fact No. 5, allows SoCalGas the option to discount core transportation rates down to a LRMC floor rate; however, SoCalGas may not discount the cost of gas. For this program, the LRMC floor rate includes the following components: customer related, medium-pressure distribution, high-pressure distribution, transmission, seasonal storage, load balancing, company use transmission, unaccounted for gas, and interstate pipeline demand charges. In addition to these components, the full transportation rate includes the following components: non-marginal costs in base margin, ITCS, PITCO/POPCO transition costs, core averaging costs, and other exclusion costs.

b. The following table lists the full LRMC transportation rates authorized by D.97-04-082, and the class average LRMC floor rates authorized by D.98-01-040. LRMC Floor Rates were updated with new values established in D.00-04-060, D.01-12-018 and SoCalGas Advice No. 3146, effective November 1, 2002. Full Transportation Rates are updated with new values established in D.00-04-060, Resolution G-3303, D.01-12-018 and SoCalGas Advice No. 3146, effective November 1, 2002. The floor rates represent the lowest possible average annual rate by class under which SoCalGas can serve gas. These rates represent a starting point for the program and, pursuant to Commission order, may be modified in future rate proceedings.

<u>Class</u>	<u>Full Transportation Rate</u>	<u>LRMC Floor Rate</u>
Residential	36.4 cents/therm	22.6 cents/therm
G-10, 0 to 3 Mth	62.1 cents/therm	35.4 cents/therm
G-10, 3-50 Mth	20.7 cents/therm	10.7 cents/therm
G-10, 50-250 Mth	13.4 cents/therm	6.6 cents/therm
G-10, >250Mth	7.5 cents/therm	4.2 cents/therm
Gas A/C	9.6 cents/therm	6.2 cents/therm
Gas Engines	13.8 cents/therm	8.7 cents/therm

c. Optional tariffs or negotiated rate contracts that would result in average annual rates below class average LRMC will be subject to Commission approval through the Expedited Application Docket (EAD) process.

d. With prior Commission approval under the EAD process, SoCalGas may discount average annual rates to a floor of customer-specific LRMC that includes the full interstate pipeline reservation charges allocated to core customers (excluding ITCS).

(Continued)

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Schedule No. GR
RESIDENTIAL SERVICE

Sheet 2

(Continued)

RATES (continued)

Commodity Charges

GR

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; and (2) the GT-R transmission charges, as set forth in Schedule No. GT-R.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 7.

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge:	G-CPR	43.547¢	I R I
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>20.106¢</u>	
Commodity Charge:	GR	63.653¢	

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢	I R I
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>37.936¢</u>	
Commodity Charge:	GR	81.483¢	

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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Schedule No. GR
RESIDENTIAL SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (continued)

3. (continued)

Upon completion of an application and verification by a state-licensed physician (Form No. 4859-E), an additional Baseline allowance of 0.822 therms per day will be provided for paraplegic, quadriplegic, or hemiplegic persons, those afflicted with multiple sclerosis or scleroderma, or persons being treated for a life threatening illness or who have a compromised immune system.

Upon completion of an application and verification by a state-licensed physician or osteopath (Form No. 4859-E), an additional uniform daily Baseline allowance will be provided to customers requiring regular use of a medical life-support device, as defined in Rule No. 1, which utilizes mechanical or artificial means to sustain, restore, or supplant a vital function and requires the use of Utility-supplied gas. The amount of the additional allowances will be determined by the Utility from load and operating time data of the medical life-support device.

4. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
5. Customers receiving service hereunder with usage at each facility in excess of 120,000 therms per year may elect service as a self-aggregator pursuant to Rule No. 32. Additionally, customers may aggregate their gas volumes to qualify for transportation service under Schedule No. GT-R.
6. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section A.3.a(14).
7. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.

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DECISION NO. 01-12-018

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Schedule No. GS
MULTI-FAMILY SERVICE SUBMETERED

Sheet 2

(Continued)

RATES (continued)

Commodity Charges

GS

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; and (2) the GT-S transmission charges, as set forth in Schedule No. GT-S.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 11.

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-S</u>	<u>20.106¢</u>
Commodity Charge:	GS	63.653¢

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-S</u>	<u>37.936¢</u>
Commodity Charge:	GS	81.483¢

The number of therms to be billed shall be determined in accordance with Rule 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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Schedule No. GS
MULTI-FAMILY SERVICE SUBMETERED

Sheet 5

(Continued)

SPECIAL CONDITIONS (continued)

10. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section A.3.a(14).
11. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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RESOLUTION NO. _____

Schedule No. GM
MULTI-FAMILY SERVICE

Sheet 2

(Continued)

RATES (continued)

Commodity Charges

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; and (2) the GT-ME and GT-MC transmission charges, as set forth in Schedule No. GT-M.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 9.

GM-E

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-ME</u>	<u>20.106¢</u>
Commodity Charge:	GM-E	63.653¢

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-ME</u>	<u>37.936¢</u>
Commodity Charge:	GM-E	81.483¢

GM-C

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-MC</u>	<u>37.936¢</u>
Commodity Charge:	GM-C	81.483¢

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Schedule No. GM
MULTI-FAMILY SERVICE

Sheet 6

(Continued)

SPECIAL CONDITIONS (continued)

8. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section A.3.(14).
9. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Schedule No. GO-AC
OPTIONAL RATE

Sheet 1

FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT

APPLICABILITY

The Gas Air Conditioning (AC) optional rate program is applicable to natural gas core service supplied from the Utility's core portfolio, as defined in Rule No. 1. The program is for residential customers who 1) would normally qualify for service under Schedule No. GR, and 2) have, within 12 months prior to sign-up, purchased a new home with gas AC, installed gas AC equipment in a newly constructed home, or replaced an existing gas AC equipment with a new, more efficient gas AC unit.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

The customer charge is the customer charge as set forth in Schedule No. GR.

Per meter, per day..... 16.438¢

If customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

Commodity Charges

The commodity charges are the same as specified in Schedule No. GR except for the transmission component as noted below. The commodity charges consist of: (1) the monthly residential procurement charge as set forth in Schedule No. G-CP; (2) the GT-R transmission charges, as set forth in Schedule No. GT-R, for volumes up to the base amount; and (3) the Gas AC discount.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 6. The procurement charge is not discounted.

The transmission charges are the GPT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GPT-R transmission charges for all usage less than or equal to the base volume, the average non-temperature sensitive residential usage. Base volumes are equal to 0.917 therms per day for single family dwellings and 0.722 therms per day for multi-family dwellings. For usage in the current year above base volume in the billing period, the customer will receive a Gas AC credit.

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(TO BE INSERTED BY UTILITY)
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Schedule No. GO-AC

Sheet 2

OPTIONAL RATE
FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT

(Continued)

RATES (continued)

Commodity Charges (continued)

GO-AC

Baseline Rate

All usage, per therm, under Special Condition 2.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>20.106¢</u>
Commodity Charge:	GR	63.653¢

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>37.936¢</u>
Commodity Charge:	GR	81.483¢

Gas AC Rate (May through October)

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1. Incremental usage is defined as additional gas load above the base volume, the usage based on average residential daily non-temperature sensitive load.

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(TO BE INSERTED BY UTILITY)
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Schedule No. GL
STREET AND OUTDOOR LIGHTING
NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable to natural gas service supplied from the Utility's core portfolio, as defined in Rule No. 1, for continuous street and outdoor lighting in lighting devices approved by the Utility. Service under this schedule is conditional upon arrangements mutually satisfactory to the customer and the Utility for connection of customer's lighting devices to Utility's facilities.

The minimum term of service hereunder is one month, as described in Special Condition 2.

TERRITORY

Applicable throughout the system.

RATES

The charges are based upon the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and the GN-10 class average transportation rate.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 3.

Rate "X" Lighting only service

<u>Hourly Lamp Rating in Cu.Ft.</u>	<u>Charge</u> <u>Per Lamp Per Month</u> (\$)
1.99 cu.ft. per hr. or less	9.84
2.00 - 2.49 cu.ft. per hr	11.15
2.50 - 2.99 cu.ft. per hr	13.62
3.00 - 3.99 cu.ft. per hr	17.34
4.00 - 4.99 cu.ft. per hr	22.30
5.00 - 7.49 cu.ft. per hr	30.97
7.50 - 10.00 cu.ft. per hr	43.35
For each cu.ft. per hour of total capacity in excess of 10 cu.ft. per hour	4.95

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Schedule No. G-AC

Sheet 1

CORE AIR CONDITIONING SERVICE
 FOR COMMERCIAL AND INDUSTRIAL

APPLICABILITY

Applicable to natural gas core service, as defined in Rule No. 1, for qualifying gas cooling uses, at each Facility classified in Rule No. 23 as Priority 1 and 2A or receiving service under Schedule No. GN-10 or Schedule No. GN-10L supplied from the Utility's core portfolio, as defined in Rule No. 1. In addition, this schedule is applicable to all qualifying core Priority 1 and 2A uses at each Facility served in combination with noncore service.

The minimum term of service hereunder is one month, as described in Special Condition 9.

Qualifying usage under this schedule is any gas used by nonresidential core customers, or the core gas-cooling load of noncore customers, to fuel high-efficiency gas cooling absorption chillers with two- or three-stage generators, designed and built by the original equipment manufacturers, and rated as double-effect or triple-effect units. The cooling output of the absorption chillers must equal at least 90% of the Btu input at the higher heating value of gas. Qualifying usage under this schedule also includes gas used by non-residential core customers, or the core gas-cooling load of noncore customers, to fuel high-efficiency gas engine-driven chillers.

Eligibility for service under the G-ACL rate is limited to Non-Profit Group Living Facilities that meet the income requirements for California Alternate Rates for Energy as defined in Rule No. 1 and Special Condition 12.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per Month..... \$150.00

If the applicable customer charge is collected under Schedule No. GT-AC, no duplicative charge is collected hereunder.

(Continued)

(TO BE INSERTED BY UTILITY)
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Schedule No. G-AC
CORE AIR CONDITIONING SERVICE
FOR COMMERCIAL AND INDUSTRIAL

Sheet 2

(Continued)

RATES (continued)

Commodity Charges

G-AC

This charge is for service as defined above and consists of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GT-AC transmission charge, as set forth in Schedule No. GT-AC.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 10.

Rate, per therm.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-AC</u>	<u>6.865¢</u>
Commodity Charge:	G-AC	50.412¢

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G-ACL

This charge is for service as defined above and consists of: (1) the discounted monthly non-residential procurement charge, as described below; and (2) the GT-ACL transmission charge, as set forth in Schedule No. GT-AC.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 10. The procurement charge shown below has been discounted by 20 percent.

Rate, per therm.

Procurement Charge:	G-CPNRL	34.838¢
<u>Transmission Charge:</u>	<u>GT-ACL</u>	<u>5.492¢</u>
Commodity Charge:	G-ACL	40.330¢

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Schedule No. G-AC

Sheet 4

CORE AIR CONDITIONING SERVICE
 FOR COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS (continued)

- 9. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section B.4.b.
- 10. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.
- 11. If the customer splits its gas requirements between service under this schedule and noncore service under Schedule Nos. G-CS, GT-F, and/or GT-I, the customer shall be required to specify a fixed monthly quantity for service hereunder by month for the term of the customer's contract.

CARE

- 12. Eligibility Requirements: The CARE discount shall apply to non-profit group living facilities and non-licensed, separately metered affiliated facilities, such as homeless shelters, women's shelters, transitional housing (e.g., for drug rehabilitation, halfway house, etc.), short- or long-term care facility (hospice, nursing home, senior's or children's home), a group home for physically or mentally disabled persons, or non-profit residential facility whose construction was government subsidized and meets all other applicable criteria. Student housing/dorms, military barracks, fraternities/sororities, government-owned and privately-owned "for profit" government-subsidized housing are excluded. The exclusion of government-owned and government-subsidized housing does not apply to homeless shelters.

The discount shall apply to non-licensed, separately metered affiliates of qualifying non-profit group facilities so long as the customer of record is the qualifying non-profit facility.

Each resident (100%) must meet the CARE income eligibility standards for a single-person household for the facility or the non-licensed, separately metered facility to qualify for the G-ACL rate. At least 70% of the energy consumed on the CARE rate must be used for residential purposes.

The Utility shall require the facility to provide a copy of its IRS Non-Profit Tax ID Form 501(c)(3), and state business license, conditional use permit, or any other proof satisfactory to the Utility. Facilities that have been qualified by the Utility under self-certification or self-recertification and are receiving the rate discount may be subject to post-enrollment verification by the Utility.

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(TO BE INSERTED BY UTILITY)
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Schedule No. G-AC
CORE AIR CONDITIONING SERVICE
FOR COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS (continued)

CARE (continued)

12. (continued)

An authorized representative of the facility shall sign Form No. 6571 certifying that any savings derived from the discount shall be used for the direct benefit of the residents. Such direct benefit may be in the form of improved quality of care or improved food service.

Customers who are found to be ineligible or fail to timely notify the Utility when they no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

Upon completion of Form No. 6571 and acceptance, eligible facilities or their affiliates shall receive the discount commencing with the next regularly scheduled bill.

Income Eligibility Requirements for Residents: The total annual household income from all sources (taxable and non-taxable) shall not be more than \$22,000 for each resident of the facility, and the resident shall not be claimed on another person's income tax return.

The owner or authorized representative of the facility shall notify the Utility within 30 days following any change that may impact the facility's eligibility for the discount.

Self-Certification and Self-Recertification Requirements: Non-profit group living facilities must provide proof of the appropriate state license to care for residents who, either temporarily or permanently, cannot function normally outside of the group-home environment and certification from the appropriate state agency showing what services, besides lodging, are provided, or any other proof satisfactory to the Utility. Primary facilities must meet the licensing and certification requirements, but not their separately-metered affiliated facilities.

Homeless shelters must provide verification that at least six (6) beds each day or night are provided a minimum of 180 days each year for persons who have no alternate residence, and must provide proof of a valid municipal or county conditional-use permit or any other proof satisfactory to the Utility. Non-profit group living facilities are not required to be licensed or certified.

Self-Recertification Requirements: Facilities will be required to recertify on an annual basis. At the time of each annual certification, the Utility shall require the facility, including homeless shelters, to certify how it intends to pass on the rate discount.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
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 DATE FILED May 1, 2002
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Schedule No. G-AC

Sheet 6

CORE AIR CONDITIONING SERVICE
FOR COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS (continued)

CARE (continued)

12. (continued)

Random Post-Enrollment Verification: The self-certification and self-recertification applications for CARE benefits, and certification of the flow-through of the rate discount, shall be made under penalty of perjury under the laws of the State of California by the same individual who is responsible for the annual renewal of the facility's license from the appropriate state agency, when applicable. The accuracy of the self-certification or self-recertification applications may be subject to random post-enrollment verification by the Utility.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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DATE FILED May 1, 2002
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Schedule No. G-EN
CORE GAS ENGINE SERVICE
FOR WATER PUMPING

Sheet 1

APPLICABILITY

Applicable to natural gas core service supplied from the Utility's core portfolio, as defined in Rule No. 1, for qualifying gas engine water pumping uses, as defined in Rule No. 1, at each Facility classified in Rule No. 23 as Priority 1 and 2A. In addition, this schedule is applicable to all qualifying core Priority 1 and 2A uses at each Facility served in combination with noncore service.

Service under this schedule is optional for all Priority 1 qualifying usage. For facilities classified as Priority 2A, service under this schedule is optional subject to the contract terms set forth herein. Current noncore customers with usage that would otherwise qualify for service under this schedule may elect by written notice to the Utility to be served hereunder for such usage. In such an event the customer shall become a core customer for such usage and any grandfathered noncore status the customer may have shall terminate. In the event a Priority 2A or noncore customer elects service under this schedule, such election shall apply to all of the customer's qualifying usage at the facility.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per Month \$50.00

If the applicable customer charge is collected under Schedule No. GT-EN, no duplicative charge is collected hereunder.

Commodity Charges

G-EN

This charge is for service as defined above and consists of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GT-EN transmission charge, as set forth in Schedule No. GT-EN.

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Schedule No. G-EN
CORE GAS ENGINE SERVICE
FOR WATER PUMPING

Sheet 2

(Continued)

RATES (continued)

Commodity Charges (continued)

G-EN (continued)

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 6.

Rate, per therm

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-EN</u>	<u>11.224¢</u>
Commodity Charge:	G-EN	54.771¢

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Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

General

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customers must receive service under this schedule separately from their other non-qualifying usage requirements. Any additional service and measurement related facilities deemed necessary by the Utility to separately measure service hereunder shall be installed, owned, and operated by the Utility and the installation of such facilities shall be at the customer's expense.
3. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
4. In the event customers make any material change, either in the amount or character of their gas equipment, written notice to the Utility must be made in accordance with Rule No. 29, Change of Customer's Apparatus or Equipment.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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Schedule No. G-NGV
NATURAL GAS SERVICE FOR MOTOR VEHICLES

Sheet 1

APPLICABILITY

Applicable to the sale of natural gas at the customer's premises for use in motor vehicles supplied from the Utility's core portfolio, as defined in Rule No. 1. Service under this schedule shall be classified as end-use priority 1 or 2A in accordance with Rule No. 23.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

P-1 Service, per month	\$13.00
P-2A Service, per month	\$65.00

If the customer charge is collected under Schedule No. GT-NGV, no duplicative charge is collected hereunder.

Commodity Charges

Customer-Funded Fueling Station

Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by the customer using customer's equipment at the customer's designated premises.

G-NGU

This charge is for service as defined and consists of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GT-NGU transmission charge, as set forth in Schedule No. GT-NGV.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 8.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Schedule No. G-NGV
NATURAL GAS SERVICE FOR MOTOR VEHICLES

Sheet 2

(Continued)

RATES (continued)

Commodity Charges (continued)

Customer-Funded Fueling Station (continued)

G-NGU (continued)

Rate, uncompressed per therm.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-NGU</u>	<u>6.347¢</u>
Commodity Charge:	G-NGU	49.894¢

Utility-Funded Fueling Station

G-NGC Compression Surcharge per therm	35.000¢
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The G-NGC Compression Surcharge will be added to the G-NGU Uncompressed rate per therm as indicated in the Customer-Funded Fueling Station section above. The resultant total compressed rate is:

G-NGC, compressed per therm	84.894¢
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Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by the Utility from a Utility-funded fueling station.

For billing purposes, the number of therms, compressed at a Utility-funded or a customer/Utility-funded station, will be compiled from a Summary of Transactions recorded by the dispensing unit for the customer during the month.

Co-funded fueling stations, customer/Utility-funded, will be billed at the above listed G-NGU and G-NGC rates based on the percentage level of co-funding. The agreement and associated rate will be filed with the Commission by separate contract.

Any applicable taxes, franchise or other fees will be billed separately on the customer's bill.

Minimum Charge

The minimum monthly charge shall consist of the monthly customer charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)
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Schedule No. GO-ET

Sheet 2

EMERGING TECHNOLOGIES OPTIONAL RATE
FOR CORE COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (continued)

Other Charges

Customer may be subject to annual rate adjustments if consumption falls below agreed upon volumes set forth in Section 6.1 of the Agreement.

Commodity Charge

GO-ET.

The commodity charge is specified in the Otherwise Applicable Tariff and consists of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GTO-ET transmission charges, as set forth in Schedule No. GTO-ET.

The procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 4. The procurement charge cannot be discounted.

The transmission component of the rate will be discounted in the following manner: For customers with new usage flowing through a new meter, all gas load through the new meter shall be discounted by 10% as a volumetric rate discount, an up-front lump-sum bill credit, or a combination of both. For customers with new usage flowing through an existing meter, only the incremental usage will be discounted as previously described. In either case, the discounted rate will be compared to the floor and trued-up annually so that the overall rate does not drop below the CPUC-authorized floor.

Minimum Charge

The minimum monthly charge shall consist of the monthly Customer Charge and any throughput penalty charges as stipulated in Section 6.1 of the Agreement.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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RESOLUTION NO. _____

Schedule No. GTO-ET

Sheet 1

TRANSPORTATION-ONLY EMERGING TECHNOLOGIES OPTIONAL RATE
FOR CORE COMMERCIAL AND INDUSTRIAL

APPLICABILITY

Applicable to local transportation-only or aggregation service as specified in the customer's Otherwise Applicable Tariff rate schedule for qualifying new usage to new or existing non-residential customers served or who qualify to be served under a core service rate schedule as defined in Rule No. 1. New usage is limited to use in new gas-fired equipment that is considered by SoCalGas to be an emerging gas technology or market. New usage applies to new gas load as defined in Special Condition 1 of this schedule. Examples of emerging technologies are air compression and refrigeration applications where the initial capital investment is or may not be economically viable at non-discounted rates. The customer must sign an affidavit stating that the terms and conditions of this Schedule are a material factor in its decision to take natural gas service from SoCalGas for new usage.

Service under this Schedule is optional subject to the terms and conditions set forth herein.

TERRITORY

Applicable throughout the service territory.

RATES

As determined by SoCalGas and unless otherwise stated in this Schedule or the Optional Rate Agreement and Affidavit (Agreement), all charges and provisions of the customer's Otherwise Applicable Tariff rate schedule shall apply. The transmission charges under the customer's Otherwise Applicable Tariff applied to new gas load shall be discounted by 10% as a volumetric rate discount, an up-front billing credit, or a combination of both. The discount shall apply only to the transmission component of the rate and shall not cause the rate to drop below the CPUC-authorized floor. The discounted rates are based upon a specific customer's Otherwise Applicable Tariff determined by that customer's specified new usage as set forth in the Agreement. At the end of each year of the Agreement term, the discounted rate shall be compared to the floor and trued-up so that the overall rate does not drop below the CPUC-authorized floor.

The discount does not apply to revenues collected for the California Alternate Rates for Energy (CARE), the Public Utilities Commission Reimbursement Fee, taxes, or other flow-through charges.

Customer Charge

Per the Otherwise Applicable Tariff Rate Schedule.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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Regulatory Affairs

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DATE FILED May 1, 2002
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Schedule No. GTO-ET

Sheet 2

TRANSPORTATION-ONLY EMERGING TECHNOLOGIES OPTIONAL RATE
FOR CORE COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (continued)

Other Charges

Customer may be subject to annual rate adjustments if consumption falls below agreed upon volumes set forth in Section 6.1 of the Agreement.

Transmission Charges

GTO-ET.

This charge is equal to the core commodity rate less the monthly non-residential procurement charge as set forth in Schedule No. G-CP.

The transmission component of the rate will be discounted in the following manner: For customers with new usage flowing through a new meter, all gas load through the new meter shall be discounted by 10% as a volumetric rate discount, an up-front lump-sum bill credit, or a combination of both. For customers with new usage flowing through an existing meter, only the incremental usage will be discounted as previously described. In either case, the discounted rate will be compared to the floor and tried-up annually so that the overall rate does not drop below the CPUC-authorized floor.

Minimum Charge

The minimum monthly charge shall consist of the monthly Customer Charge and any throughput penalty charges as stipulated in Section 6.1 of the Agreement.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this Schedule are contained in Rule No. 1 unless otherwise defined within this Schedule. For the purposes of optional rate discounting a new customer is defined as a new meter measuring gas load not previously served, or a reconnected meter measuring load that has been off the SoCalGas system for at least 12 months. New usage is defined as new gas load to the SoCalGas system either through a new or existing meter. Incremental usage is defined as additional gas load above the base volume as established and agreed to in Section 6.1 of the Agreement and remains unchanged for the life of the Agreement. Base volume is defined as the usage in the prior 12-month period to signing the Agreement. For the purposes of this Schedule, emerging gas technologies include, but are not limited to, applications of air compression, refrigeration, and air conditioning.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
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Schedule No. GO-IR
INCREMENTAL RATE FOR EXISTING EQUIPMENT
FOR CORE COMMERCIAL AND INDUSTRIAL

Sheet 2

(Continued)

RATES (continued)

Other Charges

Customer may be subject to annual rate adjustments if consumption falls below agreed upon volumes set forth in Section 6.1 of the Agreement.

Commodity Charge

GO-IR

The commodity charge is specified in the Otherwise Applicable Tariff and consists of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GTO-IR transmission charges, as set forth in Schedule No. GTO-IR.

The procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 4. The procurement charge cannot be discounted.

The transmission component of the rate will be discounted in the following manner: All qualifying incremental usage will be discounted by a minimum 10% based upon the competitive alternative. The discounted rate shall be compared to the floor and annually trued-up so that the overall rate does not drop below the CPUC-authorized floor.

Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge and any throughput penalty charges as stipulated in Section 6.1 of the Agreement.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this Schedule are contained in Rule No. 1 unless otherwise defined within this Schedule. Incremental usage is defined as additional gas load above the base volume as established and agreed to in Section 6.1 of the Agreement and remains unchanged for the life of the Agreement. Base volume is defined as the usage in the prior 12-month period to signing the Agreement.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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Schedule No. GTO-IR

Sheet 1

TRANSPORTATION-ONLY INCREMENTAL RATE FOR EXISTING EQUIPMENT
FOR CORE COMMERCIAL AND INDUSTRIAL

APPLICABILITY

Applicable to local transportation-only or aggregation service as specified in the customer's Otherwise Applicable Tariff for qualifying incremental usage to existing non-residential customers served or who qualify to be served under a core rate schedule as defined in Rule No. 1. Incremental usage applies to additional gas load for existing under-utilized equipment as defined in Special Condition 1 of this schedule. The customer must sign an affidavit stating that the terms and conditions of this Schedule are a material factor in its decision for adding incremental usage in its existing gas-fired equipment through the natural gas service provided by SoCalGas.

Service under this Schedule is optional subject to the terms and conditions set forth herein.

TERRITORY

Applicable throughout the service territory.

RATES

As determined by SoCalGas and unless otherwise stated in this Schedule or the Optional Rate Agreement and Affidavit (Agreement), all charges and provisions of the Otherwise Applicable Tariff rate schedule shall apply. The transmission charges for incremental usage shall be the customer's Otherwise Applicable Tariff transmission rate discounted by a minimum of 10% based upon the competitive alternative. The discount shall apply only to the transmission component and shall not cause the rate to drop below the CPUC-authorized floor. The discounted rates are based upon a specific customer's Otherwise Applicable Tariff determined by that customer's specified incremental usage as set forth in the Agreement. At the end of each year of the Agreement term, the overall rate shall be compared to the published floor and trued-up so that the overall rate does not drop below the CPUC-authorized floor.

The discount does not apply to revenues collected for the California Alternate Rates for Energy (CARE), the Public Utilities Commission Reimbursement Fee, taxes, or other flow-through charges.

Customer Charge

Per the Otherwise Applicable Tariff Rate Schedule.

Other Charges

Customer may be subject to annual rate adjustments if consumption falls below agreed upon volumes set forth in Section 6.1 of the Agreement.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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DATE FILED May 1, 2002
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Schedule No. GTO-IR

Sheet 2

TRANSPORTATION-ONLY INCREMENTAL RATE FOR EXISTING EQUIPMENT
FOR CORE COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (continued)

Transmission Charge

GTO-IR

This charge is equal to the core commodity rate less the monthly non-residential procurement charge as set forth in Schedule No. G-CP.

The transmission component of the rate will be discounted in the following manner: All qualifying incremental usage will be discounted by a minimum 10% based upon the competitive alternative. The discounted rate shall be compared to the floor and annually trued-up so that the overall rate does not drop below the CPUC-authorized floor.

Minimum Charge

The minimum monthly charge shall consist of the monthly Customer Charge and any throughput penalty charges as stipulated in Section 6.1 of the Agreement.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this Schedule are contained in Rule No. 1 unless otherwise defined within this Schedule. Incremental usage is defined as additional gas load above the base volume as established and agreed to in Section 6.1 of the Agreement and remains unchanged for the life of the Agreement. Base volume is defined as the usage in the prior 12-month period.
2. Any additional, altered, or replaced service and measurement-related facilities deemed necessary by SoCalGas to adequately measure service hereunder shall be installed, owned, and operated by SoCalGas and the installation and materials of such facilities shall be at the customer's expense.
3. As a condition precedent to service under this Schedule, a signed Agreement shall be required. As part of the Agreement, the customer acknowledges under penalty of perjury, that the terms and conditions of this Schedule are a material factor in its decision to locate incremental usage within the service territory.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 1

APPLICABILITY

Applicable for natural gas procurement service provided to core customers from the Utility's core portfolio, as defined in Rule No. 1. Service hereunder will be rendered in accordance with the provisions of the customer's otherwise-applicable rate schedule, as defined Special Condition 2.

TERRITORY

Applicable throughout the service territory.

RATES

Procurement Charges

The residential and non-residential procurement charges will be subject to change monthly, as set forth in D.98-07-068. The procurement charges will be based upon the estimated average price of flowing gas supplies during the injection season, and a blend of the weighted average estimated monthly price of flowing gas supplies and the estimated price of gas withdrawn from storage, when applicable. Additionally, the procurement charges will include certain intrastate backbone transmission receipt access charges, interstate capacity reservation costs, and storage costs as set forth in D.01-12-018 and described below. The procurement charges will be made effective on the first calendar day of the month. The Utility will file the core procurement charges and affected core service rate schedules on the last business day of the previous month.

G-CPNR

This charge is for non-residential core service as defined above. Pursuant to D.96-08-037, SoCalGas was authorized to change its non-residential procurement charge monthly beginning in January 1997.

The non-residential monthly gas procurement charge is comprised of: (1) the weighted average estimated cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068; (2) the carrying cost of storage inventory; (3) San Juan Lateral interstate pipeline demand charges; (4) core backbone transmission receipt access charges; (5) core storage charges; (6) core pipeline demand charges; (7) any adjustments for over- or under-collection balance in the Purchased Gas Account (PGA) outside the imbalance band as defined and approved in D.98-07-068; (8) authorized franchise fees and uncollectible expenses; and (9) authorized core brokerage fee.

Cost of Gas, per therm	43.346¢
Brokerage Fee, per therm.....	<u>0.201¢</u>
Total Core Procurement Charge, per therm	43.547¢

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (continued)

G-CPR

This charge is for residential service as defined above. Pursuant to D.96-08-037, SoCalGas was authorized to change the residential gas procurement charge monthly concurrent with its implementation of the 1996 BCAP Decision (D.97-04-082).

The monthly residential gas procurement charge is comprised of: (1) the weighted average cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068; (2) the carrying cost of storage inventory; (3) San Juan Lateral interstate pipeline demand charges; (4) core backbone transmission receipt access charges; (5) core storage charges; (6) core pipeline demand charges; (7) any adjustments for over- or under- collection balance in the Purchased Gas Account (PGA) outside the imbalance band as defined and approved in D.98-07-068; (8) authorized franchise fees and uncollectible expenses; and (9) authorized core brokerage fee.

Cost of Gas, per therm	43.346¢
Brokerage Fee, per therm.....	<u>0.201¢</u>
Total Core Procurement Charge, per therm	43.547¢

The current procurement charge will be posted on the Utility's GasSelect electronic bulletin board and Internet web site at <http://www.socalgas.com/regulatory>.

The Utility will reflect all applicable taxes, fees, and surcharges and/or credits imposed as a result of providing service hereunder.

The number of therms to be billed will be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this rate schedule and the Utility's other tariffs are provided in Rule No. 1.
2. Service provided hereunder is subject to the terms and conditions of the Utility's tariff schedules on file with the Commission. Charges for transmission service will be in accordance with the Utility's core transportation rate schedules. The terms and conditions in the customer's otherwise-applicable core procurement schedule apply.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (continued)

3. Gas purchases made by the Utility on behalf of core customers will come from a single gas portfolio. The monthly WACOG will be based on the estimated prices of gas purchased for this single gas portfolio.
4. The minimum term for service hereunder is one month. In the event a Customer has ended Core Aggregation Transportation service and returned to being a Utility Procurement Customer, the minimum term for Utility Procurement service hereunder shall be one year, and month-to-month thereafter, unless the Customer selects another ESP who submits the required DASR within the 90-day election period specified in Rule 32.A.3.a.(14).
5. Pursuant to Rule No. 32, Core Aggregation Transportation, customers may change between Utility procurement and Core Aggregator procurement only once every 12 months except as specified in Rule 32.A.3.(12). Core Aggregation customers are subject to the terms and conditions set forth in Rule No. 32, Core Aggregation Transportation.
6. All special conditions specified in the otherwise-applicable rate schedules will apply unless superseded by the special conditions specified herein.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Regulatory Affairs

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DATE FILED May 1, 2002
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Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Monthly Charges (Continued)

Standby Charge (Continued)

Noncore Retail and Wholesale Standby Charge (SP-NRW), per therm

November, 2002	\$0.xxxxx
December, 2002	\$0.xxxxx
January, 2003	\$0.xxxxx

Buy-Back Rate

This rate is applied to the Customer's cumulative positive transportation imbalance (confirmed transportation deliveries less actual or core forecast usage) exceeding the Tolerance Band, and is equal to 50% of the average Southern California Border price per NGI's Daily Gas Price Index during the imbalance period, including authorized franchise fees and uncollectible expenses (F&U).

Core and Noncore Retail and Wholesale Buy-Back Rate (BR-RW), per therm

November, 2002	\$0.xxxxx
December, 2002	\$0.xxxxx
January, 2003	\$0.xxxxx

In-Kind Fuel Charge

An in-kind fuel charge shall be levied on the gas remaining in every noncore customer's imbalance account after each monthly imbalance trading period.

In-kind fuel charge for a positive imbalance 2.44%

Revision of the Monthly Charges / Rates

The Standby Charges and the Buy-Back Rate for an imbalance month shall be filed with the Commission and posted on or before the fifth business day of the following month, to be effective on date filed.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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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)

Daily Charges, OFO Noncompliance

During a Stage 1 or Stage 2 OFO as described in Rule No. 40, a charge will be applied to all the red Chips remaining at the end of the designated Chip trading period as specified in Rule No. 40.

OFO Noncompliance Charges

Stage 1, per decatherm (i.e., per red Chip)	\$1.00
Stage 2, per decatherm (i.e., per red Chip)	\$25.00

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this rate schedule are contained in Rule No. 1.
2. Imbalances will be calculated by combining all of a customer's usage for each gas measurement Day (as defined in Rule No. 1) under the same order control code, not by account or individual delivery point, compared to gas deliveries for each gas-flow date (as set forth in Rule No. 30). The order control code is used by Utility to group those facilities identified by the customer for determining the customer's imbalances.
3. Imbalance trades may be submitted through GasSelect® or by facsimile using the Imbalance Trading Agreement Form (Form No. 6544) and must be received by the Utility by the close of the trading period.

To submit an imbalance trade by facsimile, both parties must complete and send by facsimile a copy of the Imbalance Trading Agreement Form to the Utility. The Utility will then confirm the trade and adjust the participants' imbalance accounts. A processing charge of \$13.73 will be charged by the Utility for each imbalance trade submitted by facsimile using the Imbalance Trading Agreement Form. No processing charge will apply to a GasSelect® subscriber for imbalance trades that are submitted by facsimile at a time the GasSelect® system is unavailable for use by the subscriber.

4. Customers may trade OFO day Imbalance Rights (i.e., Chips) as specified in Rule No. 40.
5. All trades are subject to meeting the Utility's creditworthiness standards as specified in Rule No. 39. The Utility will notify participants through GasSelect® or other notice once the trade is validated.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (continued)

6. To the extent Utility does not exercise its option under the applicable storage tariff, quantities remaining in a Customer's storage account, either upon completion of the Customer's storage contract term or in the event the storage contract is terminated for whatever reason prior to the completion of the term, shall be considered an imbalance subject to the provisions herein unless the customer obtains sufficient inventory capacity rights for the period immediately following the expiration of the contract.
7. If as the result of billing error, metering error, or transportation adjustments, customer trades an incorrect amount of imbalance quantities based on notification by Utility, Utility will not be liable for any financial losses or damages incurred by customer nor will Utility be financially liable to any of the customer's imbalance trading partners. If as a result of such error, Utility overbills customer, Utility shall refund the difference. If Utility underbills customer, the customer shall be liable for the undercharge including any associated penalty. The customer shall not be relieved of imbalance penalties when a subsequent billing adjustment is made by Utility. For the purpose of determining imbalances and any applicable charges hereunder, Utility will include subsequent billing adjustments for prior periods as part of the usage deemed to occur during the subsequent period unless the customer reimburses the Utility for the actual cost of gas incurred. Trades occurring in prior periods will not be affected by such billing adjustments.
8. Utility may issue a bill for daily charges on a weekly or fortnightly basis upon customer or marketer request or if a customer or marketer delivers into the system less than 50 percent of its usage. Otherwise, daily charges shall be included in the regular monthly bill.
9. Customers with CPUC-approved bundled transportation contracts and take backbone transmission service through a bundled option shall be responsible for backbone transmission charges applicable to scheduled transportation quantities in excess of their metered consumption.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. G-POOL
POOLING SERVICE

Sheet 1

APPLICABILITY

Utility will provide Pooling Services on the SoCalGas system to parties meeting the qualifications set forth herein (hereinafter "Pooler").

TERRITORY

Applicable throughout the service territory.

RATES

Transfer Charges

Rate, per pool-to-pool transfer *..... \$50.00

* Each Pooler may make up to 10 (ten) transfers from its citygate pool and each of its Receipt Point Pool per day at no charge. A Pooler that makes more than 10 pool-to-pool transfers from its citygate pool or from a Receipt Point Pool, per day will pay a fee of \$50 for each such additional transfer. The counting of pool-to-pool transfers, for the purpose of applying the rate, will be for gas scheduled only in the Intraday 2 nomination cycle during each day. There will only be a transfer counted to the transferring party if more than 0 Dekatherms of gas is scheduled in the Intraday 2 scheduling cycle from its citygate pool or a Receipt Point Pool. There shall be no transfer charge applicable to the party receiving the transferred pool gas.

SPECIAL CONDITIONS

GENERAL

1. Pooling Services, as defined in Rule No. 1, allows for the aggregation and disaggregation of natural gas.
2. As a condition precedent to service under this schedule, Poolers are required to meet the requirements for and execute both the Master Service Contract (hereinafter "MSC") and MSC Schedule K, Pooling Services Agreement. All contracts, rates and conditions are subject to revision and modification as a result of California Public Utilities Commission Order or rules.
3. Only one pool contract will be allowed for each Pooler conducting business on the SoCalGas system. One pool contract may be used for all Receipt Point pools or a citygate pool. Pooling service cannot be assigned to another party.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. G-POOL
POOLING SERVICE

Sheet 2

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

4. Locations for Pooling Services will be at all receipt points specified in Schedule G-BR, Backbone Transmission Receipt Access, except for California production identified as "Other", which will not have Pooling Service.
5. Pools will be required to balance during each scheduling cycle, each day. Pool balancing will be conducted during Utility's confirmation process using the "lesser of" rule and a pool ranking mechanism as described in Rule 30, Transportation of Natural Gas.

ESTABLISHMENT OF CREDIT

6. The Pooler shall be required to establish and maintain creditworthiness in accordance with Rule No. 39, Customer Creditworthiness.

NOMINATIONS

7. Pooling service shall be subject to the applicable transportation provisions as contained in Utility's Rule No. 30, Transportation of Natural Gas. Pooling Services shall be an optional service and is not mandatory. Gas may be nominated as follows without using pooling services:

<u>FROM</u>	<u>TO</u>
Pipeline/CA Producer	Backbone Receipt Contract
Backbone Receipt Contract	End User, Contracted Marketer, ESP
Backbone Receipt Contract	Storage Account
Storage Account	End User, Contracted Marketer, ESP
Storage Account	Storage Account

There shall be no transfer charge for these types of transactions.

BILLINGS

8. The Pooler's bill is due and payable in accordance with Rule No. 9 and the MSC.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. G-POOL
POOLING SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

TERMINATION OF SERVICE

9. If a payment is not received in accordance with Rule No. 9, the Pooler's participation in the program may be subject to immediate termination. In addition, if the Utility receives any information that the Pooler has filed, is contemplating filing, or has been served with or may be served with papers in bankruptcy, or an assignment for the benefit of creditors, or is closing, changing or ceasing the operation of its business, the Pooler's participation may be terminated immediately.

Upon termination of a Pooler's participation:

- (a) Termination notices will be sent to the Pooler;
- (b) All fees, charges and other obligations of Pooler in favor of Utility shall be immediately payable without further notice of demand; and,
- (c) The Pooler may be suspended from the Utility's electronic communication network, the Utility's GasSelect® service, as defined in Rule No. 33.

At the time of termination, if the Pooler has not paid Utility billings, any deposits held on any of the Pooler's accounts with Utility may be applied to unpaid bills and any security held pursuant to Rule No. 39 may be applied.

After termination, a Pooler will not be allowed to participate in the Pooling Service again until the Pooler has 1) reimbursed the Utility for all outstanding charges and all operating, maintenance, legal, and uncollectible expenses incurred by the Utility as a result of the Pooler's participation in the program being terminated and 2) met and demonstrated the ability to maintain all current credit requirements.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. G-BSS
BASIC STORAGE SERVICE

Sheet 1

APPLICABILITY

Schedule No. G-BSS is closed to new customers as of the effective date of the Comprehensive Gas OII Settlement Agreement (the "CS") (in accordance with D.01-12-018, CPUC Docket No. I-99-07-003). It is only applicable to customers with existing BSS contracts as of the effective date of the CS.

TERRITORY

Applicable for gas stored by the Utility within its service territory.

RATES

Reservation Charges

The Utility has pricing flexibility to charge different rates than those stated below provided the reservation charge is no higher than the maximum reservation charge allowed in the G-TBS tariff.

Annual Firm Inventory

Reservation Charge for annual inventory capacity reserved

Rate, per decatherm 21.741¢

The above reservation charge shall apply to the customer's annual amount of reserved basic storage inventory and shall be billed in twelve equal monthly installments during the storage year.

One-Month Firm Injection

Reservation Charge for injection capacity reserved for one month

Rate, per decatherm 19.283¢

The above reservation charge shall apply to the customer's reserved basic storage monthly injection capacity rate for the month reserved multiplied by the number of days in that month and shall be billed in twelve equal monthly installments during the storage year.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
 Vice President
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. G-BSS
BASIC STORAGE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Reservation Charges (Continued)

Annual Firm Withdrawal

Reservation Charge for withdrawal capacity reserved for year

Rate, per decatherm/day \$5.909

The above reservation charge shall apply to the customer's reserved basic storage annual withdrawal capacity and shall be billed in twelve equal monthly installments during the storage year.

All reservation charges for firm basic storage service are applicable whether the storage service is used or not and shall not be prorated under any circumstances.

Variable Charges

Variable charges are specified below, and are effective year-round. Variable injection charges will be assessed when a customer's net scheduled storage activity results in the customer's injection on a gas flow day. Variable withdrawal charges will be assessed when a customer's net scheduled storage activity results in the customer's withdrawal on a gas flow day.

For Injection

In-Kind Energy Charge (applied to injection quantity)

Rate, percent reduction 2.440%

O&M Injection Charge (applied to injection quantity less In-Kind Charge)

Rate, per therm 0.123¢

For Withdrawal

O&M Withdrawal Charge (applied to withdrawal quantity)

Rate, per therm 0.172¢

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 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. G-BSS
BASIC STORAGE SERVICE

Sheet 3

(Continued)

RATES (Continued)

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities applicable under this schedule or changes in costs used in prior period's storage charges.

SPECIAL CONDITIONS

General

1. The definitions of the principal terms used in the Utility's tariff schedules are contained in Rule No. 1.
2. Storage service under this schedule shall be restricted in accordance with the provisions of Rule No. 23.
3. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the storage services provided under this schedule.
4. As a condition precedent to service under this schedule, an executed Master Services Contract, Schedule D, Basic Storage Service (Form Nos. 6597 and 6597-4) is required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
5. The contract term for service hereunder shall be one year and shall begin on either April 1 or October 1 and continue thereafter for a twelve month period. The twelve month period beginning April 1 shall be termed the Spring storage year, and the twelve month period beginning October 1 shall be termed the Fall storage year with the term "storage year" referring to either a Spring or Fall storage year as appropriate.
6. The storage year shall be comprised of seasonal periods as follows:

	<u>Peak Season</u>	<u>Off-Peak Season</u>
Injection:	April - November	December - March
Withdrawal:	November - March	April - October

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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Schedule No. G-BSS
BASIC STORAGE SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

General (Continued)

7. For transportation customers served hereunder, any storage gas remaining in inventory at the conclusion of the customer's storage contract term shall be considered an imbalance subject to the provisions of Schedule No. G-IMB, unless such inventory is rolled-over by the customer into the next storage year under the provisions of Special Condition 19 herein. For 100% core subscription customers served under this schedule, the Utility shall credit the customer at the applicable core subscription procurement charge, plus brokerage fee, then in effect for any such excess storage gas in inventory, unless such inventory is rolled-over by the customer under the provisions of Special Condition 19.
8. In the event any customer's storage contract is terminated, for whatever reason, prior to the completion of the term of such contract, the Utility may at its option immediately purchase any remaining inventory quantities from such customer at the applicable Buy-Back Rate stated in Schedule No. G-IMB. The Buy-Back purchase amount paid to the customer may be reduced by any outstanding amounts owed by the customer for any other services provided by the Utility.
9. Prior to and while taking service under this tariff, a customer must meet the Utility's creditworthiness requirements as specified in Rule 39.

Storage Nominations

10. Basic storage service customers may designate an agent to act on their behalf for the purpose of making storage nominations for their service under this schedule. Such agents may not aggregate the storage rights of the basic storage customer with the rights of any other storage customer.

Monthly Imbalance Trading

11. Customers may use their available storage inventory capacity and quantities to (1) offset the customer's own monthly transportation imbalances, or (2) trade with other customers for their monthly transportation imbalances.
12. For storage injections and withdrawals performed through imbalance trading, the customer shall not be required to have storage injection or withdrawal rights but shall be assessed the variable charges (including In-Kind Energy and O&M charges) set forth herein for such storage operations. For such imbalance trading activity, the storage transaction shall be considered as occurring at the time the imbalance trade is completed by the Utility.

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(TO BE INSERTED BY UTILITY)
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 DECISION NO. 01-12-018

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Lee Schavrien
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Schedule No. G-BSS
BASIC STORAGE SERVICE

Sheet 5

(Continued)

SPECIAL CONDITIONS (Continued)

Monthly Imbalance Trading (Continued)

13. If gas is to be injected by the storage customer as a result of an imbalance trade, the customer must have sufficient available inventory space during the month that the imbalance occurred and at the time the trade is completed by the Utility. If storage gas is to be withdrawn through an imbalance trade, the storage customer must have sufficient gas in inventory during the month that the imbalance occurred and at the time the trade is completed by the Utility.

Storage Inventory Transfers

14. Storage customers may mutually request to transfer gas in inventory from one customer's storage account to another. Such requests must be made by both parties to the inventory transfer and are limited to the inventory quantity available for transfer and the available inventory capacity of the receiving customer at the time the transfer is completed by the Utility. Variable storage charges are not applicable to storage inventory transfers. All transfers may be accepted or rejected, in whole or in part, by the Utility and shall not be deemed accepted until such time as the Utility notifies both customers of the completion of the transfer.

Basic Service Storage Rights

15. Under basic storage service, noncore customers may contract for firm storage withdrawal capacity. The awarded withdrawal capacity shall be stated as a daily capacity rate and shall be available to the customer throughout the storage year.
16. In addition to withdrawal capacity, the basic storage service customer may contract for storage inventory capacity up to seven times the customer's awarded basic service withdrawal capacity. This inventory capacity shall be available to the customer throughout the storage year.
17. The basic storage service customer must also contract for one month of firm storage injection capacity. The customer must contract for that amount of injection capacity necessary to fill the customer's awarded inventory capacity over a one month period.
18. Basic service injection capacity shall be limited to those peak season injection months the Utility is able to make such service available. Prior to the start of the storage year, customers shall be required to designate their order of preference for the available injection months. If a customer's primary choice month is oversubscribed, the customer's awarded injection capacity for that month shall be prorated downward to a level consistent with the injection capacity available. The customer's remaining injection capacity shall be allocated to the customer's second and then third designated choice of injection month and awarded in the same manner as for the primary month. Once established, the customer's awarded injection capacity shall be stated in the customer's contract as a daily capacity rate by month and shall only be available for the designated month or months.

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(TO BE INSERTED BY UTILITY)
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Schedule No. G-BSS
BASIC STORAGE SERVICE

Sheet 6

(Continued)

SPECIAL CONDITIONS (Continued)

Year-to-Year Participation

- 19. At the end of each storage year, current basic storage customers will automatically have their contracted basic storage service rights rolled over to the following storage year, including any quantities in inventory at the end of the storage year. The amount of the customer's basic storage rights eligible to be rolled over to the next storage year shall be restricted to the limitations on capacity rights described above.

Core Subscription Storage

- 20. Core subscription customers may receive basic storage service under this schedule. The Utility shall inject such customer's core subscription storage quantities in the month or months designated in the customer's contract.
- 21. For the customer's contracted core subscription injection quantities, the customer shall be charged the core subscription procurement rate, plus brokerage fee, in effect during the month such quantities are injected. For core subscription withdrawal quantities, the customer shall be charged the full cost of core subscription service and shall receive a credit based on the core subscription procurement charge, plus brokerage fee, in effect during the period such quantities are withdrawn.
- 22. For basic storage service customers who are 100% core subscription, storage inventory may only be withdrawn during periods of curtailment of the customer's transmission service.
- 23. For basic storage service customers who split their requirements between core subscription service and transportation service, the customer's core subscription storage gas shall be treated as customer-owned gas and may be (1) used together with the customer's transportation deliveries to storage, or (2) traded under the imbalance trading provisions set forth in Schedule No. G-IMB.

Interruptible Injection and Withdrawal Service

- 24. Customers served under this schedule may utilize the Utility's as-available injection and withdrawal service to the extent customer's inventory space exists for injections and customer's inventory gas remains for withdrawals. As-available service is considered the lowest priority of interruptible service.

(Continued)

(TO BE INSERTED BY UTILITY)
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Schedule No. G-BSS
BASIC STORAGE SERVICE

Sheet 7

(Continued)

SPECIAL CONDITIONS (Continued)

Secondary Market Transactions

- 25. Subject to the conditions below, through the remainder of the term of the CS, storage customers will be allowed to transfer to any qualified person, whether or not an end-user or wholesale customer of Utility, all or any portions of their storage contract rights (inventory, injection, and withdrawal rights may be transferred independently) for any period of time up to the remaining term of their contracts. Storage contract rights may be re-transferred any number of times under the same rules applicable to transfers by persons who originally obtained the rights directly from Utility.
- 26. Transferors must provide Utility with written notice two days in advance of the first nomination cycle for the effective flow date of the rights transferred. Written notice must be on Form 1790, and be received by Utility no later than 2:30 p.m. Pacific time. Until the complete implementation of the CS, certain transfer restrictions are in effect. For the flow days of Saturday, Sunday, and Monday, rights cannot be transferred for these days individually. Rights applicable to these days must be transferred for the entire three days. In addition, when transferred rights begin on a Tuesday, the third nomination cycle will be the first opportunity to nominate these rights. For transfers affected by Utility holidays, a special schedule will be posted on GasSelect®.
- 27. Prior to any notice of transfer for specific storage rights being submitted, potential transferees must have a valid executed Master Services Contract with the Utility and must have approved credit per Rule No. 39. Until the complete implementation of the CS: (i) Utility will bill the reservation charges to the transferee only if the transfer of storage rights is a complete assignment of the entire storage contract for the remaining term of the contract; (ii) if the transfer is a partial assignment of the storage rights under the contract, or a transfer of the entire contract for a period of time less than the remaining term of the contract, Utility will continue to bill the reservation charges to the transferor and will bill the variable and transmission charges to the transferee under its existing storage agreement. If the transferee has no existing storage agreement, then a G-TBS agreement will be established for the transferred capacity.
- 28. Information regarding secondary market transfer transactions (currently, the names of parties, term of transfer, and amount of capacity transferred, but not the price) will be posted by Utility on its GasSelect® on a periodic basis as required in the CPUC's decision approving with modifications the Comprehensive Gas OII Settlement Agreement (the "CS") (D.01-12-018) or as may be required by subsequent CPUC action.

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Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
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RESOLUTION NO. _____

Schedule No. G-LTS
LONG-TERM STORAGE SERVICE

Sheet 1

APPLICABILITY

Schedule No. G-LTS is closed to new customers as of the effective date of the Comprehensive Gas OII Settlement Agreement (the "CS") (in accordance with D.01-12-018, CPUC Docket No. I-99-07-003). It is only applicable to customers with existing LTS contracts as of the effective date of the CS. All eligible participants are collectively referred to herein as "customers" unless otherwise specified.

TERRITORY

Applicable for gas stored by the Utility within its service territory.

RATES

Reservation Charges

The Utility has pricing flexibility to charge different rates than those stated below provided the reservation charge is no higher than the maximum reservation charge allowed in the G-TBS tariff.

Annual Firm Inventory

Reservation Charge for annual firm inventory capacity reserved

Rate, per decatherm 21.741¢

The above reservation charge shall apply to the customer's reserved annual firm inventory and shall be billed in twelve equal monthly installments for each storage year during the long-term contract, unless Special Condition 22 applies.

Monthly Firm Injection

Reservation Charge for monthly firm injection capacity reserved

Rate, per decatherm per day 19.283¢

The above reservation charge shall apply to the customer's reserved monthly injection capacity for the contracted month multiplied by the number of days in that month and shall be billed in twelve equal monthly installments for each storage year during the long-term contract, unless Special Condition 22 applies.

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 Vice President
 Regulatory Affairs

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Schedule No. G-LTS
LONG-TERM STORAGE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Reservation Charges (Continued)

Annual Firm Withdrawal

Reservation Charge for annual firm withdrawal capacity reserved

Rate, per decatherm per day \$5.909

The above reservation charge shall apply to the customer's reserved annual firm withdrawal capacity and shall be billed in twelve equal monthly installments for each storage year during the long-term contract, unless Special Condition 22 applies.

All reservation charges for firm long-term storage service are applicable each storage year for the entire term of the customer's long-term contract, whether the contracted storage services are used or not.

Variable Charges

Variable charges are specified below, and are effective year-round. Variable injection charges will be assessed when a customer's net scheduled storage activity results in the customer's injection on a gas flow day. Variable withdrawal charges will be assessed when a customer's net scheduled storage activity results in the customer's withdrawal on a gas flow day.

For Injection

In-Kind Energy Charge (applied to injection quantity)

Rate, percent reduction 2.440%

O&M Injection Charge (applied to injection quantity less In-Kind Charge)

Rate, per therm 0.123¢

For Withdrawal

O&M Withdrawal Charge (applied to withdrawal quantity)

Rate, per therm 0.172¢

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 DECISION NO. 01-12-018

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Schedule No. G-LTS
LONG-TERM STORAGE SERVICE

Sheet 3

(Continued)

RATES (Continued)

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities applicable under this schedule or changes in costs used in prior period's storage charges.

SPECIAL CONDITIONS

General

1. The definitions of the principal terms used in the Utility's tariff schedules are contained in Rule No. 1.
2. Storage service under this schedule shall be restricted in accordance with the provisions of Rule No. 23.
3. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the storage services provided under this schedule.
4. As a condition precedent to service under this schedule, an executed Master Services Contract, Schedule F, Long-Term Storage Service (Form Nos. 6597 and 6597-6) is required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
5. The minimum contract term for service under this schedule shall be three years and the maximum contract term shall be fifteen years.
6. The storage year for long-term contract service shall begin on April 1 and continue thereafter for a twelve-month period. Eligible customers may contract for long-term storage service anytime during this period but the annual reservation charges applicable for the initial storage year shall not be prorated unless otherwise agreed to by the Utility. The storage year shall be comprised of seasonal periods as follows:

	<u>Peak Season</u>	<u>Off-Peak Season</u>
Injection:	April - November	December - March
Withdrawal:	November - March	April - October

7. For customers served under this schedule, any storage gas remaining in inventory at the conclusion of the customer's storage contract term shall be considered an imbalance subject to the provisions of Schedule No. G-IMB, unless the customer has obtained sufficient inventory capacity rights for the following storage year.

(Continued)

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Schedule No. G-LTS
LONG-TERM STORAGE SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

General (Continued)

8. In the event the customer's storage contract is terminated, for whatever reason, prior to the completion of the term of such contract, the Utility may at its option immediately purchase any remaining inventory quantities from such customer at the applicable Buy-Back Rate stated in Schedule No. G-IMB. The Buy-Back purchase amount paid to the customer may be reduced by any outstanding amounts owed by the customer for any other services provided by the Utility.
9. Prior to and while taking service under this tariff, a customer must meet the Utility's creditworthiness requirements as specified in Rule No. 39.

Storage Nominations

10. Long-term storage service customers may designate an agent to act on their behalf for the purpose of making storage nominations for their service under this schedule.

Monthly Imbalance Trading

11. Customers may use their available storage inventory capacity and quantities to (1) offset the customer's own monthly transportation imbalances, or (2) trade with other customers for their monthly transportation imbalances.
12. For storage injections and withdrawals performed through imbalance trading, the customer shall not be required to have storage injection or withdrawal rights but shall be assessed the variable charges (including In-Kind Energy and O&M charges) set forth herein for such storage operations. For such imbalance trading activity, the storage transaction shall be considered as occurring at the time the imbalance trade is completed by the Utility.
13. If gas is to be injected by the storage customer as a result on an imbalance trade, the customer must have sufficient available inventory space during the month that the imbalance occurred and at the time the trade is completed by the Utility. If storage gas is to be withdrawn through an imbalance trade, the storage customer must have sufficient gas in inventory during the month that the imbalance occurred and at the time the trade is completed by the Utility.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. G-LTS
LONG-TERM STORAGE SERVICE

Sheet 5

(Continued)

SPECIAL CONDITIONS (Continued)

Storage Inventory Transfers

14. Storage customers may mutually request to transfer gas in inventory from one customer's storage account to another. Such requests must be made by both parties to the inventory transfer and are limited to the inventory quantity available for transfer and the available inventory capacity of the receiving customer at the time the transfer is completed by the Utility. Variable storage charges are not applicable to storage inventory transfers. All transfers may be accepted or rejected, in whole or in part, by the Utility and shall not be deemed accepted until such time as the Utility notifies both customers of the completion of the transfer.

Contract Approval

15. All contracts for service under this schedule shall be filed by advice letter for CPUC approval. The Utility and the customer may negotiate special provisions for long-term storage service. Such provisions may include reservation charges other than those stated in this schedule. Any such special provisions or reservation charges shall be set forth in the customer's long-term storage contract filed with the CPUC.

Service Availability

16. Service under this schedule shall be subject to the availability of the Utility's existing unsubscribed firm storage capacity. The Utility shall not be obligated to provide firm long-term storage service in the event the Utility would have to expand its storage capacity in order to provide such service.
17. Customers may request the Utility to expand its firm storage capacity and thereby provide long-term firm storage service under this schedule. Any such expansion of the Utility's storage capacity shall be subject to the requesting customer providing sufficient financial guarantees, to the sole satisfaction of the Utility, for the recovery of any and all costs associated with the expansion of the Utility's storage facilities.

Core Subscription Storage

18. Core subscription customers may receive long-term storage service under this schedule. The Utility shall inject such customer's core subscription storage quantities in the month or months designated in the customer's long-term storage service agreement.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

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Schedule No. G-LTS
LONG-TERM STORAGE SERVICE

Sheet 6

(Continued)

SPECIAL CONDITIONS (Continued)

Core Subscription Storage (Continued)

- 19. For the customer's contracted core subscription injection quantities, the customer shall be charged the core subscription procurement rate, plus brokerage fee, in effect during the month such quantities are injected. For core subscription withdrawal quantities, the customer shall be charged the full cost of core subscription service and shall receive a credit based on the core subscription procurement charge, plus brokerage fee, in effect during the period such quantities are withdrawn.
- 20. For long-term storage service customers who are 100% core subscription, storage inventory may only be withdrawn during periods of curtailment of the customer's transmission service.
- 21. For long-term storage service customers who split their requirements between core subscription service and transportation-only service, the customer's core subscription storage gas shall be treated as customer-owned gas and may be (1) used together with the customer's transportation deliveries to storage, or (2) traded under the imbalance trading provisions set forth in Schedule No. G-IMB.

Advance Reservation Charges

- 22. Customers, other than end-use customers of the Utility, awarded service under this schedule shall be required to pay one-quarter (25%) of their total annual reservation charge in the first month of the storage year. The balance of the total annual reservation charge shall be billed in equal monthly installments over the remaining storage year.

Interruptible Injection and Withdrawal Service

- 23. Customers served under this schedule may utilize the Utility's as-available injection and withdrawal service to the extent customer's inventory space exists for injections and customer's inventory gas remains for withdrawals. As-available service is considered the lowest priority of interruptible service.

Secondary Market Transactions

- 24. Subject to the conditions below, through the remainder of the term of the CS, storage customers will be allowed to transfer to any qualified person, whether or not an end-user or wholesale customer of Utility, all or any portions of their storage contract rights (inventory, injection, and withdrawal rights may be transferred independently) for any period of time up to the remaining term of their contracts. Storage contract rights may be re-transferred any number of times under the same rules applicable to transfers by persons who originally obtained the rights directly from Utility.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. G-LTS
LONG-TERM STORAGE SERVICE

Sheet 7

(Continued)

SPECIAL CONDITIONS (Continued)

Secondary Market Transactions (Continued)

25. Transferors must provide Utility with written notice two days in advance of the first nomination cycle for the effective flow date of the rights transferred. Written notice must be on Form 1790, and be received by Utility no later than 2:30 p.m. Pacific time. Until the complete implementation of the CS, certain transfer restrictions are in effect. For the flow days of Saturday, Sunday, and Monday, rights cannot be transferred for these days individually. Rights applicable to these days must be transferred for the entire three days. In addition, when transferred rights begin on a Tuesday, the third nomination cycle will be the first opportunity to nominate these rights. For transfers affected by Utility holidays, a special schedule will be posted on GasSelect®.
26. Prior to any notice of transfer for specific storage rights being submitted, potential transferees must have a valid executed Master Services Contract with the Utility and must have approved credit per Rule No. 39. Until the complete implementation of the CS: (i) Utility will bill the reservation charges to the transferee only if the transfer of storage rights is a complete assignment of the entire storage contract for the remaining term of the contract; (ii) if the transfer is a partial assignment of the storage rights under the contract, or a transfer of the entire contract for a period of time less than the remaining term of the contract, Utility will continue to bill the reservation charges to the transferor and will bill the variable and transmission charges to the transferee under its existing storage agreement. If the transferee has no existing storage agreement, then a G-TBS agreement will be established for the transferred capacity.
27. Information regarding secondary market transfer transactions (currently, the names of parties, term of transfer, and amount of capacity transferred, but not the price) will be posted by Utility on its GasSelect® on a periodic basis as required in the CPUC's decision approving with modifications the Comprehensive Gas OII Settlement Agreement (the "CS") (D.01-12-018) or as may be required by subsequent CPUC action.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. G-TBS
TRANSACTION BASED STORAGE SERVICE

Sheet 1

APPLICABILITY

Applicable for unbundled inventory, injection, and withdrawal storage services to noncore transportation customers, wholesale customers, contracted marketers, and marketers/agents; and to core transportation customers; Core Transport Agents (CTAs), and the Utility's gas supply department for any storage capacity that is additional to their allocated core storage rights. All eligible participants are collectively referred to herein as "customers" unless otherwise specified.

The storage service package and associated charges shall be negotiated on a transactional basis between the customer and the Utility dependent on market conditions and customer needs. The Utility is not required to accept any bid or make any offer under Schedule G-TBS.

TERRITORY

Applicable for gas stored by the Utility within its service territory.

RATES

Storage service rates under Schedule G-TBS consist of Reservation Charges and Variable Charges.

Reservation Charges

Firm Storage Service

The reservation charge, or price, for G-TBS storage service will be established between the customer and the Utility on a transactional basis dependent upon market conditions and the specific storage service to be provided to the customer. The price established for such service for new contracts shall be no more than 200% or less than 50% of the individual charges set forth below for firm inventory, injection and withdrawal services. The price shall be set forth in the Contract. The price under this schedule is applicable whether the service is used or not.

Annual Firm Inventory

Reservation Charge for annual firm inventory capacity reserved

Rate, per decatherm 21.741¢

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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Schedule No. G-TBS
TRANSACTION BASED STORAGE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Reservation Charges (Continued)

Daily Firm Injection

Reservation Charge for daily firm injection capacity reserved

Rate, per decatherm per day 19.283¢

Daily Firm Withdrawal

Reservation Charge for daily firm withdrawal capacity reserved

Rate, per decatherm per day 3.913¢

Interruptible and As-Available Injection and Withdrawal

Reservation charges for interruptible injection and withdrawal shall be negotiated on an individual transaction basis and shall fall within the range of the charges allowed for firm capacity. Reservation charges for as-available injection and withdrawal capacity provided under this schedule shall not be applicable unless otherwise established in the Contract.

Variable Storage Charges

Variable charges are specified below, and are effective year-round. Variable injection charges will be assessed when a customer's net scheduled storage activity results in the customer's injection on a gas flow day. Variable withdrawal charges will be assessed when a customer's net scheduled storage activity results in the customer's withdrawal on a gas flow day.

For Injection

In-Kind Energy Charge (applied to injection quantity)

Rate, percent reduction 2.440%

O&M Injection Charge (applied to injection quantity less In-Kind Charge)

Rate, per therm 0.123¢

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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Schedule No. G-TBS
TRANSACTION BASED STORAGE SERVICE

Sheet 3

(Continued)

RATES (Continued)

Variable Storage Charges (Continued)

For Withdrawal

O&M Withdrawal Charge (applied to withdrawal quantity)

Rate, per therm 0.172¢

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities applicable under this schedule or changes in costs used in prior period's storage charges.

SPECIAL CONDITIONS

General

1. The definitions of the principal terms used in this rate schedule and the Utility's other tariff schedules are contained in Rule No. 1.
2. Service under this schedule shall be restricted in accordance with the provisions of Rule No. 23.
3. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the storage services provided under this schedule.
4. As a condition precedent to service under this schedule, an executed Master Services Contract and Schedule I, Transaction Based Storage Service (Form Nos. 6597 and 6597-11) are required (referred to in this schedule as the "Contract"). All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
5. The contract term for service under this schedule shall be set forth in the customer's Contract. The parties may agree to any term up to a maximum term of fifteen years. All contracts for a term greater than three years shall be filed by advice letter for CPUC approval. Any contract, which is entered into and effective before September 1, 2006 (the end of the term of the Comprehensive Gas OII Settlement Agreement as approved in D.01-12-018) with a term of three years or less need not be filed for approval.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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Schedule No. G-TBS
TRANSACTION BASED STORAGE SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

General (Continued)

- 6. For customers under this schedule, any storage gas remaining in inventory at the conclusion of the customer's storage Contract term shall be considered an imbalance subject to the provisions of Schedule No. G-IMB, unless the customer obtains sufficient inventory capacity rights for the period immediately following the expiration of the Contract.
- 7. In the event the customer's storage contract is terminated, for whatever reason, prior to the completion of the term of such contract, the Utility may at its option immediately purchase any remaining inventory quantities from such customer at the applicable Buy-Back Rate stated in Schedule No. G-IMB. The Buy-Back purchase amount paid to the customer may be reduced by any outstanding amounts owed by the customer for any other services provided by the Utility.
- 8. Prior to and while taking service under this tariff, a customer must meet the Utility's creditworthiness requirements as specified in Rule No. 39.
- 9. Any offers or counter-offers discussed by the parties and contract terms shall remain confidential except to government agencies acting within the scope of their authority or for the quarterly reports filed with the CPUC and posted on Utility's GasSelect® by the Utility as required by the Comprehensive Gas OII Settlement Agreement (the "CS")(D.01-12-018).

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Storage Nominations

- 10. Customers may designate an agent to act on their behalf for the purpose of making storage nominations for their service under this schedule.

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Monthly Imbalance Trading

- 11. Customers may use their available storage inventory capacity and quantities to (1) offset the customer's own monthly transportation imbalances, or (2) trade with other customers for their monthly transportation imbalances.
- 12. For injections and withdrawals performed through imbalance trading, the customer shall not be required to have storage injection or withdrawal rights but shall be assessed the variable charges (including in-Kind Energy and O&M charges) set forth herein for such storage operations. For such imbalance trading, the storage transaction shall be considered as occurring at the time the imbalance trade is completed by the Utility.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. G-TBS
TRANSACTION BASED STORAGE SERVICE

Sheet 5

(Continued)

SPECIAL CONDITIONS (Continued)

Monthly Imbalance Trading (Continued)

- 13. If gas is to be injected by the storage customer as a result of an imbalance trade, the customer must have sufficient available inventory space during the month that the imbalance occurred and at the time the trade is completed by the Utility. If storage gas is to be withdrawn through an imbalance trade, the storage customer must have sufficient gas in inventory during the month that the imbalance occurred and at the time the trade is completed by the Utility.

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Storage Inventory Transfers

- 14. Storage customers may mutually request to transfer gas in inventory from one customer's storage account to another. Such requests must be made by both parties to the inventory transfer and are limited to the inventory quantity available for transfer and the available inventory capacity of the receiving customer at the time the transfer is completed by the Utility. Variable storage charges are not applicable to storage inventory transfers. All transfers may be accepted or rejected, in whole or in part, by the Utility and shall not be deemed accepted until such time as the Utility notifies both customers of the completion of the transfer.

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Interruptible Injection and Withdrawal Service

- 15. Interruptible (IT) injection and withdrawal service is available under this rate schedule. IT service will be scheduled after firm service in accordance with Rule No. 30. The scheduling rank within the IT category shall be determined by Contract terms. As-available service is considered the lowest priority of IT service.
- 16. Customers with Contracts executed prior to April 1, 2002 may utilize the Utility's as-available injection and withdrawal service to the extent customer's inventory space exists for injections and customer's inventory gas remains for withdrawals.
- 17. At any time during the month, the Utility may reduce or eliminate the amount of as available injection or withdrawal capacity made available under this schedule.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. G-TBS
TRANSACTION BASED STORAGE SERVICE

Sheet 6

(Continued)

SPECIAL CONDITIONS (Continued)

Secondary Market Transactions

- 18. Subject to the conditions below, through the remainder of the term of the CS, storage customers will be allowed to transfer to any qualified person, whether or not an end-user or wholesale customer of Utility, all or any portions of their storage contract rights (inventory, injection, and withdrawal rights may be transferred independently) for any period of time up to the remaining term of their contracts. Storage contract rights may be re-transferred any number of times under the same rules applicable to transfers by persons who originally obtained the rights directly from Utility.
- 19. Transferors must provide Utility with written notice two days in advance of the first nomination cycle for the effective flow date of the rights transferred. Written notice must be on Form 1790, and be received by Utility no later than 2:30 p.m. Pacific time. Until the complete implementation of the CS, certain transfer restrictions are in effect. For the flow days of Saturday, Sunday, and Monday, rights cannot be transferred for these days individually. Rights applicable to these days must be transferred for the entire three days. In addition, when transferred rights begin on a Tuesday, the third nomination cycle will be the first opportunity to nominate these rights. For transfers affected by Utility holidays, a special schedule will be posted on GasSelect®.
- 20. Prior to any notice of transfer for specific storage rights being submitted, potential transferees must have a valid executed Master Services Contract with the Utility and must have approved credit per Rule No. 39. Until the complete implementation of the CS: (i) Utility will bill the reservation charges to the transferee only if the transfer of storage rights is a complete assignment of the entire storage contract for the remaining term of the contract; (ii) if the transfer is a partial assignment of the storage rights under the contract, or a transfer of the entire contract for a period of time less than the remaining term of the contract, Utility will continue to bill the reservation charges to the transferor and will bill the variable and transmission charges to the transferee under its existing storage agreement. If the transferee has no existing storage agreement, then a G-TBS agreement will be established for the transferred capacity.
- 21. Information regarding secondary market transfer transactions (currently, the names of parties, term of transfer, and amount of capacity transferred, but not the price) will be posted by Utility on its GasSelect® on a periodic basis as required in the CPUC's decision approving with modifications the CS (D.01-12-018) or as may be required by subsequent CPUC action.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. G-CGS
CORE GAS STORAGE

Sheet 1

APPLICABILITY

Applicable for firm core storage service to Utility Gas Acquisition Department and core transport agents (CTAs), who are also called Energy Service Providers (ESPs).

TERRITORY

Applicable for gas stored by the Utility within its service territory.

RATES

Reservation Charges

Annual Firm Inventory

Reservation Charge for annual firm inventory capacity reserved

Rate, per decatherm 21.741¢

Annual Firm Injection

Reservation Charge for daily firm injection capacity reserved

Rate, per decatherm per day \$41.265

Annual Firm Withdrawal

Reservation Charge for daily firm withdrawal capacity reserved

Rate, per decatherm per day \$5.909

Reservation charges for G-CGS services shall be billed in equal monthly installments over the term of the contract. The reservation charges under this schedule are applicable whether the service is used or not.

Variable Charges

Variable charges are specified below, and are effective year-round. Variable injection charges will be assessed when a customer's net scheduled storage activity results in the customer's injection on a gas flow day. Variable withdrawal charges will be assessed when a customer's net scheduled storage activity results in the customer's withdrawal on a gas flow day.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. G-CGS
CORE GAS STORAGE

Sheet 2

(Continued)

RATES (Continued)

Variable Charges (Continued)

For Injection

In-Kind Energy Charge (applied to injection quantity)

Rate, percent reduction 2.440%

O&M Injection Charge (applied to injection quantity less In-Kind Charge)

Rate, per therm 0.123¢

For Withdrawal

O&M Withdrawal Charge (applied to withdrawal quantity)

Rate, per therm 0.172¢

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities applicable under this schedule or changes in costs used in prior period's storage charges.

SPECIAL CONDITIONS

General

1. The definitions of the principal terms used in this rate schedule and the Utility's other tariff schedules are contained in Rule No. 1.
2. Storage service under this schedule shall be restricted in accordance with Rule No. 23.
3. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the transportation of customer-owned gas in conjunction with the storage services provided under this schedule.
4. Prior to and while taking service under this tariff, a customer must meet the Utility's creditworthiness requirements as specified in Rule No. 39.
5. Storage injection and withdrawal services offered hereunder as "firm" are subject to pro rata reductions based on the total system capacity available on a daily basis as defined in Rule No. 30.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
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Lee Schavrien
Vice President
Regulatory Affairs

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EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. G-CGS
CORE GAS STORAGE

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

General (Continued)

6. For customers under this schedule, any storage gas remaining in inventory at the conclusion of the customer's storage contract term shall be considered an imbalance subject to the provisions of Schedule No. G-IMB, unless the customer obtains sufficient inventory capacity rights for the period immediately following the expiration of the contract.
7. In the event the customer's storage contract is terminated, for whatever reason, prior to the completion of the term of such contract, the Utility may at its option immediately purchase any remaining inventory quantities from such customer at the applicable Buy-Back Rate stated in Schedule No. G-IMB. The Buy-Back purchase amount paid to the customer may be reduced by any outstanding amounts owed by the customer for any other services provided by the Utility.
8. Each February, the CTA's storage allocation for reliability/balancing and non-reliability purposes will be calculated for the following injection and withdrawal season (subject to revision in August). Reliability/balancing and non-reliability storage capacities for the total core market are:

	<u>Reliability/Balancing</u>	<u>Non-Reliability</u>	<u>Total</u>
Inventory (BCF)	35	35	70
Injection (MMcfd)	234	93	327
Withdrawal (MMcfd)	1935	0	1935

CTA's storage allocation will be based upon the ratio of the volume of winter throughput of core customers who have contracted for procurement service from the CTA to the total core market winter throughput using the actual throughput during the previous winter.

Rejection of Storage Allocations

9. CTAs do not have the option to reject allocated reliability storage, but a CTA may reject its storage allocation for non-reliability purposes by submitting Form 6536-AB.
10. Between February 15th and March 1st each year, a CTA will be given the option to accept or reject all of their annual reservation of storage for non-reliability purposes for the storage year commencing April 1st. Acceptance or rejection must be for the full non-reliability storage reservation.

Intra-Year Adjustments

11. Each August, Utility will recalculate the CTA storage reservations of reliability/balancing and non-reliability storage, and compare this new calculation with the annual reservations calculated at the beginning of the current storage season.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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 Regulatory Affairs

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Schedule No. G-CGS
CORE GAS STORAGE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

Intra-Year Adjustments (Continued)

12. If, as a result of the intra-year calculation, the CTA's share of total (reliability plus non-reliability) storage inventory increases by more than 100,000 therms, between August 15 and September 1, the CTA must accept the increased amount of reliability storage rights effective November 1. However, the CTA has an option to accept or reject the entire amount of increased non-reliability reservation. The election to accept or reject the intra-year incremental change in non-reliability storage shall be made using Form 6536-AB between August 15 and September 1.
13. For the increased amounts of the CTA's reliability storage rights, a quantity of gas associated with those rights in the Utility Gas Acquisition Department's storage account on November 1 will be transferred to the CTA's account at a price that reflects the weighted average core procurement price for the months of April through October. However, the CTA will not receive any gas corresponding to the increased non-reliability storage it accepts. The CTA will also pay Utility the total cost of the reliability and non-reliability storage rights it receives and associated variable O&M and in-kind fuel costs for April through October of that storage year in payments over the remainder of the storage year. The Utility will provide its Gas Acquisition Department an appropriate amount of credit reflecting these costs.
14. If, as a result of the intra-year calculation, the CTA's reserved share of total (reliability plus non-reliability) storage inventory decreases by more than 100,000 therms, between August 15 and September 1, the CTA must accept the decreased amount of reliability storage inventory rights effective November 1. However, the CTA will retain its non-reliability storage rights originally accepted regardless of the reduction resulting from the intra-year calculation. The CTA must transfer to the Utility Gas Acquisition Department its reduced reliability storage rights. The reliability gas in storage on November 1 associated with those reduced reliability storage rights will also be transferred from the CTA's account to the Utility Gas Acquisition Department, which will pay the Utility for the transferred reliability storage capacity, variable O&M and in-kind fuel costs, and gas on the terms same as those described in Special Condition 13. The Utility will provide the CTA an appropriate amount of credit reflecting these costs.

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(TO BE INSERTED BY UTILITY)
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Lee Schavrien
Vice President
Regulatory Affairs

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RESOLUTION NO. _____

Schedule No. G-CGS
CORE GAS STORAGE

Sheet 5

(Continued)

SPECIAL CONDITIONS (Continued)

New CTA Signing-up During the Storage Year

15. Any new CTA that begins service after August 1st will not be allocated any storage rights for the remainder of that storage year. However, if a new CTA wants to begin service between March 1st and August 1st, its storage inventory, injection, and withdrawal rights will be calculated based on the same methodology as that for an intra-year adjustment for allocating storage inventory, injection, and withdrawal rights. For the amount of reservation that the new CTA needs for reliability, a quantity of gas associated with those rights in the Utility Gas Acquisition Department's storage account will be transferred to the new CTA's account at a price that reflects the weighted average core procurement price for the months of April through October. The new CTA will also pay the Utility total cost of the reliability and non-reliability storage rights it receives and associated variable O&M and in-kind fuel costs for April through October of that storage year in payments over the remainder of the storage year. The Utility will provide its Gas Acquisition Department an appropriate amount of credit reflecting these costs.

Storage Nominations

16. The Utility Gas Acquisition Department and CTA must provide the Utility with its daily nominations for storage injections and/or withdrawals concurrently with its daily nominations for transportation service made pursuant to Rule No. 30.

Storage Requirements

17. The core class -- Utility's Gas Acquisition Department and all CTAs combined -- drive gas obligation will be met by the following preliminary storage targets for the winter of 2002-2003:

<u>Month</u>	<u>Required Gas in Storage</u>
November 1, 2002	35 BCF*
January 31, 2003	25 BCF
February 28, 2003	15 BCF
March 31, 2003	5 BCF**

* Utility's Gas Acquisition Department is required to hold additional gas in storage as specified in its GCIM.

** CTA's share of the March 31, 2003 storage inventory level may go to zero only if it is exiting the program as of March 31, 2003.

Required gas in storage, listed above, shall be adjusted, by no later than September 15, based upon storage field operating conditions and, including but not limited to, the drive-gas requirements.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. G-CGS
CORE GAS STORAGE

Sheet 6

(Continued)

SPECIAL CONDITIONS (Continued)

Storage Requirements (Continued)

17. (Continued)

CTA's required gas in storage will be based upon the ratio of the CTA's reliability inventory allocation to the 35 BCF total core market reliability inventory. If the CTA fails to nominate and inject gas into storage to meet its required gas in storage, described above, the gas necessary to meet the requirement will be considered to be part of the CTA's imbalance for that month.

Monthly Imbalance Trading

18. Customers may use their available storage inventory capacity and quantities to (1) offset the customer's own monthly transportation imbalances, or (2) trade with other customers for their monthly transportation imbalances.
19. For injections and withdrawals performed through monthly imbalance trading, the customer shall not be required to have storage injection or withdrawal rights but shall be assessed the variable charges (including in-Kind Energy and O&M charges) set forth herein for such storage operations based on the net imbalance trading activity each month. For such monthly imbalance trading, the storage transaction shall be considered as occurring at the time the imbalance trade is completed by the Utility.
20. If gas is to be injected by the storage customer as a result of a monthly imbalance trade, the customer must have sufficient available inventory space at the time the trade is completed by the Utility and at the time that imbalance occurred. If storage gas is to be withdrawn through an imbalance trade, the storage customer must have sufficient gas in inventory at the time the trade is completed by the Utility and at the time that imbalance occurred.

Storage Inventory Transfers

21. Storage customers may mutually request to transfer gas in inventory from one customer's storage account to another. Such requests must be made by both parties to the inventory transfer and are limited to the inventory quantity available for transfer and the available inventory capacity of the receiving customer at the time the transfer is completed by the Utility. Variable storage charges are not applicable to storage inventory transfers. All transfers may be accepted or rejected, in whole or in part, by the Utility and shall not be deemed accepted until such time as the Utility notifies both customers of the completion of the transfer.

(Continued)

(TO BE INSERTED BY UTILITY)
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DECISION NO. 01-12-018

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Lee Schavrien
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Schedule No. G-CGS
CORE GAS STORAGE

Sheet 7

(Continued)

SPECIAL CONDITIONS (Continued)

Secondary Market Transactions

22. CTAs can assign any of their storage rights (inventory, injection and withdrawal) allocated to reliability storage to a party assuming the role of the CTA, subject to Utility consent and the creditworthiness requirements specified in Rule No. 39. This assignment would not invoke the transfer of reliability gas between Utility Gas Acquisition and these CTAs.
23. Subject to the conditions below, through the remainder of the term of the Comprehensive Gas OII Settlement Agreement (the "CS") (D.01-12-018), Core Gas Storage customers will be allowed to transfer to any qualified person, whether or not an end-user or wholesale customer of Utility, all or any portions of their reliability and non-reliability storage contract rights (inventory, injection, and withdrawal rights may be transferred independently) for any period of time up to the remaining term of their contracts. Storage contract rights may be re-transferred any number of times under the same rules applicable to transfers by persons who originally obtained the rights directly from Utility.
24. Transferors must provide Utility with written notice two days in advance of the first nomination cycle for the effective flow date of the rights transferred. Written notice must be on Form 1790, and be received by Utility no later than 2:30 p.m. pacific time. Until the complete implementation of the CS, certain transfer restrictions are in effect. For the flow days of Saturday, Sunday, and Monday, rights cannot be transferred for these days individually. Rights applicable to these days must be transferred for the entire three days. In addition, when transferred rights begin on a Tuesday, the third nomination cycle will be the first opportunity to nominate these rights. For transfers affected by Utility holidays, a special schedule will be posted on GasSelect®.
25. Prior to any notice of transfer for specific storage rights being submitted, potential transferees must have a valid executed Master Services Contract with the Utility and must have approved credit per Rule No. 39. Until the complete implementation of the CS: (i) Utility will bill the reservation charges to the transferee only if the transfer of storage rights is a complete assignment of the entire storage contract for the remaining term of the contract; (ii) if the transfer is a partial assignment of the storage rights under the contract, or a transfer of the entire contract for a period of time less than the remaining term of the contract, Utility will continue to bill the reservation charges to the transferor and will bill the variable and transmission charges to the transferee under its existing storage agreement. If the transferee has no existing storage agreement, then a G-TBS agreement will be established for the transferred capacity.
26. Information regarding secondary market transfer transactions (currently, the names of parties, term of transfer, and amount of capacity transferred, but not the price) will be posted by Utility on its GasSelect® System on a periodic basis as required in the CPUC's decision approving with modifications the CS or as may be required by subsequent CPUC action.

(TO BE INSERTED BY UTILITY)

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DECISION NO. 01-12-018

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Schedule No. G-PAC
PACKAGED STORAGE SERVICE

Sheet 1

APPLICABILITY

Applicable for unbundled inventory, injection, and withdrawal storage services to noncore transportation customers, wholesale customers, contracted marketers, and marketers/agents; and to core transportation customers; core aggregators, and the Utility's gas supply department for any storage capacity that is additional to their allocated core storage rights. All qualified eligible participants are collectively referred to herein as "customers" unless otherwise specified.

Packaged Storage Service (PAC) is a defined combination of storage capacity comprised of 0.0076 decaetherm (dth) per day of firm injection and 0.0296 dth per day of firm withdrawal for each dth of inventory capacity. The storage packages are offered for a one-year or multiple-year term. Prior to the beginning of each storage year (April 1), the Utility will hold an open season to auction the one-year package. During the initial open season for the first one-year package, the Utility will also auction the multiple-year package, which will be available for a term up to three years beginning April 1, 2003.

TERRITORY

Applicable for gas stored by the Utility within its service territory.

RATES

Storage service rates under Schedule G-PAC consist of Reservation Charges and Variable Charges.

Reservation Charge

Firm Storage Service

The annual reservation charge for PAC shall be 70.606¢/dth. The reservation charge under this schedule is applicable whether the service is used or not.

Variable Storage Charges

Variable charges are specified below, and are effective year-round. Variable injection charges will be assessed when a customer's net scheduled storage activity results in the customer's injection on a gas flow day. Variable withdrawal charges will be assessed when a customer's net scheduled storage activity results in the customer's withdrawal on a gas flow day.

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Schedule No. G-PAC
PACKAGED STORAGE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Variable Storage Charges (Continued)

For Injection

In-Kind Energy Charge (applied to injection quantity)

Rate, percent reduction 2.440%

O&M Injection Charge (applied to injection quantity less In-Kind Energy Charge)

Rate, per therm 0.123¢

For Withdrawal

O&M Withdrawal Charge (applied to withdrawal quantity)

Rate, per therm 0.172¢

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities applicable under this schedule or changes in costs used in prior period's storage charges.

SPECIAL CONDITIONS

General

1. The definitions of the principal terms used in this rate schedule and the Utility's other tariff schedules are contained in Rule No. 1.
2. Service under this schedule shall be restricted in accordance with the provisions of Rule No. 23.
3. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the storage services provided under this schedule.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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Schedule No. G-PAC
PACKAGED STORAGE SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

General (Continued)

4. As a condition precedent to service under this schedule, an executed Master Services Contract and Schedule L, Packaged Storage Service Agreement (Form Nos. 6597 and 6597-16) are required (referred to in this schedule as the "Contract"). All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
5. The contract term for service under this schedule shall be set forth in the customer's contract.
6. For customers under this schedule, any storage gas remaining in inventory at the conclusion of the customer's storage Contract term shall be considered an imbalance subject to the provisions of Schedule No. G-IMB, unless the customer obtains sufficient inventory capacity rights for the period immediately following the expiration of the Contract.
7. In the event the customer's storage contract is terminated, for whatever reason, prior to the completion of the term of such contract, the Utility may at its option immediately purchase any remaining inventory quantities from such customer at the applicable Buy-Back Rate stated in Schedule No. G-IMB. The Buy-Back purchase amount paid to the customer may be reduced by any outstanding amounts owed by the customer for any other services provided by the Utility.
8. Prior to and while taking service under this tariff, a customer must meet the Utility's creditworthiness requirements as specified in Rule 39.
9. Firm injection and withdrawal services are subject to reductions for seasonal maintenance work.

Storage Nominations

10. G-PAC customers may designate an agent to act on their behalf for the purpose of making storage nominations for their service under this schedule.

Monthly Imbalance Trading

11. Customers may use their available storage inventory capacity and quantities to (1) offset the customer's own monthly transportation imbalances, or (2) trade with other customers for their monthly transportation imbalances.

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Schedule No. G-PAC
PACKAGED STORAGE SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

Monthly Imbalance Trading (Continued)

- 12. For injections and withdrawals performed through imbalance trading, the customer shall not be required to have storage injection or withdrawal rights but shall be assessed the variable charges (In-Kind Energy and O&M charges) set forth herein for such storage operations. For such imbalance trading, the storage transaction shall be considered as occurring at the time the imbalance trade is completed by the Utility.
- 13. If gas is to be injected by the storage customer as a result of an imbalance trade, the customer must have sufficient available inventory space during the month that the imbalance occurred and at the time the trade is completed by the Utility. If storage gas is to be withdrawn through an imbalance trade, the storage customer must have sufficient gas in inventory during the month that the imbalance occurred and at the time the trade is completed by the Utility.

Storage Inventory Transfers

- 14. Storage customers may mutually request to transfer gas in inventory from one customer's storage account to another. Such requests must be made by both parties to the inventory transfer and are limited to the inventory quantity available for transfer and the available inventory capacity of the receiving customer at the time the transfer is completed by the Utility. Variable storage charges are not applicable to storage inventory transfers. All transfers may be accepted or rejected, in whole or in part, by the Utility and shall not be deemed accepted until such time as the Utility notifies both customers of the completion of the transfer.

Secondary Market Transactions

- 15. Subject to the conditions below, through the remainder of the term of the Comprehensive Gas OII Settlement Agreement (the "CS") (D.01-12-018), storage customers will be allowed to transfer to any qualified person, whether or not an end-user or wholesale customer of Utility, all or any portions of their storage contract rights (inventory, injection, and withdrawal rights may be transferred independently) for any period of time up to the remaining term of their contracts. Storage contract rights may be re-transferred any number of times under the same rules applicable to transfers by persons who originally obtained the rights directly from Utility.

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Schedule No. G-PAC
PACKAGED STORAGE SERVICE

Sheet 5

(Continued)

SPECIAL CONDITIONS (Continued)

Secondary Market Transactions (Continued)

16. Transferors must provide Utility with written notice two days in advance of the first nomination cycle for the effective flow date of the rights transferred. Written notice must be on Form 1790, and be received by Utility no later than 2:30 p.m. Pacific time. Until the complete implementation of the CS, certain transfer restrictions are in effect. For the flow days of Saturday, Sunday, and Monday, rights cannot be transferred for these days individually. Rights applicable to these days must be transferred for the entire three days. In addition, when transferred rights begin on a Tuesday, the third nomination cycle will be the first opportunity to nominate these rights. For transfers affected by Utility holidays, a special schedule will be posted on GasSelect®.
17. Prior to any notice of transfer for specific storage rights being submitted, potential transferees must have a valid executed Master Services Contract with the Utility and must have approved credit per Rule No. 39. Until the complete implementation of the CS: (i) Utility will bill the reservation charges to the transferee only if the transfer of storage rights is a complete assignment of the entire storage contract for the remaining term of the contract; (ii) if the transfer is a partial assignment of the storage rights under the contract, or a transfer of the entire contract for a period of time less than the remaining term of the contract, Utility will continue to bill the reservation charges to the transferor and will bill the variable and transmission charges to the transferee under its existing storage agreement. If the transferee has no existing storage agreement, then a G-TBS agreement will be established for the transferred capacity.
18. Information regarding secondary market transfer transactions (currently, the names of parties, term of transfer, and amount of capacity transferred, but not the price) will be posted by Utility on its GasSelect® on a periodic basis as required in the CPUC's decision approving with modifications the Comprehensive Gas OII Settlement Agreement (the "CS") (D.01-12-018) or as may be required by subsequent CPUC action.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
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(TO BE INSERTED BY CAL. PUC)

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Schedule No. G-CBC

Sheet 1

ENERGY SERVICE PROVIDER (ESP)
CONSOLIDATED BILLING CREDIT

APPLICABILITY

Applicable to customers who receive core aggregation gas transportation service and whose Energy Service Provider (ESP) provides consolidated billing services as specified in Rule No. 32. Core aggregation gas transportation customers for whom an ESP provides consolidated billing services, shall receive a credit from SoCalGas towards their transportation charges for that period of time when SoCalGas is not required to send an information-only bill to such customer. To qualify, customers must be served by an ESP that has an active ESP Billing Agreement (Form 6536-A, Attachment C) with SoCalGas.

TERRITORY

Applicable throughout the service territory.

DESCRIPTION OF TARIFFED SERVICE

A customer receiving ESP consolidated billing services, as specified above, shall receive an avoided cost credit towards their transportation charges.

SoCalGas is not liable to the customer for any damages (direct, indirect, consequential or incidental) associated with or arising from the ESP's modification of, or failure to provide customer with any SoCalGas-provided bill insert. The CPUC has the sole jurisdiction to resolve disputes concerning the content of a utility-provided bill insert.

SoCalGas will deliver avoided cost credits to qualifying customers through the customers' respective ESP. Avoided cost credits shall be paid to ESPs at least two times a year.

RATES

Avoided Cost Credit – Residential

Per account, per month \$0.78

Avoided Cost Credit – Non-Residential

Per account, per month \$1.16

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Schedule No. G-BR
BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 1

APPLICABILITY

Applicable to firm and interruptible receipt point rights to SoCalGas' backbone transmission system. Service under this Schedule is available to any creditworthy party. All eligible participants are collectively referred to herein as "Customers" unless otherwise specified.

Service under this rate schedule begins on November 1, 2002 and remains in effect through August 31, 2006. Firm receipt point rights to SoCalGas' backbone transmission system does not guarantee nor imply firm service on SoCalGas' local transmission/distribution system.

TERRITORY

Applicable throughout the SoCalGas service territory.

RECEIPT POINTS

Receipt Points available for service under this schedule are as follows:

<u>Receipt Point</u>	<u>Primary Rights</u>	<u>Secondary Rights*</u>	<u>Maximum Firm Rights (MMcfd)</u>
Topock	El Paso	Transwestern at Topock	540
Blythe	El Paso	None	1210
North Needles	Transwestern	Questar at North Needles	750
		Mojave at Hector Road	
North Needles (expansion)	Transwestern/ Southern Trails	Mojave at Hector Road	50
Hector Road	Mojave	Transwestern/Questar at North Needles	50
Kramer Junction	Kern River/Mojave	None	200
Wheeler Ridge (North)	Kern River/Mojave/ PG&E/Occidental	None	520
Wheeler Ridge (South)	Kern River/Mojave	PG&E/ Occidental	245
Line 85	California Producers	None	190
North Coastal	California Producers	None	120
Other	California Producers	None	N/A

* Priority over interruptible service

(Continued)

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Schedule No. G-BR
BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 2

(Continued)

DELIVERY POINTS

Delivery Points available for service under this schedule are:

1. End-User's Local Transportation Agreement
2. Citygate Pool
3. Storage Account
4. Contracted Marketer or Core Aggregator Transportation Account

RATES

I. OPEN SEASON (Rate options available at all receipt points, except Other)

G-BRF1, G-BRF2 and G-BRFS rate schedules provide firm service and are the only rate schedule options available during the initial and annual open seasons. The term of service under these rate schedules shall be consistent with the term options outlined in the open seasons.

<u>Rate Schedule</u>	<u>Description of Service</u>	<u>Rate Structure</u>	<u>Reservation Rate (per Dth)</u>	<u>Volumetric Rate (per Dth)</u>
G-BRF1	Firm	100% Reservation	\$0.07609	\$0.00000
G-BRF2	Firm	50% Res/50% Vol.	\$0.04016	\$0.04016
G-BRFS	Firm Seasonal	100% Reservation	\$0.09131	\$0.00000

II. NON-OPEN SEASON (Rate options available at all receipt points)

Backbone receipt point rights not awarded in the open seasons can be obtained through individually negotiated contracts under the G-BRFN or G-BRI rate schedules. The G-BRFN rate schedule provides firm service and the G-BRI rate schedule provides interruptible service. The term of service under the following rate schedules shall be from a minimum of one day to a term with a term end date no greater than August 31, 2006.

<u>Rate Schedule</u>	<u>Description of Service</u>	<u>Rate Structure</u>	<u>Maximum Rate (per Dth)</u>
G-BRFN	Firm	Negotiable	\$0.09131
G-BRI	Interruptible	100% Volumetric	\$0.09131

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Schedule No. G-BR
BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 3

(Continued)

RATES (Continued)

II. NON-OPEN SEASON (Rate options available at all receipt points) (Continued)

Transmission fuel of 0.39% will be assessed on all gross scheduled quantities of gas to a backbone receipt contract (BRC). For scheduling purposes, a customer will be allowed to nominate at a receipt point 0.39% more than their desired scheduled quantities (up to their DCQ) to account for in-kind fuel.

Example: Customer ABC has a BRC with a DCQ of 15,000 dekatherms. In order to actually flow 15,000 dekatherms on their BRC, Customer ABC's gross scheduled quantity should be calculated by dividing their DCQ by 0.9961. In this example, gross scheduled quantity = 15,059 (15,000/0.9961).

BILLING CALCULATION

Monthly Reservation Charge:

The Reservation Charge is payable each month regardless of the quantity of gas scheduled during the billing period. The Reservation Charge for each billing period shall be calculated using the applicable reservation rate and the DCQ as specified in Customer's BRC.

Monthly Reservation Charge = Reservation Rate * DCQ * number of days in the billing period (or if less than one month, number of days in term of contract)

Monthly Volumetric Charge:

The Volumetric Charge for each billing period shall be calculated using the applicable volumetric rate multiplied by the scheduled quantities on the Customer's BRC.

Monthly Volumetric Charge = Volumetric Rate * Quantities of Gas Scheduled during billing period

SPECIAL CONDITIONS

GENERAL

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1, Definitions.
2. Any disputed bill will be treated in accordance with Rule No. 11, Disputed Bills.

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Schedule No. G-BR

Sheet 4

BACKBONE TRANSMISSION RECEIPT ACCESS

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

3. As a condition precedent to service under this schedule, an executed Backbone Receipt Master Agreement (BRMA) and a Backbone Receipt Contract (BRC) (Form Nos. 6597-17 and 6597-18) are required. All contracts, rates and conditions are subject to revision and modification as a result of CPUC order.
4. Customer must meet the credit requirements as specified in Rule No. 39, Customer Creditworthiness.
5. Gas scheduled under this service may be subject to diversion as outlined in Rule No. 23, Continuity of Service and Interruption of Delivery.
6. The tariff rates shall escalate by whatever CPUC-adopted PBR or attrition formula is generally applicable to SoCalGas' base rates in effect at the time.

NOMINATIONS AND BALANCING

7. Nominations are required for gas transported under this rate schedule. See Rule No. 30, Transportation of Customer-Owned Gas, for details.
8. A customer may opt to designate one and only one nominating agent in addition to itself at any one time to nominate on all BRCs under a customer's BRMA. The nominating agent shall be specified in the customer's BRMA and shall apply to all BRCs under that customer's BRMA. Customer must provide appropriate written authorization to SoCalGas of its intent to add or change a designated nominating agent via the Nomination and Trading Agent Authorization Form (Form 9924). Such designation shall be subject to that nominating agent complying with applicable tariff and contractual provisions. Customer shall provide appropriate written notice to SoCalGas of its intent to terminate a nominating agent via the Termination of Nominating or Trading Agent Form (Form 9927).
9. Service under this rate schedule shall be subject to all applicable terms, conditions and obligations of Rule No. 30, Transportation of Customer-Owned Gas, Rule No. 40, Operational Flow Orders (OFO) and Rate Schedule G-IMB, Transportation Imbalance Service.

(Continued)

(TO BE INSERTED BY UTILITY)
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Schedule No. G-BR

Sheet 5

BACKBONE TRANSMISSION RECEIPT ACCESS

(Continued)

SPECIAL CONDITIONS (Continued)

NOMINATIONS AND BALANCING (Continued)

10. Any party holding firm backbone receipt point rights at the Blythe receipt point shall be subject to a minimum flow order (MFO), which can occur on any cycle and will require that party to deliver up to 50% of their DCQ at Blythe on the next scheduling cycle. A Blythe MFO will be declared when scheduled deliveries are less than minimum flow requirements specifically at the Blythe receipt point. Utility will endeavor to provide a two-hour notice prior to the next nomination deadline. Failure to deliver the requested volume at Blythe will result in a Noncompliance Charge to the capacity holder, equal to either the Stage 1 or Stage 2 OFO specified in Schedule G-IMB, applied to the deficit from the requested delivery. Stage 2 OFO charges will be applied if volumes scheduled for delivery at Blythe are less than 75% of the minimum required supply posted on GasSelect®, or if shippers fail to respond to the initial Flow Order. If compliance with a Blythe MFO causes a balancing entity receiving gas supplies directly from a BRC (and not a citygate pool) to exceed its positive balancing tolerance, then any resulting imbalance charges will be waived. In addition, to the extent that the Blythe MFO causes that balancing entity to incur a monthly imbalance, that balancing entity will be allowed to carry the positive imbalance forward one month without incurring charges.

MARKET CONCENTRATION

11. No party in combination with its affiliate(s) shall be entitled to acquire more than 30% of the firm backbone receipt point rights at a receipt point that have not been awarded in the set-aside stage prior to the initial open season. (See Special Condition 14) The 30% limit applies to the initial open season, any subsequent open seasons and any individually negotiated contracts for firm backbone receipt point rights.
12. Backbone receipt point rights acquired in the secondary market are not subject to the 30% limitation.
13. SoCalGas Gas Acquisition (for core only) is not subject to the 30% limitation.
14. The 30% limitation will apply differently at the two Wheeler Ridge receipt points and the two North Needles points. The two Wheeler Ridge points (South and North) will be treated as one receipt point in evaluating the 30% market concentration limit. Likewise, the two North Needles points (North Needles and North Needles expansion) will be treated as one receipt point in evaluating the 30% market concentration limit.

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Schedule No. G-BR
BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 6

(Continued)

SPECIAL CONDITIONS (Continued)

SECONDARY MARKET ASSIGNMENTS

15. All firm backbone receipt point rights on SoCalGas are assignable to any creditworthy party (see paragraph 19 below for exception). Rights may be re-assigned any number of times under the same rules applicable to assignments by persons who originally obtained the rights directly from SoCalGas. Assignments may consist of all or part of the backbone receipt point rights customer's DCQ and all or part of the remaining contract term with a minimum term of one day. SoCalGas will bill the assignee and credit the assignor subject to the provisions in paragraph 19. If the assignee's rate is less than the assignor's rate, the assignor will continue to be responsible for payment of the difference.
16. A customer may opt to designate one and only one trading agent in addition to itself at any one time to buy or sell firm backbone receipt point in the secondary market only. The trading agent shall be specified in the customer's BRMA or in the Nomination and Trading Authorization Form (Form 9924) and shall apply to all BRCs under that customer's BRMA. Such designation shall be subject to that trading agent complying with applicable tariff and contractual provisions. Customer shall provide appropriate written notice to SoCalGas of its intent to terminate a trading agent via the Termination of Nominating or Trading Agent Form (Form 9927).
17. SoCalGas' Gas Acquisition Department may acquire additional backbone receipt point rights in the secondary market and/or through individually negotiated contracts.
18. Contract assignments are subject to the following requirements: (1) Assignor must provide SoCalGas with written notice in advance of their assignments by no later than 3 pm P.S.T. two calendar days prior to the gas flow date, (2) assignor may broker only the reservation component of their rate, (3) the total brokered rate, which is the sum of the reservation and volumetric rate, shall not exceed 120% of the G-BRF1 rate schedule, and (4) the volumetric rate component must remain the same as the assignor's.
19. The assignee must satisfy SoCalGas' credit requirements as outlined in Rule No. 39, Customer Creditworthiness. If SoCalGas' creditworthiness requirements are satisfied, SoCalGas shall notify the assignor and the assignor will then be relieved of all liability for performance by the assignee for the remainder of the term of the contract. Alternatively, the assignor may, at its option, waive the creditworthiness requirements applicable to the assignee, in which case the assignor shall remain secondarily liable for non-performance by the assignee. If an assignor exercises this option, it must continue to meet the credit requirements as outlined in Rule No. 39, Customer Creditworthiness, for the duration of this alternative plan.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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Schedule No. G-BR

Sheet 7

BACKBONE TRANSMISSION RECEIPT ACCESS

(Continued)

SPECIAL CONDITIONS (Continued)

SET-ASIDE PRIOR TO INITIAL OPEN SEASON

20. SoCalGas Gas Acquisition and SDG&E are assigned firm backbone receipt point rights prior to the initial open season. Other Wholesale Customers, CTAs, California producers and certain long-term contract holders shall have the option to acquire firm backbone receipt point rights prior to the initial open season. The set-aside rights and available rate and term options are as follows:

SoCalGas Gas Acquisition:

Set-Aside Rights:

<u>Receipt Point</u>	<u>Quantity (MMcfd)</u>
Topock	303
North Needles	313
Blythe	355
North Coastal	73

Term: Full-term (November 1, 2002 through August 31, 2006)

Rate Options: Any combination of G-BRF1 and G-BRF2 at each receipt point.

Special Provisions: SoCalGas' Gas Acquisition Department may opt to reduce its firm receipt point rights, after the initial open season and beginning with each subsequent annual open season, based on the amount by which its market share of core procurement service has declined below 90% of total core throughput. Such a reduction of firm rights among receipt points will be subject to CPUC approval.

San Diego Gas & Electric (SDG&E):

Set-Aside Rights:

<u>Receipt Point</u>	<u>Quantity (MMcfd)</u>
Wheeler Ridge (North)	50
Blythe	10

Term: Full-term (November 1, 2002 through August 31, 2006)

Rate Options: Any combination of G-BRF1 and G-BRF2 at each receipt point.

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BACKBONE TRANSMISSION RECEIPT ACCESS

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(Continued)

SPECIAL CONDITIONS (Continued)

SET-ASIDE PRIOR TO INITIAL OPEN SEASON (Continued)

CTAs on the SoCalGas and SDG&E System: Each CTA will have the option for initial set-aside rights, and may have options for set-aside rights each year thereafter through August 31, 2006. If a CTA opts for set-aside rights, it must take rights for all eligible volumes, not just a portion. To the extent the CTA's load increases from the prior year's set-aside quantities, Utility is not obligated to have available the receipt point capacity to meet the incremental load. If in any one year, a CTA waives its option for set-aside rights, Utility is not obligated to have available the receipt point capacity to provide those set-aside rights in subsequent years.

Set-Aside Rights:

<u>Receipt Point</u>	<u>Quantity</u>
Topock	The quantity for a term of one year at each of Topock, North
North Needles	Needles and Blythe equal to the then-existing interstate capacity
Blythe	rights reserved for SoCalGas' Gas Acquisition, times the share of the total core market served by that CTA.

Term: One-Year

Rate Options: Any combination of G-BRF1 and G-BRF2 at each receipt point.

Other Wholesale Customers: Each wholesale customer other than SDG&E will have the following two options during the initial set-aside, and may have options for set-asides each year thereafter through August 31, 2006. Only one option may be selected at a time. If one is selected, it must be selected for all eligible volumes, not just a portion. These options, if exercised, must be exercised in full and not in part. Neither option has to be selected. To the extent the wholesale customer's load increases from the prior year's set-aside quantities, Utility is not obligated to have available the receipt point capacity to meet the incremental load. If in any one year, a wholesale customer waives its option for set-aside rights, Utility is not obligated to have available the receipt point capacity to provide those set-aside rights in subsequent years.

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BACKBONE TRANSMISSION RECEIPT ACCESS

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(Continued)

SPECIAL CONDITIONS (Continued)

SET-ASIDE PRIOR TO INITIAL OPEN SEASON (Continued)

OPTION 1

Set-Aside Rights:

Receipt Point

Any

Quantity

Rights may be reserved to match the customer's contractual commitments upstream of each receipt point. Only upstream commitments in existence as of April 17, 2000, and with a remaining term on April 17, 2000, of at least 5 years will qualify. Also, the quantities will be limited to the core requirements of California customers of the wholesale customer (if contractual commitments for upstream capacity exceed the wholesale customers' core requirements, the customer's matching rights will be prorated to the customer's upstream commitments upstream of each receipt point); or

Term: One-Year

Rate: Any combination of G-BRF1 and G-BRF2 at each receipt point.

OPTION 2

Set-Aside Rights:

Receipt Point

Topock
North Needles
Blythe

Quantity

Rights may be reserved for a term of one year at each of Topock, North Needles and Blythe equal to the then-existing interstate capacity rights reserved for SoCalGas' Gas Acquisition Department, times the ratio of the wholesale customer's core throughput as a percentage of the total SoCalGas core market.

Term: One-Year

Rate: Any combination of G-BRF1 and G-BRF2 at each receipt point.

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BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 10

(Continued)

SPECIAL CONDITIONS (Continued)

SET-ASIDE PRIOR TO INITIAL OPEN SEASON (Continued)

California Producers connected directly to Line 85, North Coastal (excluding ExxonMobil Corp.) or Other:

Set-Aside Rights:

<u>Receipt Point</u>	<u>Quantity (MMcfd)</u>
Line 85	A quantity up to the historical deliveries during the period
North Coastal	June 1, 2001 through May 31, 2002.
Other	

Term: Full-term (November 1, 2002 through August 31, 2006)

Rate Options: Any combination of G-BRF1 and G-BRF2 at each receipt point.

Long Term Contract Holders: A customer under a long-term transportation contract having provisions that provide specific treatment for deliveries at particular SoCalGas receipt points shall have set-aside rights for backbone receipt point rights at those receipt points.

Set-Aside Rights:

<u>Receipt Point</u>	<u>Quantity (MMcfd)</u>
Same as that specified in long-term transportation contract as having specific treatment	The applicable daily quantities specified in customer's long-term transportation contract

Term: November 1, 2002 through August 31, 2006 (or long-term transportation contract term end date, whichever is sooner).

Rate Options: G-BRF1 only

INITIAL OPEN SEASON

21. An initial open season will be conducted through SoCalGas' on-line bid system prior to November 1, 2002 whereby firm backbone receipt point rights not awarded in the set-aside shall be made available through an open season process consisting of three stages. All three stages of the open season shall be conducted prior to November 1, 2002, and the results thereof shall be effective on that date.

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BACKBONE TRANSMISSION RECEIPT ACCESS

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(Continued)

SPECIAL CONDITIONS (Continued)

INITIAL OPEN SEASON (Continued)

I. BIDDING RIGHTS FOR NONCORE END-USE CUSTOMERS, INCLUDING WHOLESALE CUSTOMERS AND CTAs

Only existing noncore end-use customers, including wholesale customers, to the extent of their historical load and CTAs to the extent of their currently "contracted-for" load are entitled to participate in the 1st and 2nd stages. Wholesale and CTAs may participate in the 1st and 2nd stages only if they have not opted for their set-aside rights. An end-use customer's maximum bidding rights will be determined based on that customer's average daily historical consumption during the period June 1, 2001 through May 31, 2002. Customers entitled to participate may submit bids in the first stage and second stage for an amount of backbone rights up to 100% of their bidding rights, and may bid to acquire such rights at any receipt points or combination of receipt points. The sum of all of a customer's awards for Stage 1 and Stage 2 may not exceed their specified bidding rights.

End-use customers entitled to participate in the first and second stages may (1) bid on their own behalf, (2) allow a third party (such as a marketer) to bid on their behalf, or (3) assign their bidding rights to a third party (such as a marketer).

II. TERM OPTIONS

Customers will have four term options to bid:

1	One-Year	November 1, 2002 through October 31, 2003
2	Two-Year	November 1, 2002 through October 31, 2004
3	Three-Year	November 1, 2002 through October 31, 2005
4	Full-Term	November 1, 2002 through August 31, 2006
	Seasonal*	Specified Months in Term Options 1 through 4

* A bid for seasonal service would consist of one daily contract quantity (DCQ) specified for certain consecutive months of the year (minimum of 3 months to a maximum of 11 months) for a specified term option. If a bid were submitted for seasonal service for multiple years, then the same DCQ would apply to the same months in each year. Example: A company that dehydrates fruit has a seasonal load of 150 dekatherms a day for the months of August, September and October every year and would like to acquire backbone receipt point rights for the next two years. This company would submit a bid for seasonal service under the G-BRFS for a DCQ of 150 for the specified months of August, September and October for Term Option 2. If this company's bid were awarded, the company would hold backbone receipt point rights for six months: August 2003, September 2003, October 2003, August 2004, September 2004 and October 2004.

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BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 12

(Continued)

SPECIAL CONDITIONS (Continued)

INITIAL OPEN SEASON (Continued)

III. AVAILABLE BACKBONE RECEIPT POINT RIGHTS, RATE OPTIONS, TERM OPTIONS, ELIGIBLE PARTICIPANTS, AND AVAILABLE RECEIPT POINTS

The following table summarizes for each stage the available backbone receipt point rights, rate options, term options, eligible participants and receipt point:

<u>Stage</u>	<u>Available Backbone Receipt Point Rights</u>	<u>Rate Options</u>	<u>Term Options</u>	<u>Eligible Participants</u>	<u>Receipt Points</u>
1	50% of the firm rights remaining at each receipt point after the "set-aside" rights	G-BRF1 G-BRF2 G-BRFS	1,2,3,4	Existing noncore customers including wholesale customers, CTAs	All, except Other
2	All firm rights not awarded from Stage 1	G-BRF1 G-BRF2 G-BRFS	1,2,3,4	Existing noncore customers including wholesale customers, CTAs	All, except Other
3	All firm rights not awarded through set-asides and the first two stages; A minimum of 20% of the firm rights at each receipt point remaining available for the third stage shall be offered for a term of one year only.	G-BRF1 G-BRF2 G-BRFS	1,2,3,4	Any creditworthy party, except SoCalGas Gas Acquisition	All, except Other

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BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 13

(Continued)

SPECIAL CONDITIONS (Continued)

INITIAL OPEN SEASON (Continued)

IV. BID PROCESS AND EVALUATION

Submit Bid: All bids must be submitted through SoCalGas' internet-based bid system platform. Prior to submitting a bid, a bidder must have an executed BRMA in place and must also have satisfied the credit requirements as set forth in Rule No. 39, Customer Creditworthiness. However, an end-use customer who had 'already-established' credit with SoCalGas prior to Stage 1 would be deemed creditworthy enough (only up to their specified maximum bidding rights) to participate in all three stages.

A bid must specify the specific rate schedule, quantity of firm backbone receipt point rights expressed as DCQ, specific receipt point, and the term option. A bid for seasonal service under G-BRFS must also specify the particular months in addition to the term option. A party may make multiple bids for firm backbone receipt point rights at a particular receipt point, each with different rate schedules, and may, conversely, bid different rate schedules for different receipt points. All bids once submitted cannot be withdrawn. SoCalGas will provide a confirmation to the bidding party that the submitted bid was received.

Bid Evaluation and Awards: Bids at the two rate schedules, G-BRF1 and G-BRF2, will be treated equally for purposes of awarding capacity. Bids for seasonal capacity under G-BRFS will be given a lower priority over bids for G-BRF1 and G-BRF2 in the awarding of backbone receipt point rights for over-subscribed receipt points. Only the term bid will be used to determine which bids are awarded in which quantity, if more quantity is bid than is available for a particular receipt point. Firm backbone receipt point rights will be awarded to those bidders who bid for the longest term if more quantity is bid than is available for a particular receipt point. If more quantity is bid for at the same term than is available for a particular receipt point, all such bidders will be awarded rights on a basis pro rata to the amounts they bid at that term for that point with the condition that the bidding parties are creditworthy and that they have not exceeded the 30% market concentration limit at the receipt point. If during the course of a bid evaluation, a bid either exceeds the available credit of the bidder or the bid quantity would put the bidder in excess of the 30% market concentration limit, then the bid quantity will be reduced to the extent that the bid would then meet the credit and/or market concentration limit criteria. Successful bidders are contractually liable for all firm backbone receipt point rights awarded to them in the open season process and will be assigned a unique contract number for each successful bid.

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Schedule No. G-BR
BACKBONE TRANSMISSION RECEIPT ACCESS

Sheet 14

(Continued)

SPECIAL CONDITIONS (Continued)

SUBSEQUENT ANNUAL OPEN SEASONS

22. An annual open season will be conducted prior to November 1 of each year and the results thereof shall be effective on that date. The open season will consist of one stage only and shall not provide any preferential rights for existing end-use customers. SoCalGas shall offer all firm backbone receipt point rights that were not contracted for in the previous open season and any returned firm backbone receipt point rights under contracts expiring at or during the period for which the current open season is being held. SoCalGas must offer on a one-year term basis as much backbone receipt point rights as it had offered on a one-year term basis in the third stage of the initial open season. The open season bid process and evaluation will take place through SoCalGas' internet-based bid system platform. SoCalGas' Gas Acquisition Department may not participate in any open seasons on behalf of SoCalGas core customers.
23. The bid process and evaluation will be the same as for the initial open season.

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Schedule No. G-CS
CORE SUBSCRIPTION NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for core subscription service for (1) commercial and industrial, and enhanced oil recovery use at each facility classified as noncore, as defined in Rule No. 1, and (2) electric generation plants.

Pursuant to Decision No. 01-12-018, core subscription service is closed to new customers. Customers currently served under this schedule may remain so until their contract expiration date. Customers with contracts for service under this schedule expiring between December 11, 2001 and the close of the open seasons for backbone transmission capacity, may continue service under this schedule on a month-to-month basis, until the close of the open seasons for backbone transmission capacity.

After the end of the open seasons for backbone transmission capacity, customers being served under this schedule who fail to provide written notification of their selection of another available tariff service shall default to core service under Schedule No. GN-10; except for electric generation customers not qualifying for core service who will default to interruptible local transportation service under Schedule No. GT-I.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charges

G-CS3D, Commercial/Industrial Distribution Level, per month	\$350
G-CS3T, Transmission Level, per month	\$700
G-CS4, Enhanced Oil Recovery, per month	\$500
G-CS5, Electric Generation using less than 3 million therms per year Per month	\$50

The applicable G-CS5 monthly customer charge shall be determined on the basis of the customer's G-CS5 usage (combined with GT-F5 and GT-I5 usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the customer charge shall be determined on a pro rata basis using the months for which usage is available.

If the applicable customer charge is collected under Schedule No. GT-I or GT-F, no duplicative charge shall be collected hereunder.

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Schedule No. G-CS
CORE SUBSCRIPTION NATURAL GAS SERVICE

Sheet 2

(Continued)

RATES (continued)

Procurement Charges

Cost of Gas, per therm	20.298¢
Brokerage Fee, per therm	<u>0.266¢</u>
 Total Procurement Charges, per therm	 20.564¢

The procurement charge will be filed on the last business day of each month to become effective on the first calendar day of the following month. The procurement charge is comprised of (1) the weighted average cost of gas (WACOG) for the current month, derived in the manner approved in D.98-07-068, including authorized franchise fees and uncollectible expenses, and any applicable adjustments; (2) core backbone transmission receipt access charges; and (3) an authorized brokerage fee.

Interstate Transition Cost Surcharge (ITCS)

ITCS-GCS, per therm	0.038¢
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The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule except for that service identified in Rule No. 1 as being exempt. The ITCS under this schedule shall include an additional allocation of any capacity costs that are associated with core subscription service.

Reservation Charges

Rate, per therm	3.382¢
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The core subscription reservation charge is determined on all volumetric basis and is calculated based on actual gas usage in therms.

Transmission Charges

G-CS3D, Commercial/Industrial Distribution Level

Rate, per therm

Tier I	0 - 20,833 Therms	7.885¢
Tier II	20,834 - 83,333 Therms	4.871¢
Tier III	83,334 - 166,667 Therms	2.943¢
Tier IV	Over 166,667 Therms	1.565¢

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Schedule No. G-CS
CORE SUBSCRIPTION NATURAL GAS SERVICE

Sheet 3

(Continued)

RATES (continued)

Transmission Charges

G-CS3T, Transmission Level
 Rate, per therm

Tier I	0 - 166,667 Therms	0.953¢	R
Tier II	Over 166,667 Therms	0.206¢	R

G-CS4, Enhanced Oil Recovery Rate, per therm	1.215¢	R
---	--------	---

G-CS5, Electric Generation*

For customers using less than 3 million therms per year Rate, per therm	3.429¢	R
--	--------	---

For customers using 3 million therms or more per year Rate, per therm	1.253¢	R
--	--------	---

The applicable G-CS5 transmission charge shall be determined on the basis of the customer's G-CS5 usage (combined with GT-F5 and GT-I5 usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the transmission charge shall be determined on a pro rata basis using the months for which usage is available.

* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 16 herein.

Minimum Charge

For commercial/industrial, enhanced oil recovery and electric generation using less than 3 million therms per year service, the minimum monthly charge shall be the monthly customer charge. For electric generation customers using 3 million therms or more per year, the minimum monthly charge shall be the G-CS3T customer charge.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

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Schedule No. G-CS
CORE SUBSCRIPTION NATURAL GAS SERVICE

Sheet 5

(Continued)

SPECIAL CONDITIONS (continued)

FULL REQUIREMENTS SERVICE

- 8. Customers may elect full requirements service under this schedule or in combination with firm local transportation service under Schedule No. GT-F. Full requirements customers are not required to contract for a stated annual quantity.
- 9. Full requirements customers are prohibited from using alternate fuels or bypass pipeline service except (1) in the event of curtailment, (2) to test alternate fuel capability, or (3) where the Utility has provided prior written authorization for the use of alternate fuels or bypass for temporary periods.
- 10. In the event of any unauthorized alternate fuel use or bypass, customers must provide the Utility written notice thereof quantifying the extent to which alternate fuel or bypass use occurred. Such notice must be provided prior to the end of the month in which the usage took place. Any unauthorized alternate fuel or bypass use will be subject to a use-or-pay charge equal to 80% of the applicable transmission charge. No other use-or-pay charges are applicable to full requirements service.

PARTIAL REQUIREMENTS SERVICE

- 11. A customer not electing full requirements service must contract for an annual quantity of gas applicable each contract year during the term of the two-year reservation period. The annual contract quantity may not be changed during the term of the contract. The Utility reserves the right to accept or reject such quantities after considering the customer's historic usage and other evidence provided by the customer regarding operational changes affecting consumption.
- 12. If at the end of a contract year, the partial requirements customer's annual usage is less than 75% of the customer's annual contract quantity, the customer will pay (1) take-or-pay charges equal to: 14% of the procurement charge for the last billing month of the contract year times the difference between the customer's actual usage and the 75% threshold; plus (2) use-or-pay charges equal to 80% of the transmission charge for the last billing month of the contract year times the difference between the customer's actual usage and the 75% threshold.
- 13. Take-or-pay and Use-or-pay charges for partial requirements service shall only be forgiven to the extent the customer's reduced consumption is specifically due to Force Majeure, as defined in Rule No. 1, intrastate curtailment, or service interruptions imposed by the Utility.

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Schedule No. GT-R

Sheet 1

CORE AGGREGATION TRANSPORTATION
 FOR RESIDENTIAL SERVICE

APPLICABILITY

Applicable to the local transportation of customer-owned natural gas for individually metered residential customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge,

Per meter, per day 16.438¢*

If customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

* For "space heating only" customers a daily customer charge during the winter of 33.149¢ per day applies beginning November 1 through April 30. For the summer period beginning May 1 through October 31, except for closing bills or at the time of a rate increase, usage will be accumulated to at least 20 therms before billing. The term "space heating only" applies to customers who are using gas primarily for space heating for human comfort as determined by survey or under the presumption that customers who use less than 11 therms per month during each of the regular billing periods ending in August and September are using gas primarily for space heating for human comfort.

Minimum Charge (Per Meter Per Day)

All customers except "space heating only" 16.438¢

"Space heating only" customers:

Beginning November 1 through April 30 33.149¢

Beginning May 1 through October 31 None

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Schedule No. GT-R

Sheet 2

CORE AGGREGATION TRANSPORTATION
 FOR RESIDENTIAL SERVICE

(Continued)

RATES (continued)

Transmission Charge

GT-R

These charges are equal to the core commodity rate less the monthly residential procurement charge as set forth in Schedule No. G-CP.

Baseline Rate

All usage, per therm, under Special Condition 2
 and Special Condition 3 20.106¢

R

Non-Baseline Rate

All usage, per therm 37.936¢

R

The number of therms to be billed shall be determined in accordance with Rule 2.

SPECIAL CONDITIONS

1. Baseline Rates: Baseline Rates are applicable only to specific volumes of residential usage.
2. Baseline Usage: The following quantities of gas used in individually metered residences not in a multi-family complex are to be billed at the Baseline rates. Usage in excess of applicable Baseline allowances will be billed at the Non-Baseline rates.

<u>Per Residence</u>	<u>Daily Therm Allowance for Climate Zones*</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Summer	0.457	0.457	0.457
Winter	1.624	1.956	2.287

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Schedule No. GT-R

Sheet 4

CORE AGGREGATION TRANSPORTATION
FOR RESIDENTIAL SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

4. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
5. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.
6. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required. D
D
7. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32.
8. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule.
9. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule. N
10. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
11. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed. T
12. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties. D

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GRL
RESIDENTIAL SERVICE, INCOME-QUALIFIED

Sheet 2

(Continued)

RATES (continued)

Commodity Charge

GRL

These charges are for service as defined above and consist of: (1) the discounted monthly residential procurement charge, as described below; and (2) the GT-RL transmission charges, as set forth in Schedule No. GT-RL.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 9. The procurement charge shown below has been discounted by 20 percent.

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge:	G-CPRL	34.838¢	I R I
<u>Transmission Charge:</u>	<u>GT-RL</u>	<u>16.085¢</u>	
Commodity Charge:	GRL	50.923¢	

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRL	34.838¢	I R I
<u>Transmission Charge:</u>	<u>GT-RL</u>	<u>30.349¢</u>	
Commodity Charge:	GRL	65.187¢	

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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 Regulatory Affairs

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 RESOLUTION NO. _____

Schedule No. GRL
RESIDENTIAL SERVICE, INCOME-QUALIFIED

Sheet 5

(Continued)

SPECIAL CONDITIONS (continued)

6. (continued)

Upon completion and acceptance of the self-certification or self-recertification applications by the Utility (Form Nos. 6491-A or 64-91-B), customers shall be billed on this rate commencing with their next regularly scheduled bill.

Customers are only eligible to receive this rate at one residential location at any one time.

Random Post-Enrollment Verification: Resolution E-3586 authorized the Utility to undertake random post-enrollment verification of customers receiving the CARE rate. If selected for random post-enrollment verification, customers must provide proof of income to the Utility. The Utility will verify the eligibility of each customer so selected.

Further, questionable applications will also be subject to post-enrollment verification. A customer either suspected or found to have provided incorrect information will be required to submit proof of income eligibility. Customer refusal or failure to provide proof of eligibility, upon request, will be removed immediately from the CARE rate.

Customers who are found to be ineligible or fail to timely notify the Utility that they are no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

It is the customer's responsibility to notify the Utility of any change in eligibility status.

Self-Recertification: Customers will be required to self-recertify their eligibility every two years.

7. This schedule is effective for service on and after November 1, 1989.

8. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section A,3,(14).

9. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.

(TO BE INSERTED BY UTILITY)

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Schedule No. GT-RL

Sheet 1

CORE AGGREGATION TRANSPORTATION
RESIDENTIAL SERVICE, INCOME-QUALIFIED

APPLICABILITY

Applicable to the local transportation of customer-owned natural gas to individually metered residential customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32. Eligibility for service under this schedule is limited to income-qualified households as defined for California Alternate Rates for Energy in Rule No. 1 and Special Condition 5.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per meter, per day 13.151¢*

If the customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

* For "space heating only" customers, a daily customer charge of 26.519¢ per day applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, except for closing bills or at the time of a rate increase, usage will be accumulated to at least 20 therms before billing.

The term "space heating only" applies to customers who are using gas primarily for space heating for human comfort as determined by survey or under the presumption that customers who use less than 11 therms per month during each of the regular billing periods ending in August and September are using gas primarily for space heating for human comfort.

Minimum Charge (Per Meter Per Day)

All customers except "space heating only" 13.151¢

"Space heating only" customers:

Beginning November 1 through April 30 26.519¢

Beginning May 1 through October 31 None

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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(TO BE INSERTED BY CAL. PUC)
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 RESOLUTION NO. _____

Schedule No. GT-RL

Sheet 2

CORE AGGREGATION TRANSPORTATION
RESIDENTIAL SERVICE, INCOME-QUALIFIED

(Continued)

RATES (continued)

Transmission Charges

GT-RL

These charges are equal to the discounted core commodity rate less the discounted monthly residential procurement charge as set forth in Schedule No. G-CP.

Baseline Rate

All usage, per therm, under Special Condition 2
 and Special Condition 3 16.085¢

R

Non-Baseline Rate

All usage, per therm 30.349¢

R

Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Baseline Rates: Baseline Rates are applicable only to specific volumes of residential usage.
2. Baseline Usage: The following quantities of gas used in individually metered residences not in a multi-family complex are to be billed at the Baseline rate. Usage in excess of applicable Baseline allowances will be billed at the Non-Baseline rate.

<u>Per Residence</u>	<u>Daily Therm Allowance</u> <u>for Climate Zones*</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Summer	0.457	0.457	0.457
Winter	1.624	1.956	2.287

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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 RESOLUTION NO. _____

Schedule No. GT-RL

Sheet 5

CORE AGGREGATION TRANSPORTATION
RESIDENTIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

5. (continued)

It is the customer's responsibility to notify SoCalGas of any change in eligibility status.

Self-Recertification: Customers will be required to self-recertify their eligibility every two years

6. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.

7. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.

8. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32.

9. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule.

10. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.

11. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.

12. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed.

13. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.

14. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the ESP for all charges.

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(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
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Lee Schavrien
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DATE FILED May 1, 2002
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Schedule No. GT-S

Sheet 1

CORE AGGREGATION TRANSPORTATION
 FOR MULTI-FAMILY SUBMETERED SERVICE

APPLICABILITY

Applicable to local transportation of customer-owned natural gas to multi-family dwelling units and mobile home parks supplied through one meter on a single premise and submetered to all individual units. The number of qualifying units is subject to verification by SoCalGas. Service under this schedule is available to customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32. This schedule is closed to new mobile home parks or manufactured housing communities for which construction has commenced after January 1, 1997.

TERRITORY

Applicable throughout the service territory.

RATES

The therms in the Baseline block shall be multiplied by the number of qualified residential units. A daily submetering credit of 30.805¢ shall be applicable for each qualified residential unit. However, in no instance shall the monthly bill be less than the minimum charge.

Customer Charge

Per meter, per day 16.438¢*

If the customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

* For "space heating only" customers, a daily customer charge of 33.149¢ per day applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, except for closing bills or at the time of a rate increase, usage will be accumulated to at least 20 therms before billing.

The term "space heating only" applies to customers who are using gas primarily for space heating for human comfort as determined by survey or under the presumption that customers who use less than 11 therms per month during each of the regular billing periods ending in August and September are using gas primarily for space heating for human comfort.

Minimum Charge (Per Meter Per Day)

All customers except "space heating only"	16.438¢
"Space heating only" customers:	
Beginning November 1 through April 30.....	33.149¢
Beginning May 1 through October 31	None

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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 RESOLUTION NO. _____

Schedule No. GT-S

Sheet 2

CORE AGGREGATION TRANSPORTATION
 FOR MULTI-FAMILY SUBMETERED SERVICE

(Continued)

RATES (continued)

Transmission Charges

GT-S

These charges are equal to the core commodity rate less the monthly residential procurement charge as set forth in Schedule No. G-CP.

Baseline Rate

All usage, per therm, under Special Condition 2 and Special Condition 3	20.106¢	R
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Non-Baseline Rate

All usage, per therm	37.936¢	R
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Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

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(TO BE INSERTED BY UTILITY)
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Schedule No. GT-S

Sheet 4

CORE AGGREGATION TRANSPORTATION
FOR MULTI-FAMILY SUBMETERED SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

4. As a condition of service under this schedule, the customer must provide (1) a certification that all tenants have been notified in writing that the customer is applying for gas service under Schedule No. GT-S which provides a submetering credit, and (2) a copy of such written notice.
5. It is the responsibility of the customer to advise SoCalGas within 15 days following any change in the number of dwelling units or mobile home spaces provided gas service.
6. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
7. This schedule is closed as of December 15, 1981 for gas service to new multi-unit residential structures where such multi-unit tenants use gas directly in gas appliances in each occupancy and which requires venting. If a written commitment has been made by SoCalGas to provide master-metered service to new multi-unit residential structures where such multi-unit tenants use gas directly in gas appliances in each occupancy and which require venting, such commitment shall constitute authority for service under this schedule; however, such commitment shall become null and void if construction did not commence within twelve months from December 15, 1981.
8. The daily submetering credit provided herein prohibits further recovery by mobile home park owners for the costs of owning, operating, and maintaining their gas submetered system. This prohibition also includes the cost of the replacement of the submetered gas system.

No other charges shall be applied to the customer's tenants for submetered service unless specifically provided herein.

9. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.
10. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.
11. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32.
12. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule.
13. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Lee Schavrien
Vice President
Regulatory Affairs

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RESOLUTION NO. _____

Schedule No. GT-S

Sheet 5

CORE AGGREGATION TRANSPORTATION
FOR MULTI-FAMILY SUBMETERED SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

14. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
15. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed.
16. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.
17. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the ESP for all charges.
18. Master metered customers who aggregate their gas supplies and purchase gas from a third party may only charge their submetered tenants the maximum rate equal to SoCalGas' applicable prevailing rates, as if the tenant was purchasing gas directly from SoCalGas. If the price negotiated with the third party was less than SoCalGas' rates, the master metered customer may choose to share the profit with the submetered tenants. However, the master metered customer shall not charge more than SoCalGas' prevailing rates even if the negotiated price is higher than SoCalGas' rates.
19. Master metered customers shall provide an itemized billing of charges to each individual submetered tenant. Such billing shall generally conform to the structure and content of SoCalGas' billings to its customers. Master metered customers shall also post, in a conspicuous place, the rate schedule which would be applicable to the submetered tenant if the tenant were a customer of SoCalGas.

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ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
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Schedule No. GTO-AC

Sheet 1

TRANSPORTATION-ONLY OPTIONAL RATE
FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT

APPLICABILITY

The Gas Air Conditioning (AC) optional rate program is applicable to the local transportation of customer-owned natural gas for individually metered residential customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32. The program is for residential customers who 1) would normally qualify for service under Schedule No. GT-R, and 2) have, within 12 months prior to sign-up, purchased a new home with gas AC, installed gas AC equipment in a newly constructed home, or replaced an existing gas AC equipment with a new, more efficient gas AC unit.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge,

The customer charge is the customer charge as set forth in Schedule No. GT-R.

Per meter, per day 16.438¢

If customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

Minimum Charge (Per Meter Per Day)

All customers 16.438¢

Transmission Charges

The transmission charges are the GT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GTR transmission charges for all usage less than or equal to the base volumes. Base volumes are the average non-temperature sensitive residential volumes and are equal to 0.917 therms per day for single family dwellings and 0.722 therms per day for multi-family dwellings. For usage in the current year above base volume in the billing period, the customer will receive a Gas AC credit.

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Lee Schavrien
 Vice President
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 RESOLUTION NO. _____

Schedule No. GTO-AC

Sheet 2

TRANSPORTATION-ONLY OPTIONAL RATE
FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT

(Continued)

RATES (continued)

Transmission Charges (continued)

GTO-AC

Baseline Rate

All usage, per therm, under Special Condition 3 20.106¢

Non-Baseline Rate

All usage, per therm 37.936¢

Gas AC Rate (May through October)

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1. Incremental usage is defined as additional gas load above the base volume, the usage based on average residential daily non-temperature sensitive load.
2. Baseline Rates: Baseline rates are applicable only to specific volumes of residential usage.
 Gas AC Rates: Gas AC rates are applicable only to volumes in excess of base amounts: 0.917 therms per day for single family dwellings, and 0.722 therms per day for multi-family dwellings.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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 RESOLUTION NO. _____

Schedule No. GTO-AC

Sheet 4

TRANSPORTATION-ONLY OPTIONAL RATE
FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT

(Continued)

SPECIAL CONDITIONS (continued)

4. (Continued)

<u>Codes</u>	<u>Per Residence</u>	<u>Daily Therm Allowance</u> <u>for Climate Zones*</u>		
		<u>1</u>	<u>2</u>	<u>3</u>
5	Cooking only	0.085	0.085	0.085
6	Water heating only	0.375	0.375	0.375
7	Water heating and space heating			
	Summer	0.372	0.372	0.372
	Winter	1.538	1.870	2.201

* Climate Zones are described in the Preliminary Statement.

5. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
6. Customers may make service arrangements through an Aggregator, as defined in Rule No. 1, and as provided for in Rule No. 32.
7. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.
8. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No. 32.
9. All provisions of Rule No. 32, Core Aggregation Transportation, shall apply to customers receiving service under this schedule.
10. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.
11. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
12. Customers with multiple facilities (under the same customer name) whose total requirements are at least 120,000 therms per year may participate as a self-aggregator, but must designate a single account under which charges for imbalance services are to be billed.

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Schedule No. GTO-AC

Sheet 5

TRANSPORTATION-ONLY OPTIONAL RATE
FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT

(Continued)

SPECIAL CONDITIONS (continued)

13. In the event the ESP defaults on any payments to the Utility, the ESP's customers shall be responsible for the Utility's billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the Aggregator or any third parties.
14. The customer may cancel participation within 72 hours of submission of the request to participate in the Gas AC optional rate program.
15. As a condition precedent to service under this schedule, an executed Gas AC Program Agreement shall be required. As part of the Agreement, the customer certifies that he qualifies under the terms and conditions of this schedule.
16. All contracts, rates, and conditions are subject to revision and modification as a result of CPUC order.
17. The contract term for service under this rate schedule shall be for four years, but the customer or the utility may terminate participation by at any time with 30 days notice.
18. In no case shall the non-baseline rate less the Gas AC Discount be less than the volumetric price floor as the Commission adopts it from time to time in rate making proceedings. The volumetric price floor equals the adopted long-run marginal cost excluding the customer related marginal cost. If the Commission adopts a non-baseline rate such that the non-baseline rate less the Gas AC Discount were to be less than the volumetric price floor, the Gas AC Discount will be reduced.

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Schedule No. GT-M

Sheet 1

CORE AGGREGATION TRANSPORTATION
 FOR MULTI-FAMILY SERVICE

APPLICABILITY

Applicable to the local transportation of customer-owned natural gas to multi-family dwelling units supplying Baseline uses only or a combination of Baseline uses and common facilities through one meter on a premise, except as otherwise provided for in Special Condition 5. Such gas service will be billed at the GT-ME rate. The GT-ME rate shall also apply to accommodations defined in Rule No. 1 as residential hotels. Natural gas supplied through a single meter to common facilities (swimming pools, recreation rooms, saunas, spas, etc.) only, will be billed at the GT-MC rate. Service under this schedule is available to customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32.

Eligibility for service hereunder is subject to verification by SoCalGas.

TERRITORY

Applicable throughout the service territory.

RATES

The individual unit Baseline therm allocation shall be multiplied by the number of qualified residential units.

Customer Charge

Per meter, per day 16.438¢*

If the customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

* For "space heating only" customers, a daily customer charge of 33.149¢ per day applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, except for closing bills or at the time of a rate increase, usage will be accumulated to at least 20 therms before billing.

The term "space heating only" applies to customers who are using gas primarily for space heating for human comfort as determined by survey or under the presumption that customers who use less than 11 therms per month during each of the regular billing periods ending in August and September are using gas primarily for space heating for human comfort.

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Schedule No. GT-M
CORE AGGREGATION TRANSPORTATION
FOR MULTI-FAMILY SERVICE

Sheet 2

(Continued)

RATES (continued)

Transmission Charges

These charges are equal to the core commodity rate less the monthly residential procurement charge as set forth in Schedule No. G-CP.

GT-ME

Baseline Rate

All usage, per therm, under Special Condition 2 and Special Condition 3	20.106¢	R
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Non-Baseline Rate

All usage, per therm	37.936¢	R
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GT-MC

All usage, per therm	37.936¢	R
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The number of therms to be billed shall be determined in accordance with Rule No. 2.

Minimum Charge (Per Meter Per Day)

The minimum charge shall be the customer charge, which is:

All customers except "space heating only"	16.438¢
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"Space heating only" customers:

Beginning November 1 through April 30	33.149¢
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Beginning May 1 through October 31	None
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Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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Schedule No. GT-M

Sheet 5

CORE AGGREGATION TRANSPORTATION
FOR MULTI-FAMILY SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

6. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
7. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.
8. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.
9. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No. 32.
10. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule.
11. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.
12. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
13. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed.
14. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.
15. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the ESP for all charges.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. GMB
LARGE MULTI-FAMILY SERVICE

Sheet 1

APPLICABILITY

"GMB" customers are master metered customers who have averaged at least 100,000 therms of weather-normalized usage for the previous two calendar years, January through December, and will be billed on the "GMB" rate schedules which include the GM-BE, GM-BC, GT-MBE and GT-MBC rates. Sub-metered customers are not eligible for this rate schedule.

Applicable to natural gas service supplied from the Utility's core portfolio as defined in Rule No. 1, for multi-family dwelling units supplying Baseline uses only or in a combination of Baseline uses and common facilities through one meter on a premises, except as otherwise provided in Special Condition 5. Such gas service will be billed on Schedule No. GM-BE. This schedule also applies to accommodations defined in Rule No. 1 as residential hotels. Natural gas supplied through a single meter to common facilities (swimming pools, recreation rooms, saunas, spas, etc.) only, will be billed on Schedule No. GM-BC.

Eligibility for service hereunder is subject to verification by the Utility.

The minimum term of service hereunder is one month, as described in Special Condition 9.

TERRITORY

Applicable throughout the system.

RATES

The individual unit Baseline therm allocation shall be multiplied by the number of qualified residential units.

Customer Charge

Per meter, per day \$9.352

This charge may be passed on to tenants on an equal amount per qualifying unit basis.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Schedule No. GMB
LARGE MULTI-FAMILY SERVICE

Sheet 2

(Continued)

RATES (continued)

Commodity Charges

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; and (2) the GT-MBE and GT-MBC transmission charges, as set forth in Schedule No. GT-MB.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 9.

GM-BE

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge:	G-CPR	43.547¢	I
<u>Transmission Charge:</u>	<u>GT-MBE</u>	<u>13.933¢</u>	R
Commodity Charge:	GM-BE	57.480¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢	I
<u>Transmission Charge:</u>	<u>GT-MBE</u>	<u>19.237¢</u>	R
Commodity Charge:	GM-BE	62.784¢	I

GM-BC

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢	I
<u>Transmission Charge:</u>	<u>GT-MBC</u>	<u>19.237¢</u>	R
Commodity Charge:	GM-BC	62.784¢	I

The number of therms to be billed shall be determined in accordance with Rule No. 2.

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 ADVICE LETTER NO. 3146
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Schedule No. GMB
LARGE MULTI-FAMILY SERVICE

Sheet 3

(Continued)

RATES (continued)

Minimum Charge (Per Meter Per Day)

"GMB" customers \$9.352

SPECIAL CONDITIONS

1. Baseline Rates: Baseline Rates are applicable only to specific volumes of residential usage.
2. Baseline Usage: The following usage is to be billed at the Baseline rate for multi-family dwelling units. Usage in excess of applicable Baseline allowances will be billed at the Non-Baseline rate.

<u>Per Residence</u>	<u>Daily Therm Allowance</u> <u>for Climate Zones*</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Summer	0.457	0.457	0.457
Winter	1.624	1.956	2.287

* Climate Zones are described in the Preliminary Statement.

3. In multi-family complexes where residential services for each or any of the individually metered residential units is provided from a central source and where such central facility receives natural gas service directly through a separate meter, the basic monthly Baseline allowance applicable to that meter will be the number of therms per day times the number of dwelling units receiving service from such central facility. Eligibility for service under this provision is available subsequent to notification by customer and verification by Utility. The Baseline allowances for the central facility service will be as follows:

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 ADVICE LETTER NO. 3146
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Schedule No. GMB
LARGE MULTI-FAMILY SERVICE

Sheet 6

(Continued)

SPECIAL CONDITIONS (continued)

9. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section A.3.a.(14).
10. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GT-MB

Sheet 1

CORE AGGREGATION TRANSPORTATION
 FOR LARGE MULTI-FAMILY SERVICE

APPLICABILITY

"GMB" customers are master-metered customers who have averaged at least 100,000 therms of weather-normalized usage for the previous two calendar years, January through December, and will be billed on the "GMB" rate schedules which include the GM-BE, GM-BC, GT-MBE and GT-MBC rates. Sub-metered customers are not eligible for this rate schedule.

Applicable to the local transportation of customer-owned natural gas to multi-family dwelling units supplying Baseline uses only or a combination of Baseline uses and common facilities through one meter on a premise, except as otherwise provided for in Special Condition 5. Such gas service will be billed at the GT-MBE rate. The GT-MBE rate shall also apply to accommodations defined in Rule No. 1 as residential hotels. Natural gas supplied through a single meter to common facilities (swimming pools, recreation rooms, saunas, spas, etc.) only, will be billed at the GT-MBC rate. Service under this schedule is available to customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32.

Eligibility for service hereunder is subject to verification by SoCalGas.

TERRITORY

Applicable throughout the service territory.

RATES

The individual unit Baseline therm allocation shall be multiplied by the number of qualified residential units.

Customer Charge

Per meter, per day \$9.352

If the customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

This charge may be passed on to tenants on an equal amount per qualifying unit basis.

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Schedule No. GT-MB

Sheet 2

CORE AGGREGATION TRANSPORTATION
FOR LARGE MULTI-FAMILY SERVICE

(Continued)

RATES (continued)

Transmission Charges

These charges are equal to the core commodity rate less the monthly residential procurement charge as set forth in Schedule No. G-CP.

GT-MBE

Baseline Rate

All usage, per therm, under Special Condition 2
 and Special Condition 3 13.933¢

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Non-Baseline Rate

All usage, per therm 19.237¢

R

GT-MBC

All usage, per therm 19.237¢

R

The number of therms to be billed shall be determined in accordance with Rule No. 2.

Minimum Charge (Per Meter Per Day)

The minimum charge shall be the customer charge, which is:

"GMB" customers \$9.352

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Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

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Schedule No. GT-MB

Sheet 5

CORE AGGREGATION TRANSPORTATION
FOR LARGE MULTI-FAMILY SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

5. This schedule is closed as of July 13, 1978 for gas service to:
 - a. New residential mobile home parks where such mobile home tenants use gas directly in gas appliances in each occupancy.
 - b. New multi-unit residential structures where such multi-unit tenants use gas directly in gas appliances in each occupancy and which requires venting.
6. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
7. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.
8. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.
9. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32.
10. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule.
11. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.
12. Transportation Imbalance Service shall be provided to the customer's ESP under the Schedule No. G-IMB.
13. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed.
14. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.

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DECISION NO. 01-12-018

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Schedule No. GT-MB

Sheet 6

CORE AGGREGATION TRANSPORTATION
FOR LARGE MULTI-FAMILY SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

- 15. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the ESP for all charges.
- 16. Master metered customers who aggregate their gas supplies and purchase gas from a third party may only charge their submetered tenants the maximum rate equal to SoCalGas' applicable prevailing rates, as if the tenant was purchasing gas directly from SoCalGas. If the price negotiated with the third party was less than SoCalGas' rates, the master metered customer may choose to share the profit with the submetered tenants. However, the master metered customer shall not charge more than SoCalGas' prevailing rates even if the negotiated price is higher than SoCalGas' rates.
- 17. Master metered customers shall provide an itemized billing of charges to each individual submetered tenant. Such billing shall generally conform to the structure and content of SoCalGas' billings to its customers. Master metered customers shall also post, in a conspicuous place, the rate schedule which would be applicable to the submetered tenant if the tenant were a customer of SoCalGas.
- 18. The "GMB" rate schedules, which include the GM-BE, GM-BC, GT-MBE and GT-MBC rates, will become effective for eligible customers on the first day of the customers' next billing cycle following the effective annual date of the rate, June 1, and will remain in effect for 12 monthly billing cycles, regardless of usage. Customers will be evaluated once a year to qualify for the rate. Customers will qualify for the rate if the applicability criteria of this tariff are satisfied. Customers who are on the rate will be dropped off the rate if they do not meet the criteria during the annual evaluation period.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GN-10
CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

Sheet 2

(Continued)

RATES (continued)

Minimum Charge

Per meter, per day:

Annual usage of less than 1,000 therms per year:

All customers except "space heating only"	32.877¢
"Space heating only" customers:	
Beginning December 1 through March 31	\$0.99174
Beginning April 1 through November 30	None

Annual usage of 1,000 therms per year or more:

All customers except "space heating only"	49.315¢
"Space heating only" customers:	
Beginning December 1 through March 31	\$1.48760
Beginning April 1 through November 30	None

Commodity Charges

GN-10

These charges are for service as defined above and consist of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GT-10 transmission charges, as set forth in Schedule No. GT-10.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 8.

Tier I Rate, per therm, for the first 100 therms used during summer months and the first 250 therms used during winter months.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-10</u>	<u>35.165¢</u>
Commodity Charge:	GN-10	78.712¢

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 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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 DATE FILED May 1, 2002
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Schedule No. GN-10

Sheet 3

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (continued)

Commodity Charges (continued)

GN-10 (continued)

Tier II Rate, per therm, for usage above Tier I quantities and up to 4167 therms per month.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-10</u>	<u>18.013¢</u>
Commodity Charge:	GN-10	61.560¢

Tier III Rate, per therm, for all usage above 4167 therms per month.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-10</u>	<u>5.588¢</u>
Commodity Charge:	GN-10	49.135¢

GN-10V

These charges are for service as defined above for those customers who are located in the City of Vernon, as defined in Special Condition 6. The charges consist of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GT-10V transmission charges, as set forth in Schedule No. GT-10.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 8.

Tier I Rate, per therm, for the first 100 therms used during summer months and the first 250 therms used during winter months.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-10V</u>	<u>35.165¢</u>
Commodity Charge:	GN-10V	78.712¢

Tier II Rate, per therm, for usage above Tier I quantities and up to 4167 therms per month.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-10V</u>	<u>14.979¢</u>
Commodity Charge:	GN-10V	58.526¢

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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Schedule No. GN-10

Sheet 4

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (continued)

Commodity Charges (continued)

GN-10V (continued)

Tier III Rate, per therm, for all usage above 4167 therms per month.

Procurement Charge:	G-CPNR	43.547¢
<u>Transmission Charge:</u>	<u>GT-10V</u>	<u>5.588¢</u>
Commodity Charge:	GN-10V	49.135¢

Under this schedule, the winter season shall be defined as December 1 through March 31 and the summer season as April 1 through November 30.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customer may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s) through a single meter installation. Where service is rendered under (b), a separate monthly customer charge shall be applicable for service under each schedule unless otherwise stated.
3. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
4. Customers served hereunder may elect to be reclassified as noncore. Eligibility requirements are defined in Rule No. 1. Customers electing noncore service status must sign the required natural gas service agreement and have electronic meter reading equipment installed at the customers expense as a condition of noncore service.
5. Customer receiving service under this rate schedule may elect to aggregate their gas quantities to receive service under Schedule No. GT-10.
6. The rate savings afforded customers under Schedule No. GN-10V shall only apply to those customers served under this schedule and located within the City of Vernon consistent with the SoCalGas-Vernon Stipulation and Settlement Agreement approved by D. 96-09-104. In addition, the Utility may negotiate rates other than those set forth herein for those customers located in the City of Vernon and served under this rate schedule, pursuant to the Agreement and D.96-09-104.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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Schedule No. GN-10

Sheet 5

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS (continued)

7. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another ESP within the 90-day interim period pursuant to Rule No. 32, Section A.3.(14).
8. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.
9. In the event customers make any material change, either in the amount or character of their gas appliances or equipment, written notice to the Utility must be made in accordance with Rule No. 29, Change of Customer's Apparatus or Equipment.
10. If the customer splits its gas requirements between service under this schedule and noncore service under Schedule Nos. G-CS, GT-F, and/or GT-I, the customer shall be required to specify a fixed monthly quantity for service hereunder by month for the term of the customer's contract.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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DATE FILED May 1, 2002
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RESOLUTION NO. _____

Schedule No. GT-10

Sheet 1

CORE AGGREGATION TRANSPORTATION
FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE

APPLICABILITY

Applicable to non residential core local transportation service in accordance with Rule 32.

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TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per meter, per day:

Annual usage of less than 1,000 therms per year:

All customers except "space heating only"	32.877¢*
"Space heating only" customers:	
Beginning December 1 through March 31	\$0.99174*
Beginning April 1 through November 30	None

Annual usage of 1,000 therms per year or more:

All customers except "space heating only"	49.315¢*
"Space heating only" customers:	
Beginning December 1 through March 31	\$1.48760*
Beginning April 1 through November 30	None

If the applicable customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

* The applicable monthly charge shall be determined on the basis of the customer's GT-10 usage for the most recent twelve-month period. For customers with less than twelve months of historical usage, the customer charge shall be determined on a pro rata basis using the months for which usage is available.

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(TO BE INSERTED BY UTILITY)
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Schedule No. GT-10

Sheet 3

CORE AGGREGATION TRANSPORTATION
FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE

(Continued)

RATES (continued)

Transmission Charges (continued)

Core Aggregation Transportation Service (continued)

GT-10(continued)

Rate, per therm

Tier I*	35.165¢	R
Tier II*	18.013¢	R
Tier III*	5.588¢	R

* Tier I quantities shall be the first 100 therms used during summer months and the first 250 therms used during winter months. Tier II quantities shall be for usage above Tier I quantities and up to 4167 therms per month. Tier III quantities shall be for all usage above 4167 therms per month.

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Schedule No. GT-10

Sheet 4

CORE AGGREGATION TRANSPORTATION
FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE

(Continued)

RATES (continued)

Transmission Charges (continued)

City of Vernon

GT-10V

These charges are for customers as defined above and located within the City of Vernon, as defined in Special Condition 12. These charges are equal to the core commodity rate less the monthly non-residential procurement charge as set forth in Schedule No. G-CP, and also less an amount to implement the SoCalGas-Vernon Stipulation and Settlement Agreement approved by D. 96-09-104.

Rate, per therm

Tier I*	35.165¢	R
Tier II*	14.979¢	R
Tier III*	5.588¢	R

* Tier I quantities shall be the first 100 therms used during summer months and the first 250 therms used during winter months. Tier II quantities shall be for usage above Tier I quantities and up to 4167 therms per month. Tier III quantities shall be for all usage above 4167 therms per month.

Under this schedule, the winter season shall be defined as December 1 through March 31 and the summer season as April 1 through November 30.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, and regulatory surcharges, that may occur.

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Schedule No. GT-10

Sheet 5

CORE AGGREGATION TRANSPORTATION
FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE

(Continued)

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customers may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s) through a single meter installation. Where service is rendered under (b), a separate monthly customer charge may be applicable for service under each schedule unless otherwise stated.
3. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
4. Customers served hereunder may elect to be reclassified as noncore. Eligibility requirements are defined in Rule No. 1. Customers electing noncore status must sign the required natural gas service agreement and have electronic meter reading equipment installed at customer's expense as a condition of noncore service.
5. Customers may make service arrangements through an Energy Service Provider (ESP), as defined in Rule No. 1, and as provided for in Rule No. 32.
6. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service through an ESP under this schedule.
7. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.
8. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
9. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed.

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Schedule No. GT-10

Sheet 6

CORE AGGREGATION TRANSPORTATION
FOR CORE COMMERCIAL AND INDUSTRIAL SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

10. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.
11. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services.
12. The rate savings afforded customers under Schedule No. GT-10V shall only apply to those customers served under this schedule and located within the City of Vernon, consistent with the SoCalGas-Vernon Stipulation and Settlement Agreement approved by D. 96-09-104. In addition, SoCalGas may negotiate rates other than those set forth herein for those customers located in the City of Vernon and served under this rate schedule, pursuant to the Agreement and D. 96-09-104.
13. Customers having existing gas exchange arrangements with SoCalGas must exchange the maximum amount of gas allowable under those arrangements prior to the delivery of customer-owned natural gas to SoCalGas for transportation, unless otherwise agreed to by SoCalGas.
14. In the event customers make any material change, either in the amount or character of their gas appliances or equipment, written notice thereof must be made to SoCalGas in accordance with Rule No. 29, Change of Consumer's Apparatus or Equipment.
15. If the customer splits its gas requirements between service under this schedule and noncore service under Schedule Nos. G-CS, GT-F, and/or GT-I, the customer shall be required to specify a fixed monthly quantity for service hereunder by month for the term of the customer's contract.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GN-10L

Sheet 1

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

APPLICABILITY

Applicable to natural gas core service, as defined in Rule No. 1, for uses at each Facility classified in Rule No. 23 as Priority 1, with usage not exceeding 250,000 therms per year (or 20,800 therms per month during the season when gas is used).

Eligibility for service hereunder is limited to Nonprofit Group Living Facilities and Qualified Agricultural Employee Housing Facilities (migrant farmworker housing centers, privately-owned employee housing, and agricultural employee housing operated by nonprofit entities) that meet the income requirements for California Alternate Rates for Energy as defined in Rule No. 1, and Special Conditions 6 and 7. Eligibility information provided by the Applicant is subject to verification by the Utility.

The minimum term of service hereunder is one month, as described in Special Condition 5.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per meter, per day:

Annual usage of less than 1,000 therms per year:

All customers except "space heating only"	26.301¢*
"Space heating only" customers:	
Beginning December 1 through March 31	\$0.79339*
Beginning April 1 through November 30	None

Annual usage of 1,000 therms per year or more:

All customers except "space heating only"	39.452¢*
"Space heating only" customers:	
Beginning December 1 through March 31	\$1.19008*
Beginning April 1 through November 30	None

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. GN-10L

Sheet 3

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

RATES (continued)

Commodity Charges

GN-10L

These charges are for service as defined above and consist of (1) the discounted monthly non-residential procurement charge, as described below; and (2) the GT-10L transmission charges, as set forth in Schedule No. GT-10L.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 6. The procurement charge shown below has been discounted by 20 percent.

Tier I Rate, per therm, for the first 100 therms used during summer months and the first 250 therms used during winter months.

Procurement Charge:	G-CPNRL	34.838¢	I
<u>Transmission Charge:</u>	<u>GT-10L</u>	<u>28.132¢</u>	R
Commodity Charge:	GN-10L	62.970¢	I

Tier II Rate, per therm, for usage above Tier I quantities and up to 4167 therms per month.

Procurement Charge:	G-CPNRL	34.838¢	I
<u>Transmission Charge:</u>	<u>GT-10L</u>	<u>14.410¢</u>	R
Commodity Charge:	GN-10L	49.248¢	I

Tier III Rate, per therm, for all usage above 4167 therms per month.

Procurement Charge:	G-CPNRL	34.838¢	I
<u>Transmission Charge:</u>	<u>GT-10L</u>	<u>4.470¢</u>	R
Commodity Charge:	GN-10L	39.308¢	I

Under this schedule, the winter season shall be defined as December 1 through March 31 and the summer season as April 1 through November 30.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. GN-10L

Sheet 4

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS

GENERAL

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
3. Customers receiving service under this schedule may elect to aggregate their gas quantities to receive service under Schedule No. GT-10L.
4. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section A.3.(14).
5. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.

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NONPROFIT GROUP LIVING FACILITIES

6. The Utility shall offer the CARE discount to facilities that qualify as follows:
 - a. Facility Eligibility Requirements: The CARE discount shall apply to nonprofit group living facilities and non-licensed, separately metered affiliated facilities such as homeless shelters, women's shelters, transitional housing (e.g., for drug rehabilitation, a half-way house, etc.), short- or long-term care facility (hospice, nursing homes, seniors' or children's homes), a group home for physically or mentally disabled persons, or nonprofit residential facility whose construction was government subsidized and meets all other applicable criteria. Student housing/dorms, military barracks, fraternities/sororities, government-owned and privately-owned "for profit" government-subsidized housing are excluded. The exclusion of government-owned and government-subsidized housing does not apply to homeless shelters.

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The discount shall apply to non-licensed, separately metered affiliates of qualifying nonprofit group facilities so long as the customer of record is the qualifying nonprofit facility.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. GN-10L

Sheet 5

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

NONPROFIT GROUP LIVING FACILITIES (continued)

6. (continued)

a. Facility Eligibility Requirements (continued)

Each resident (100%) must meet the CARE income-eligibility standards for a single-person household for the facility or the non-licensed, separately metered facility to qualify under this schedule. A caregiver who lives in the facility is not a resident for purposes of determining eligibility. At least 70% of the energy consumed on the CARE rate must be used for residential purposes.

The Utility shall require the facility to provide a copy of its IRS Nonprofit Tax ID Form 501(c)(3), and state business license, conditional use permit or any other proof satisfactory to the Utility. Facilities that have been qualified by the Utility under self-certification or self-recertification and are receiving the rate discount may be subject to random post-enrollment verification by the Utility.

An authorized representative of the facility shall sign Form No. 6571 certifying that any savings derived from the discount shall be used for the direct benefit of the residents. Such direct benefit may be in the form of improved quality of care or improved food services.

Customers who are found to be ineligible or fail to timely notify the Utility when they no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

Upon completion of Form No. 6571 and acceptance, eligible facilities or their affiliates shall receive the discount commencing with the next regularly scheduled bill.

b. Residents' Income-Eligibility Requirements: The total annual household income (from all sources (taxable and non-taxable) shall not be more than \$22,000 for each resident of the facility, and the resident shall not be claimed on another person's income tax return.

The owner or authorized representative of the facility shall notify the Utility within 30 days following any change that may impact the facility's eligibility for the discount.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GN-10L

Sheet 6

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

NONPROFIT GROUP LIVING FACILITIES (continued)

6. (continued)

c. Self-Certification and Self-Recertification Requirements: Nonprofit group living facilities must provide proof of the appropriate state license to care for residents who, either temporarily or permanently, cannot function normally outside of the group home environment and certification from the appropriate state agency showing what services, besides lodging, are provided or any other documentation the Utility may reasonably require. Primary facilities must meet the licensing and certification requirements, but not their separately-metered affiliated facilities.

Homeless shelters must provide verification that at least six (6) beds each day or night are provided during a minimum 180 days each year for persons who have no alternate residence, and must provide proof of a valid municipal or county conditional-use permit or any other documentation the Utility may reasonably require. Nonprofit group living facilities are not required to be licensed or certified.

d. Self-Recertification Requirements: Facilities will be required to recertify on an annual basis. At the time of each annual self-recertification, the Utility shall require the facility to certify how it intends to pass on the rate discount.

e. Random Post-Enrollment Verification: The self-certification and self-recertification applications for CARE benefits, and certification of the flow-through of the rate discount, shall be made under penalty of perjury by the same individual who is responsible for the annual renewal of the facility's license from the appropriate state agency, when applicable. The accuracy of the self-certification or self-recertification applications may be subject to random post-enrollment verification by the Utility .

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES

7. The Utility shall offer the CARE discount to migrant farmworker housing centers; privately-owned employee housing, or agricultural employee housing operated by nonprofit entities that qualify as follows:

a. Facility Eligibility Requirements:

(1) Migrant Farmworker Housing Centers: The CARE discount shall apply to housing provided pursuant to Section 50710 of the Health and Safety Code. For facilities with individually-metered usage, all usage (100%) must be residential. For master-metered facilities, at least 70% of the energy consumed on the CARE rate must be used for residential purposes.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

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Schedule No. GN-10L

Sheet 7

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES (continued)

7. (continued)

a. Facility Eligibility Requirements: (continued)

(2) Privately-Owned Employee Housing: The CARE discount shall apply to housing conforming to Section 17008 of the Health and Safety Code (the Employee Housing Act), that is licensed and inspected by state and/or local agencies pursuant to Part I (commencing with Section 17000) of Division 13. Energy usage in all facilities (100%) must be residential and individually metered.

(3) Nonprofit Agricultural Employee Housing: The CARE discount shall apply to housing conforming to Subdivision (b) of Section 1140.4 of the Labor Code, that has an exemption from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code. For facilities with individually-metered usage, all usage (100%) must be residential. For master-metered facilities, at least 70% of the energy consumed on the CARE rate must be used for residential purposes.

Employees operating and/or managing the facility who live in the facility are not considered residents for purposes of determining eligibility.

Energy used by offices, maintenance shops, or agriculture is not residential. Only residential and commercial usage, in the proportions defined above, qualifies for this rate.

The Applicant must be the customer of record for the facility. The Applicant is responsible for determining that each resident household meets the applicable income-eligibility standards. The Applicant must attest to this on Form No. 6632, under penalty of perjury.

An authorized representative of the facility shall sign Form No. 6632 certifying that any savings derived from the discount shall be used for the direct benefit of the residents. Such direct benefit may be in the form of improved quality of care or improved food services, reduced rent or result in no rent of increase in rent or a reduced rate of increase in rent .

Upon completion of Form No. 6632 and acceptance, eligible facilities or their affiliates shall receive the discount commencing with the next regularly scheduled bill.

Facilities that have been qualified by the Utility under self-certification or self-recertification and are receiving the rate discount may be subject to random post-enrollment verification by the Utility.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

T

Schedule No. GN-10L

Sheet 8

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES (continued)

7. (continued)

a. Facility Eligibility Requirements: (continued)

Customers who are found to be ineligible or fail to timely notify the Utility when they no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

b. Income-Eligibility Requirements for Resident Households: An income-qualified household has total annual income from all sources (taxable and non-taxable) that is no more than shown in the table below for the number of persons in the household.

<u>Number of Persons In Household</u>	<u>Total Annual Household Income</u>
1 or 2	\$22,000
3	\$25,900
4	\$31,100
5	\$36,300
6	\$41,500
7	\$46,700

For households with more than seven persons, add \$5,200 annually for each additional person living in the household.

No person claimed on another person's income tax return shall be eligible for this rate.

The owner or authorized representative of the facility shall notify the Utility within 30 days following any change that may impact the facility's eligibility for the discount.

c. Self-Certification and Self-Recertification Requirements: The Applicant must also provide copies of the following:

(1) Migrant Farmworker Housing Centers: the facility's current contract with the Office of Migrant Services, Department of Housing and Community Development.

(2) Privately-Owned Employee Housing: a valid permit or license issued to the facility pursuant to Section 17030 of the Health and Safety Code.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. GN-10L

Sheet 9

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES (continued)

7. (continued)

c. Self-Certification and Self-Recertification Requirements: (continued)

(3) Nonprofit Agricultural Employee Housing: the facility's IRS Nonprofit Tax ID Form 501(c)(3), and proof of the facility's local property tax exemption from the County Assessor where the facility is located.

In the initial application, the facility must attest to how it intends to pass on the rate discount for the direct benefit of the facility's residents in the upcoming year.

d. Self-Certification and Self-Recertification Requirements: Facilities will be required to recertify on an annual basis. At the time of each annual self-recertification, the Utility shall require that the facility certify: (1) how it passed on the rate discount in the prior year, and (2) how it intends to pass on the rate discount in the upcoming year. An Applicant must show that a direct benefit was conferred on the facility's residents by demonstrating where the savings from the CARE rate will or has been reallocated.

The Applicant must provide documentation showing how the CARE rate was used to directly benefit the facility's residents. Such supporting documentation includes, but is not limited to, accounting entries, dated receipts, and memoranda and letters to the residents describing the benefits conferred.

e. Random Post-Enrollment Verification: The self-certification and self-recertification applications for CARE benefits, and certification of the flow-through of the rate discount, shall be made under penalty of perjury by the same individual who is responsible for the annual renewal of the facility's license from the appropriate state agency, when applicable. The accuracy of the self-certification or self-recertification applications are subject to random post-enrollment verification by the Utility.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
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RESOLUTION NO. _____

T

Schedule No. GT-10L

Sheet 1

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

APPLICABILITY

Applicable to aggregated core local transportation service for uses classified in Rule No. 23 as Priority 1. Service under this schedule is available to customers that elect to purchase natural gas from Energy Service Providers (ESPs) in accordance with Rule No. 32.

Eligibility for service under this schedule is limited to Nonprofit Group Living Facilities and Qualified Agricultural Employee Housing Facilities (migrant farmworker housing centers, privately-owned employee housing, and agricultural employee housing operated by nonprofit entities) that meet the income requirements for California Alternate Rates for Energy (CARE) eligibility as defined in Rule No. 1, Definitions, and Special Conditions 13 and 14, respectively. Eligibility information provided by the Applicant is subject to verification by SoCalGas.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per meter, per day:

Annual usage of less than 1,000 therms per year:

All customers except "space heating only"	26.301¢*
"Space heating only" customers:	
Beginning December 1 through March 31	\$0.79339*
Beginning April 1 through November 30	None

Annual usage of 1,000 therms per year or more:

All customers except "space heating only:	39.452¢*
"Space heating only" customers:	
Beginning December 1 through March 31	\$1.19008*
Beginning April 1 through November 30	None

If the applicable customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

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Schedule No. GT-10L

Sheet 2

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

RATES (continued)

Customer Charge (continued)

* The applicable monthly customer charge shall be determined on the basis of the customer's GT-10L usage for the most recent twelve-month period. For customers with less than twelve months of historical usage, the customer charge shall be determined on a pro rata basis using the months for which usage is available.

The term "space heating only" applies to customers who are using gas primarily for space heating for human comfort as determined by survey or under the presumption that customers who use less than 11 therms per month during each of the regular billing periods ending in August and September are using gas primarily for space heating for human comfort. Except for closing bills or at the time of a rate increase, usage will be accumulated to at least 20 therms before billing.

Transmission Charges

GT-10L

These charges are equal to the discounted core commodity rate less the discounted monthly non-residential procurement charge as set forth in Schedule No. G-CP.

Rate, per therm

Tier I*	28.132¢	R
Tier II*	14.410¢	R
Tier III*	4.470¢	R

* Tier I quantities shall be the first 100 therms used during summer months and the first 250 therms used during winter months. Tier II quantities shall be for usage above Tier I quantities and up to 4167 therms per month. Tier III quantities shall be for all usage above 4167 therms per month.

Under this schedule, the winter season shall be defined as December 1 through March 31 and the summer season as April 1 through November 30.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. GT-10L

Sheet 3

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

RATES (continued)

Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

Minimum Charge

Per meter, per day:

Annual usage of less than 1,000 therms per year:

All customers except "space heating only"	26.301¢
"Space heating only" customers:	
Beginning December 1 through March 31.....	\$0.79339
Beginning April 1 through November 30.....	None

Annual usage of 1,000 therms per year or more:

All customers except "space heating only"	39.452¢
"Space heating only" customers:	
Beginning December 1 through March 31.....	\$1.19008
Beginning April 1 through November 30.....	None

SPECIAL CONDITIONS

GENERAL

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
3. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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 RESOLUTION NO. _____

Schedule No. GT-10L

Sheet 4

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

GENERAL (continued)

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|---|-------------|
| 4. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required. | T,D
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| 5. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32. | T |
| 6. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule. | T |
| 7. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule. | T,N |
| 8. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB. | T |
| 9. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed. | T
T,D |
| 10. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties. | T
D |
| 11. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the ESP for all charges. | T
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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. GT-10L

Sheet 5

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

NONPROFIT GROUP LIVING FACILITIES

12. SoCalGas shall offer the CARE discount to facilities that qualify as follows:

- a. Facility Eligibility Requirements: The CARE discount shall apply to nonprofit group living facilities and non-licensed, separately metered affiliated facilities such as homeless shelters, women's shelters, transitional housing (e.g., for drug rehabilitation, a half-way house, etc.), short- or long-term care facility (hospice, nursing homes, seniors' or children's homes), a group home for physically or mentally disabled persons, or nonprofit residential facility whose construction was government subsidized and meets all other applicable criteria. Student housing/dorms, military barracks, fraternities/sororities, government-owned and privately-owned "for profit" government-subsidized housing are excluded. The exclusion of government-owned and government-subsidized housing does not apply to homeless shelters.

The discount shall apply to non-licensed, separately metered affiliates of qualifying nonprofit group facilities so long as the customer of record is the qualifying nonprofit facility.

Each resident (100%) must meet the CARE income-eligibility standards for a single-person household for the facility or the non-licensed, separately metered facility to qualify under this schedule. A caregiver who lives in the facility is not a resident for purposes of determining eligibility. At least 70% of the energy consumed on the CARE rate must be used for residential purposes.

SoCalGas shall require the facility to provide a copy of its IRS Nonprofit Tax ID Form 501(c)(3), and state business license, conditional use permit or any other proof satisfactory to SoCalGas. Facilities that have been qualified by SoCalGas under self-certificatin or self-recertification and are receiving the rate discount may be subject to random post-enrollment verification by SoCalGas.

An authorized representative of the facility shall sign Form No. 6571 certifying that any savings derived from the discount shall be used for the direct benefit of the residents. Such direct benefit may be in the form of improved quality of care or improved food services.

Customers who are found to be ineligible or fail to timely notify SoCalGas when they no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

Upon completion of Form No. 6571 and acceptance, eligible facilities or their affiliates shall receive the discount commencing with the next regularly scheduled bill.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GT-10L

Sheet 6

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

NONPROFIT GROUP LIVING FACILITIES (continued)

12. (continued)

- b. Residents' Income-Eligibility Requirements: The total annual household income (from all sources (taxable and non-taxable) shall not be more than \$22,000 for each resident of the facility, and the resident shall not be claimed on another person's income tax return.

The owner or authorized representative of the facility shall notify SoCalGas within 30 days following any change that may impact the facility's eligibility for the discount.

- c. Self-Certification and Self-Recertification Requirements: Nonprofit group living facilities must provide proof of the appropriate state license to care for residents who, either temporarily or permanently, cannot function normally outside of the group home environment and certification from the appropriate state agency showing what services, besides lodging, are provided or any other documentation SoCalGas may reasonably require. Primary facilities must meet the licensing and certification requirements, but not their separately-metered affiliated facilities.

Homeless shelters must provide verification that at least six (6) beds each day or night are provided during a minimum 180 days each year for persons who have no alternate residence, and must provide proof of a valid municipal or county conditional-use permit or any other documentation SoCalGas may reasonably require. Nonprofit group living facilities are not required to be licensed or certified.

- d. Self-Recertification Requirements: Facilities will be required to recertify on an annual basis. At the time of each annual self-recertification, SoCalGas shall require the facility to certify how it intends to pass on the rate discount.
- e. Random Post-Enrollment Verification: The self-certification and self-recertification applications for CARE benefits, and certification of the flow-through of the rate discount, shall be made under penalty of perjury by the same individual who is responsible for the annual renewal of the facility's license from the appropriate state agency, when applicable. The accuracy of the self-certification or self-recertification applications may be subject to random post-enrollment verification by SoCalGas.

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES

- 13. SoCalGas shall offer the CARE discount to migrant farmworker housing centers; privately-owned employee housing, or agricultural employee housing operated by nonprofit entities that qualify as follows:

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

T

T

Schedule No. GT-10L

Sheet 7

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES (continued)

13. (continued)

a. Facility Eligibility Requirements:

- (1) Migrant Farmworker Housing Centers: The CARE discount shall apply to housing provided pursuant to Section 50710 of the Health and Safety Code. For facilities with individually-metered usage, all usage (100%) must be residential. For master-metered facilities, at least 70% of the energy consumed on the CARE rate must be used for residential purposes.
- (2) Privately-Owned Employee Housing: The CARE discount shall apply to housing conforming to Section 17008 of the Health and Safety Code (the Employee Housing Act), that is licensed and inspected by state and/or local agencies pursuant to Part I (commencing with Section 17000) of Division 13. Energy usage in all facilities (100%) must be residential and individually metered.
- (3) Nonprofit Agricultural Employee Housing: The CARE discount shall apply to housing conforming to Subdivision (b) of Section 1140.4 of the Labor Code, that has an exemption from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code. For facilities with individually-metered usage, all usage (100%) must be residential. For master-metered facilities, at least 70% of the energy consumed on the CARE rate must be used for residential purposes.

Employees operating and/or managing the facility who live in the facility are not considered residents for purposes of determining eligibility.

Energy used by offices, maintenance shops, or agriculture is not residential. Only residential and commercial usage, in the proportions defined above, qualifies for this rate.

The Applicant must be the customer of record for the facility. The Applicant is responsible for determining that each resident household meets the applicable income-eligibility standards. The Applicant must attest to this on Form No. 6632, under penalty of perjury.

An authorized representative of the facility shall sign Form No. 6632 certifying that any savings derived from the discount shall be used for the direct benefit of the residents. Such direct benefit may be in the form of improved quality of care or improved food services, reduced rent or result in no rate if increase in rent or a reduced rate of increase in the rent.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GT-10L

Sheet 8

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES (continued)

13. (continued)

a. Facility Eligibility Requirements (continued)

Upon completion of Form No. 6632 and acceptance, eligible facilities or their affiliates shall receive the discount commencing with the next regularly scheduled bill.

Facilities that have been qualified under self-certification or self-recertification and are receiving the rate discount may be subject to random post-enrollment verification by SoCalGas.

Customers who are found to be ineligible or fail to timely notify SoCalGas when they no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

b. Income-Eligibility Requirements for Resident Households: An income-qualified household has total annual income from all sources (taxable and non-taxable) that is no more than shown in the table below for the number of persons in the household.

<u>Number of Persons In Household</u>	<u>Total Annual Household Income</u>
1 or 2	\$22,000
3	\$25,900
4	\$31,100
5	\$36,300
6	\$41,500
7	\$46,700

For households with more than seven persons, add \$5,200 annually for each additional person living in the household.

No person claimed on another person's income tax return shall be eligible for this rate.

The owner or authorized representative of the facility shall notify SoCalGas within 30 days following any change that may impact the facility's eligibility for the discount.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

T

Schedule No. GT-10L

Sheet 9

CORE AGGREGATION TRANSPORTATION
COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

QUALIFIED AGRICULTURAL EMPLOYEE HOUSING FACILITIES (continued)

13. (continued)

c. Self-Certification and Self-Recertification Requirements: The Applicant must also provide copies of the following:

- (1) Migrant Farmworker Housing Centers: the facility's current contract with the Office of Migrant Services, Department of Housing and Community Development.
- (2) Privately-Owned Employee Housing: a valid permit or license issued to the facility pursuant to Section 17030 of the Health and Safety Code.
- (3) Nonprofit Agricultural Employee Housing: the facility's IRS Nonprofit Tax ID Form 501(c)(3), and proof of the facility's local property tax exemption from the County Assessor where the facility is located.

In the initial application, the facility must attest to how it intends to pass on the rate discount for the direct benefit of the facility's residents in the upcoming year.

d. Self-Recertification Requirements: Facilities will be required to recertify on an annual basis. At the time of each annual self-recertification, SoCalGas shall require that the facility certify: (1) how it passed on the rate discount in the prior year, and (2) how it intends to pass on the rate discount in the upcoming year. An Applicant must show that a direct benefit was conferred on the facility's residents by demonstrating where the savings from the CARE rate will or has been reallocated.

The Applicant must provide documentation showing how the CARE rate was used to directly benefit the facility's residents. Such supporting documentation includes, but is not limited to, accounting entries, dated receipts, and memoranda and letters to the residents describing the benefits conferred.

e. Random Post-Enrollment Verification: The self-certification and self-recertification applications for CARE benefits, and certification of the flow-through of the rate discount, shall be made under penalty of perjury by the same individual who is responsible for the annual renewal of the facility's license from the appropriate state agency, when applicable. The accuracy of the self-certification and self-recertification applications may be subject to random post-enrollment verification by SoCalGas.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

T

Schedule No. GO-SSA
SUMMER SAVER OPTIONAL RATE
FOR OWNERS OF EXISTING GAS EQUIPMENT

Sheet 1

APPLICABILITY

This SummerSaver optional rate program is applicable to natural gas core service supplied from the Utility's core portfolio, as defined in Rule No. 1. The program is for residential customers who 1) currently take service under Schedule No. GR, 2) who have lived in their current residence for the last 12 months, and 3) who agree to pay seven cents (\$0.07) per day in increased customer charges from May through October billing periods to participate in the program.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

The customer charge is equal to the customer charge as set forth in Schedule No. GR for the billing periods between November and April. The customer charge is equal to the customer charge as set forth in Schedule No. GR plus seven cents (\$0.07) per day for the billing periods between May and October.

Per meter, per day November to April	16.438¢
Per meter, per day May to October	23.438¢

If customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

Commodity Charges

The commodity charges are the same as specified in Schedule No. GR except for the transmission component as noted below. The commodity charges consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; (2) the GT-R transmission charges, as set forth in Schedule No. GT-R; and (3) the SummerSaver discount.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 6. The procurement charge is not discounted.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

D

Schedule No. GO-SSA
SUMMER SAVER OPTIONAL RATE
FOR OWNERS OF EXISTING GAS EQUIPMENT

Sheet 2

(Continued)

RATES (continued)

Commodity Charges (continued)

The transmission charges are the GPT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GPT-R transmission charges for all usage less than or equal to the base year volume. Base volumes are the customer's volumes in the same billing period in the base year, the year prior to program sign-up. For non-baseline usage in the current year above base volumes in the billing period, the customer receives a SummerSaver credit equal to a discount of twenty cents (\$0.20) per therm off the GPT-R non-baseline transmission charge.

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

GO-SSA

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>20.106¢</u>
Commodity Charge:	GR	63.653¢

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>37.936¢</u>
Commodity Charge:	GR	81.483¢

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. GTO-SSA

Sheet 1

TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE
 FOR OWNERS OF EXISTING GAS EQUIPMENT

APPLICABILITY

This SummerSaver optional rate program is applicable to the local transportation of customer-owned natural gas for individually-metered single family residential customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32. The program is limited to single family residential customers who 1) currently take service under Schedule No. GT-R, 2) who have lived in their current residence for the last 12 months, and 3) who agree to pay seven cents (\$0.07) per day in increased customer charges from May through October billing periods to participate in the program.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

The customer charge is equal to the customer charge as set forth in Schedule No. GT-R for the billing periods between November and April. The customer charge is equal to the customer charge as set forth in Schedule No. GT-R plus seven cents (\$0.07) per day for the billing periods between May and October.

Per meter, per day November to April	16.438¢
Per meter, per day May to October	23.438¢

If customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

Minimum Charge (Per Meter Per Day)

The minimum monthly charge shall consist of the Monthly Customer Charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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 RESOLUTION NO. _____

Schedule No. GTO-SSA

Sheet 2

TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE
 FOR OWNERS OF EXISTING GAS EQUIPMENT

(Continued)

RATES (continued)

Transmission Charges

The transmission charges are the GT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GT-R transmission charges for all usage less than or equal to the base year volume. Base volumes are the customer's volumes in the same billing period in the base year, the year prior to program sign-up. For non-baseline usage in the current year above base volumes in the billing period, the customer receives a SummerSaver credit equal to a discount of twenty cents (\$0.20) per therm off the GT-R non-baseline transmission charge.

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

GTO-SSA

Baseline Rate

All usage, per therm, under Special Conditions 3 and 4 20.106¢

R

Non-Baseline Rate

All usage, per therm 37.936¢

R

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount is shown on the customer's bill as a credit.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

The number of therms to be billed shall be determined in accordance with Rule 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1. Incremental non-baseline usage is defined as additional gas load above the base volume, the non-baseline usage in each billing period in the 12-month period prior to signing the Agreement. Base volumes remain unchanged as long as the customer remains on this Schedule.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. GTO-SSA

Sheet 4

TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE
FOR OWNERS OF EXISTING GAS EQUIPMENT

(Continued)

SPECIAL CONDITIONS (continued)

5. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
6. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32. T
7. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required. D
D
8. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No. 32.
9. All provisions of Rule No. 32, Core Aggregation Transportation, shall apply to customers receiving service under this schedule.
10. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule. N
11. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No G-IMB. T
12. Customers with multiple facilities (under the same customer name) whose total requirements are at least 120,000 therms per year may participate as a self-aggregator, but must designate a single account under which charges for imbalance services are to be billed. D
13. In the event the Aggregator defaults on any payments to the Utility, the Aggregator's customers shall be responsible for the Utility's billings, excluding any Aggregator Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the Aggregator or any third parties.
14. The customer may cancel participation within 72 hours of submission of the request to participate in the SummerSaver optional rate program.
15. As a condition precedent to service under this schedule, an executed SummerSaver Program Application and Agreement shall be required. As part of the Agreement, the customer certifies that he qualifies under the terms and conditions of this Schedule.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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Schedule No. GO-SSB

Sheet 1

SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING
 NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

APPLICABILITY

This SummerSaver optional rate program is applicable to natural gas core service supplied from the Utility's core portfolio, as defined in Rule No. 1. The program is for residential customers who 1) currently take service under Schedule No. GR, 2) who have lived in their current residence for the last 12 months, and 3) who have purchased a new piece of gas equipment or repaired a piece of inoperable gas equipment within 6 months prior to sign-up.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

The customer charge is the customer charge as set forth in Schedule No. GR.

Per meter, per day..... 16.438¢

If customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

Commodity Charges

The commodity charges are the same as specified in Schedule No. GR except for the transmission component as noted below. The commodity charges consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; (2) the GT-R transmission charges, as set forth in Schedule No. GT-R, and (3) the SummerSaver discount.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 6. The procurement charge is not discounted.

The transmission charges are the GPT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GPT-R transmission charges for all usage less than or equal to the base year volume. Base volumes are the customer's volumes in the same billing period in the base year, the year prior to program sign-up. For non-baseline usage in the current year above base volumes in the billing period, the customer receives a SummerSaver credit equal to a discount of twenty cents (\$0.20) per therm off the GPT-R non-baseline transmission charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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D

Schedule No. GO-SSB

Sheet 2

SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING
 NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

(Continued)

RATES (continued)

Commodity Charges (continued)

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

GO-SSB

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>20.106¢</u>
Commodity Charge:	GR	63.653¢

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	43.547¢
<u>Transmission Charge:</u>	<u>GT-R</u>	<u>37.936¢</u>
Commodity Charge:	GR	81.483¢

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. GTO-SSB

Sheet 1

TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS
 PURCHASING NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

APPLICABILITY

This SummerSaver optional rate program is applicable to the local transportation of customer-owned natural gas for individually metered residential customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32. The program is limited to single family residential customers who 1) currently take service under Schedule No. GT-R, 2) who have lived in their current residence for the last 12 months, and 3) who have purchased a new piece of gas equipment or repaired a piece of inoperable gas equipment within 6 months prior to sign-up.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge,

The customer charge is the customer charge as set forth in Schedule No. GTR.

Per meter, per day 16.438¢

If customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

Minimum Charge (Per Meter Per Day)

All customers 16.438¢

Transmission Charges

The transmission charges are the GT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GT-R transmission charges for all usage less than or equal to the base year volume. Base volumes are the customer's volumes in the same billing period in the base year, the year prior to program sign-up. For non-baseline usage in the current year above base volumes in the billing period, the customer receives a SummerSaver credit equal to a discount of twenty cents (\$0.20) per therm off the GT-R non-baseline transmission charge.

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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Schedule No. GTO-SSB

Sheet 2

TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS
 PURCHASING NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

(Continued)

RATES (continued)

GTO-SSB

Baseline Rate

All usage, per therm, under Special Conditions 3 and 4 20.106¢

Non-Baseline Rate

All usage, per therm 37.936¢

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

The number of therms to be billed shall be determined in accordance with Rule 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1. Incremental non-baseline usage is defined as additional gas load above the base volume, the non-baseline usage in each billing period in the 12-month period prior to signing the Agreement. Base volumes remain unchanged as long as the customer remains on this Schedule.
2. Baseline Rates: Baseline Rates are applicable only to specific volumes of residential usage.
3. Baseline Usage: The following quantities of gas used in individually metered residences not in a multi-family complex are to be billed at the Baseline rates. Usage in excess of applicable Baseline allowances will be billed at the Non-Baseline rates. Non-baseline usage in excess of base year non-baseline volumes will receive the SummerSaver credit for the months of May to October.

<u>Per Residence</u>	<u>Daily Therm Allowance for Climate Zones*</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Summer	0.457	0.457	0.457
Winter	1.624	1.956	2.287

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Schedule No. GTO-SSB

Sheet 3

TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS
 PURCHASING NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

(Continued)

SPECIAL CONDITIONS (continued)

4. In multi-family complexes where individual dwelling units receive natural gas service directly from the Utility through separate meters and where other residential services are provided from a separately metered central source, the applicable basic Baseline allowance for each such individually metered dwelling unit, subject to verification, will be as follows. Usage in excess of applicable Baseline allowances will be billed at the Non-Baseline rates. Non-baseline usage in excess of base year non-baseline volumes will receive the SummerSaver credit for the months of May to October.

<u>Codes</u>	<u>Per Residence</u>	<u>Daily Therm Allowance for Climate Zones*</u>		
		<u>1</u>	<u>2</u>	<u>3</u>
1	Space heating only			
	Summer	0.000	0.000	0.000
	Winter	1.160	1.492	1.823
2	Water heating and cooking	0.460	0.460	0.460
3	Cooking, water heating and space heating			
	Summer	0.457	0.457	0.457
	Winter	1.624	1.956	2.287
4	Cooking and space heating			
	Summer	0.085	0.085	0.085
	Winter	1.246	1.578	1.909
5	Cooking only	0.085	0.085	0.085
6	Water heating only	0.375	0.375	0.375
7	Water heating and space heating			
	Summer	0.372	0.372	0.372
	Winter	1.538	1.870	2.201

* Climate Zones are described in the Preliminary Statement.

5. Seasonal Changes: Bills reflecting Baseline allowances will be prepared in the May and November billing periods using the applicable daily allowance from each respective seasonal period.
6. Customers may make service arrangements through an Energy Service Provider, as defined in Rule No. 1, and as provided for in Rule No. 32.
7. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

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 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. GTO-SSB

Sheet 4

TRANSPORTATION-ONLY SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS
 PURCHASING NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

(Continued)

SPECIAL CONDITIONS (continued)

8. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No. 32.
9. All provisions of Rule No. 32, Core Aggregation Transportation, shall apply to customers receiving service under this schedule.
10. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.
11. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
12. Customers with multiple facilities (under the same customer name) whose total requirements are at least 120,000 therms per year may participate as a self-aggregator, but must designate a single account under which charges for imbalance services are to be billed.
13. In the event the ESP defaults on any payments to the Utility, the ESP's customers shall be responsible for the Utility's billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.
14. The customer may cancel participation within 72 hours of submission of the request to participate in the SummerSaver optional rate program.
15. As a condition precedent to service under this schedule, an executed SummerSaver Program Application and Agreement shall be required. As part of the Agreement, the customer certifies that he qualifies under the terms and conditions of this Schedule.
16. All contracts, rates, and conditions are subject to revision and modification as a result of CPUC order.
17. The contract term for service under this rate schedule shall be for four years, but the customer or the utility may terminate participation by at any time with 30 days notice.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. GT-NGV

Sheet 1

TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR VEHICLE SERVICE

APPLICABILITY

Applicable to the local transportation of customer-owned gas for use in motor vehicles for customers who (1) elect to purchase natural gas from ESPs in accordance with Rule No. 32; or (2) meet a minimum transportation requirement of 120,000 therms at the Facility and elect transportation-only service hereunder as a self-aggregator and meet the requirements set forth in Rule No. 32. In accordance with Rule No. 23 service under this schedule shall be classified as end-use priority 1 or 2A.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

P-1 Service, per month	\$13.00
P-2A Service, per month	\$65.00

If the customer charge is collected under Schedule No. G-NGV, no duplicative charge is collected hereunder.

Transmission Charges

Customer-Funded Fueling Station

Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by the customer using customer's equipment at the customer's designated premises.

GT-NGU

This charge is equal to the core commodity rate less the monthly non-residential procurement charge as set forth in Schedule No. G-CP.

GT-NGU, uncompressed per therm	6.347¢
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(Continued)

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Schedule No. GT-NGV

Sheet 2

TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR VEHICLE SERVICE

(Continued)

RATES (continued)

Transmission Charges (continued)

Utility-Funded Fueling Station

GT-NGC Compression Surcharge per therm 35.000¢

The GT-NGC Compression Surcharge will be added to the GT-NGU uncompressed rate per therm as indicated in the Customer-Funded Fueling Station section above. The resultant rate is:

GT-NGC, compressed per therm 41.347¢

Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by SoCalGas from a Utility-funded fueling station.

Co-funded fueling stations, customer/Utility-funded, will be billed a proportionate compression charge based on the customer's level of co-funding. The agreement and associated rate will be filed with the Commission by separate contract.

Any applicable taxes, franchise or other fees will be billed separately on the customer's bill.

Minimum Charge

The minimum monthly charge shall consist of the monthly customer charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. As a condition precedent to service under this schedule, an executed Master Services Contract and an executed Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1) are required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
3. The contract term for service under this rate schedule shall be for a minimum of one year. After the initial one-year term, the contract will continue on a year-to-year basis until terminated by either party upon 15-days written notice.

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Schedule No. GT-NGV

Sheet 3

TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR VEHICLE SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

4. Service for natural gas vehicles (NGVs) will require separate metering from other gas uses the customer may have. All gas used for NGVs are under the G-NGV or GT-NGV rate schedules.
5. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under this schedule.
6. Customers having existing gas exchange arrangements with SoCalGas must exchange the maximum amount of gas allowable under those arrangements prior to the delivery of customer-owned natural gas to SoCalGas for transportation, unless otherwise agreed to by SoCalGas.
7. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
8. In the event customers make any material change, either in the amount or character of gas appliances or equipment, written notice thereof must be made to SoCalGas in accordance with Rule No. 29, Change of Consumer's Apparatus or Equipment.
9. Due to California Air Resources Board (ARB) fuel specification regulations, SoCalGas may not be able to provide natural gas for motor vehicle refueling in some areas of its service territory without some additional location-specific equipment requirements. Therefore customers intending to provide or use natural gas as a motor vehicle fuel must inform SoCalGas of such intentions prior to such provision or use. SoCalGas and the customer will determine what location-specific equipment requirements if any are needed to satisfy ARB fuel regulations for the provision of NGV service.
10. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.

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Schedule No. GT-NGV

Sheet 4

TRANSPORTATION OF CUSTOMER-OWNED GAS FOR MOTOR VEHICLE SERVICE

(Continued)

SPECIAL CONDITIONS (continued)

11. As a condition precedent to service under this schedule, a Core Aggregation Transportation Authorization (Form No. 6568-A) executed prior to the implementation of D.98-02-108 or a Direct Access Service Request (DASR) submitted by an ESP pursuant to D.98-02-108 is required.
12. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32.
13. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule.
14. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed.
15. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.
16. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the ESP for all charges.
17. Customers who meet a minimum transportation requirement of 120,000 therms per year and elect to receive service under this schedule directly from SoCalGas rather than through an ESP must execute an Energy Service Provider Agreement For Core Aggregation Service and all the provisions of Rule No. 32 shall apply.

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Schedule No. GSL
SUBMETERED MULTI-FAMILY SERVICE, INCOME-QUALIFIED

Sheet 2

(Continued)

RATES (continued)

Minimum Charge (Per Meter Per Day)*

All customers except "space heating only"	13.151¢
"Space heating only" customers:	
Beginning November 1 through April 30	26.519¢
Beginning May 1 through October 31	None

* Applicable if customer is not billed on Schedule No. GS.

Commodity Charge

GSL

These charges are for service as defined above and consist of: (1) the discounted monthly residential procurement charge, as described below; and (2) the GT-SL transmission charges, as set forth in Schedule No. GT-SL.

The residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 13. The procurement charge shown below has been discounted by 20 percent.

Baseline Rate

All usage, per therm, under Special Conditions 2 and 3.

Procurement Charge: G-CPRL	34.838¢	I R I
<u>Transmission Charge:</u> GT-SL	<u>16.085¢</u>	
Commodity Charge: GSL	50.923¢	

Non-Baseline Rate

All usage, per therm.

Procurement Charge: G-CPRL	34.838¢	I R I
<u>Transmission Charge:</u> GT-SL	<u>30.349¢</u>	
Commodity Charge: GSL	65.187¢	

The number of therms to be billed shall be determined in accordance with Rule No. 2.

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Schedule No. GSL
SUBMETERED MULTI-FAMILY SERVICE, INCOME-QUALIFIED

Sheet 6

(Continued)

SPECIAL CONDITIONS (continued)

11. The daily submetering credit provided herein prohibits further recovery by mobile home park owners for the costs of owning, operating, and maintaining their gas submetered system. This prohibition also includes the cost of the replacement of the submetered gas system.

No other charges shall be applied to the customer's tenants for submetered service unless specifically provided herein.

12. The minimum term for service hereunder is one month, except when a customer has ended service under the Core Aggregation Transportation program and elects to return to Utility procurement service, in which event the minimum term is one year, and then month-to-month thereafter, unless the customer executes an authorization form with another aggregator within the 90-day interim period pursuant to Rule No. 32, Section A.3.(14).
13. The Utility will file core procurement rate changes on the last business day of each month to become effective on the first calendar day of the following month.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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DATE FILED May 1, 2002
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Schedule No. GT-SL

Sheet 1

CORE AGGREGATION TRANSPORTATION
SUBMETERED MULTI-FAMILY SERVICE, INCOME-QUALIFIED

APPLICABILITY

Applicable to local transportation of customer-owned natural gas to multi-family dwelling units and mobile home parks supplied through one meter on a single premise and submetered to all individual units. The number of qualifying units is subject to verification by SoCalGas. Service under this schedule is available to customers that elect to purchase natural gas from ESPs in accordance with Rule No. 32. Eligibility for service under this schedule is limited to income-qualified households as defined for California Alternate Rates for Energy as defined in Rule No. 1 and Special Condition 8. This schedule is closed to new mobile home parks or manufactured housing communities for which construction has commenced after January 1, 1997.

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TERRITORY

Applicable throughout the service territory.

RATES

The therms in the Baseline block shall be multiplied by the number of qualified residential units. A daily submetering credit of 34.093¢ shall be applicable for each qualified residential unit. However, in no instance shall the monthly bill be less than the minimum charge.

I

Customer Charge

Per meter, per day 13.151¢*

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If the customer charge is collected under another rate schedule, no duplicate charge is collected hereunder.

* For "space heating only" customers, a daily customer charge of 26.519¢ per day applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, except for closing bills or at the time of a rate increase, usage will be accumulated to at least 20 therms before billing.

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The term "space heating only" applies to customers who are using gas primarily for space heating for human comfort as determined by survey or under the presumption that customers who use less than 11 therms per month during each of the regular billing periods ending in August and September are using gas primarily for space heating for human comfort.

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Schedule No. GT-SL

Sheet 2

CORE AGGREGATION TRANSPORTATION
SUBMETERED MULTI-FAMILY SERVICE, INCOME-QUALIFIED

(Continued)

RATES (continued)

Minimum Charge (Per Meter Per Day)*

All customers except "space heating only"	13.151¢
"Space heating only" customers:	
Beginning November 1 through April 30	26.519¢
Beginning May 1 through October 31	None

* Applicable if customer is not billed on Schedule No. GS.

Transmission Charges

GT-SL

These charges are equal to the discounted core commodity rate less the discounted monthly residential procurement charge as set forth in Schedule No. G-CP.

Baseline Rate

All usage, per therm under Special Condition 2	16.085¢
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Non-Baseline Rate

All usage, per therm	30.349¢
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The number of therms to be billed shall be determined in accordance with Rule No. 2.

Billing Adjustments

Billing adjustments may be necessary to reflect charges in volumes used in developing prior periods' transportation charges.

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Schedule No. GT-SL

Sheet 5

CORE AGGREGATION TRANSPORTATION
SUBMETERED MULTI-FAMILY SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

8. Eligibility: (continued)

Eligible tenants can only receive this rate at one residential location at any one time.

Tenants eligible for this rate shall send their completed self-certification or self-recertification applications directly to SoCalGas.

Random Post-Enrollment Verification: Resolution E-3586 authorized SoCalGas to undertake random post-enrollment verification of customers receiving the CARE rate. If selected for random post-enrollment verification, customers must provide proof of income to SoCalGas. SoCalGas will verify the eligibility of each customer so selected.

Further, questionable applications will also be subject to post-enrollment verification. A tenant either suspected or found to have provided incorrect information may be required to submit proof of income eligibility. Tenant refusal or failure to provide proof of eligibility, upon request, will be removed immediately from the CARE rate.

Customers who are found to be ineligible or fail to timely notify SoCalGas that they no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

It is the tenant's responsibility to notify SoCalGas of any change in eligibility status.

Self-Recertification: Tenants will be required to self-recertify their eligibility annually.

Customer Responsibility: The property owner or responsible party shall notify SoCalGas within 30 days following any change in the number of submetered units qualifying for the CARE rate.

9. The daily submetering credit provided herein prohibits further recovery by mobile home park owners for the costs of owning, operating, and maintaining their gas submetered system. This prohibition also includes the cost of the replacement of the submetered gas system.

No other charges shall be applied to the customer's tenants for submetered service unless specifically provided herein.

10. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.

11. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.

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Schedule No. GT-SL

Sheet 6

CORE AGGREGATION TRANSPORTATION
SUBMETERED MULTI-FAMILY SERVICE, INCOME-QUALIFIED

(Continued)

SPECIAL CONDITIONS (continued)

12. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32.
13. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this schedule.
14. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under this schedule.
15. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
16. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance services are to be billed.
17. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.
18. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the ESP for all charges.
19. Master metered customers who aggregate their gas supplies and purchase gas from a third party may only charge their submetered tenants the maximum rate equal to SoCalGas' applicable prevailing rates, as if the tenant was purchasing gas directly from SoCalGas. If the price negotiated with the third party was less than SoCalGas' rates, the master metered customer may choose to share the profit with the submetered tenants. However, the master metered customer shall not charge more than SoCalGas' prevailing rates even if the negotiated price is higher than SoCalGas' rates.
20. Master metered customers shall provide an itemized billing of charges to each individual submetered tenant. Such billing shall generally conform to the structure and content of SoCalGas' billings to its customers. Master metered customers shall also post, in a conspicuous place, the rate schedule which would be applicable to the submetered tenant if the tenant were a customer of SoCalGas.

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Schedule No. GT-SD
LOCAL TRANSPORTATION SERVICE

Sheet 1

APPLICABILITY

Applicable for firm and interruptible local transportation service for delivery to San Diego Gas & Electric Company ("SDG&E") Rainbow receipt point.

TERRITORY

The Rainbow meter delivery point shall be as specified as the sole point of delivery in the Master Services Contract, Schedule A, Local Transportation Services.

RATES

Customer Charge

Per month \$150

Interstate Transition Cost Surcharge (ITCS)

ITCS-SD, per therm 0.038¢

The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule.

Transmission Charges

The transmission charges below are applicable for firm local transportation service (GT-F11) and interruptible local transportation service (GT-I11).

GT-F11 Rate, per therm 0.351¢
 GT-I11 Rate, per therm 0.351¢

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges or penalties that may occur.

The number of therms to be billed shall be all transportation quantities nominated for delivery by or on behalf of the customers into the utility system that are scheduled for delivery to the utility system.

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Schedule No. GT-SD
LOCAL TRANSPORTATION SERVICE

Sheet 2

(Continued)

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. As a condition precedent to service under this schedule, an executed Master Services Contract and an executed Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1) are required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
3. In the event of curtailment, customers served hereunder will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23.
4. Terms and conditions of Rule No. 30 concerning Nominations in Excess of System Capacity and Winter Deliveries shall not apply to the transportation of customer-owned gas under this schedule. All other terms and conditions of Rule No. 30 and Rule 40 shall apply to the transportation of customer-owned gas under this schedule.
5. Schedule No. G-IMB shall not apply to the transportation of customer-owned gas under this schedule.
6. The contract term for firm local transportation service shall be two years.
7. Utility shall offer firm local transportation service, provided that the Utility has sufficient capacity to receive and redeliver all such volumes on a firm basis.
8. Customers may elect full requirements service under this schedule. The Customer must provide the Utility sufficient information to establish the usage requirements of its designated full requirements load.
9. Full requirements customers are prohibited from using alternate fuels or bypass pipeline service except (1) in the event of curtailment, (2) to test alternate fuel capability, or (3) where the Utility has provided prior written authorization for the use of alternate fuels or bypass for temporary periods. The Utility shall have the right to review the Customer's records in order to determine compliance hereunder.
10. In the event of any unauthorized alternate fuel use or bypass, customers must provide the Utility written notice thereof quantifying the extent to which alternate fuel or bypass use occurred. Such notice must be provided prior to the end of the month in which the usage took place. Any unauthorized alternate fuel or bypass use will be subject to a use-or-pay charge equal to 80% of the applicable transmission charge. No other use-or-pay charges are applicable to full requirements service.

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 ADVICE LETTER NO. 3146
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Schedule No. GT-SD
LOCAL TRANSPORTATION SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (continued)

11. A customer not electing full requirements service must contract for an annual quantity of gas applicable each contract year during the term of the customer's contract. The annual contract quantity may not be changed during the term of the customer's contract. The annual contract quantity must be broken down by month into fixed service quantities for each contract year during the term of the contract. The customer may request changes to the monthly quantities on a month-to-month basis, however, the total of the monthly contract quantities for the contract year must equal the annual contract quantity. The monthly contract quantity breakdown may be established on the basis of seasonal variations in the customer's usage in accordance with the customer's historic usage pattern. The Utility reserves the right to accept or reject such requested quantities after considering the customer's historic usage pattern and other evidence provided by the customer regarding operational changes affecting the customer's consumption.
12. If at the end of a contract year, Customer's partial requirements firm local transportation usage is less than 75% of the Customer's firm local transportation contract quantity, Customer will pay use-or-pay charges equal to 80% of the average transmission charge for the last billing month of the contract year times the difference between the Customer's actual usage and the 75% threshold.
13. Use-or-pay charges applicable to partial requirements firm local transportation service shall only be forgiven to the extent Customer's reduced consumption is specifically due to intrastate curtailment or a Force Majeure event on either the interstate or intrastate systems.
14. Customer may elect interruptible local transportation service for all or part of its requirements. The minimum contract term for such service shall be one month.
15. By mutual agreement, the Utility and non-affiliated customers, may negotiate interruptible transmission charges for a term of service of less than five years without CPUC approval. Any such negotiated transmission charges shall be set forth in the customer's service contract. All such service contracts must be submitted by letter to the CPUC and made available for public inspection. No other charges under this schedule shall be negotiable unless CPUC approval is first obtained.
16. All contracts for a term of service of five years or longer ("long-term") meeting the guidelines set forth in Decision No. 92-11-052 must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure adopted in Decision No. 92-11-052. All other long-term contracts must be filed by advice letter for prior CPUC approval.

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Schedule No. GT-SD
LOCAL TRANSPORTATION SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (continued)

17. Any affiliate of SoCalGas (including SDG&E) or of SDG&E shipping gas on the system of SoCalGas, SDG&E, or both for use in electric generation shall use the GasSelect EBB to nominate and schedule such volumes separately from any other volumes that it ships on either system. Such gas will be transported under rates and terms (including rate design) no more favorable than the rates and terms available to similarly-situated non-affiliated shippers for the transportation of gas used in electric generation.
18. SoCalGas shall seek prior Commission approval of any transportation rate discount offered to any affiliated shipper on the SoCalGas system using existing procedures established by the Commission for review of discounted transportation contracts.
19. Customers who receive gas transportation service from an alternate service provider may be subject to the provisions of Schedule No. GT-RLS, Residual Load Service.
20. Transportation quantities nominated for delivery into the utility system that are not confirmed by SDG&E for receipt into the SDG&E system will not be confirmed for delivery into the utility system.

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ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Schedule No. G-WHL
HUB WHEELING SERVICE

Sheet 1

APPLICABILITY

Applicable for Wheeling service provided to qualified users of Utilities' Hub Service. Qualification requirements, characteristics of service and operational requirements are defined in Rule No. 37. As described in Rule No. 37, Hub Service is available on an interruptible basis only. Wheeling service definitions are set forth in Rule No. 1.

RATES

Wheeling rate, minimum charge	\$50 minimum
Wheeling rate, maximum charge	60.33¢ per decatherm maximum

Wheeling rates will be set on an individualized basis, depending upon market conditions and will fall within the minimum and maximum charges. The maximum rate set forth above reflects the following costs: 1) the average rate for the noncore class defined as equal to the total transportation revenue for the class divided by the average yearly throughput for that class, and 2) an allocation for the California Alternate Rates for Energy (CARE) Surcharge. The minimum rate of \$50 reflects the incremental administrative and overhead costs necessary to carry out a Wheeling transaction.

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Schedule No. GT-EN

Sheet 1

CORE TRANSPORTATION-ONLY GAS ENGINE
SERVICE FOR WATER PUMPING

APPLICABILITY

Applicable to the local transportation of customer-owned natural gas for qualifying gas engine water pumping uses, as defined in Rule No. 1, at each Facility classified in Rule No. 23 as Priority 1 and 2A who (1) elect to purchase natural gas from ESPs in accordance with Rule No. 32; or (2) meet a minimum transportation requirement of 120,000 therms at the Facility and elect transportation-only service hereunder as a self-aggregator and meet the requirements set forth in Rule No. 32. Service under this schedule is optional for all Priority 1 qualifying usage. For facilities classified as Priority 2A, service under this schedule is optional subject to the contract terms set forth herein. Current noncore customers with usage that would otherwise qualify for service under this schedule may elect by written notice to SoCalGas to be served hereunder for such usage. In such an event the customer shall become a core customer for such usage and any grandfathered noncore status the customer may have shall terminate. In the event a Priority 2A or noncore customer elects service under this schedule, such election shall apply to all of the customer's qualifying usage at the facility.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per Month \$50.00

If the applicable customer charge is collected under Schedule No. G-EN, no duplicative charge is collected hereunder.

Transmission Charges

GT-EN

This charge is equal to the core commodity rate less the monthly non-residential procurement charge as set forth in Schedule No. G-CP.

Rate, per therm 11.224¢

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

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Schedule No. GT-EN

Sheet 2

CORE TRANSPORTATION-ONLY GAS ENGINE
SERVICE FOR WATER PUMPING

(Continued)

RATES (continued)

Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

General

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customers must receive service under this schedule separately from their other non-qualifying usage requirements. Any additional service and measurement related facilities deemed necessary by SoCalGas to separately measure service hereunder shall be installed, owned, and operated by SoCalGas and the installation of such facilities shall be at the customer's expense.
3. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
4. In the event customers make any material change, either in the amount or character of their gas equipment, written notice to SoCalGas must be made in accordance with Rule No. 29, Change of Customer's Apparatus or Equipment.
5. All terms and conditions of Rule No. 30 and Rule No. 40 and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under schedule GT-EN.
6. Customers having existing gas exchange arrangements with SoCalGas must exchange the maximum amount of gas allowable under those arrangements prior to the delivery of customer-owned natural gas to SoCalGas for transportation, unless otherwise agreed to by SoCalGas.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

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DATE FILED May 1, 2002
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RESOLUTION NO. _____

Schedule No. GT-EN

Sheet 3

CORE TRANSPORTATION-ONLY GAS ENGINE
SERVICE FOR WATER PUMPING

(Continued)

SPECIAL CONDITIONS (continued)

Priority 2A Customers

7. As a condition precedent to service under this schedule, an executed Master Service Contract, Schedule A, Local Transportation Services Agreement (Form Nos. 6597 and 6597-1) shall be required. All contracts, rates, and conditions are subject to revision and modification as a result of Commission order.
8. The contract term for service under this rate schedule shall be for a minimum of one year. After the initial one-year term, the contract will continue on a year-to-year basis until terminated by either party upon 15-days written notice.

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(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GW-LB
WHOLESALE NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for firm and interruptible local transportation service for the City of Long Beach ("Customer").

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TERRITORY

Delivery points shall be as specified in the Master Services Contract, Schedule A, Local Transportation Services ("Contract").

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RATES

Transmission Charges

GT-F7, GT-I7, Firm & Interruptible Transmission

Rate, per therm 0.715¢

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Interstate Transition Cost Surcharge (ITCS)

ITCS-LB, per therm 0.038¢

The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule except for that service identified in Rule No. 1 as being exempt. The ITCS under this schedule may include an additional allocation of any capacity costs associated with service hereunder as provided in Special Condition 22.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

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The number of therms to be billed shall be determined in accordance with Rule No. 2.

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SPECIAL CONDITIONS

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GENERAL

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1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. As a condition precedent to service under this schedule, an executed Master Services Contract and an executed Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1) are required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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Schedule No. GW-LB
WHOLESALE NATURAL GAS SERVICE

Sheet 2

(Continued)

SPECIAL CONDITIONS

GENERAL (Continued)

- 3. In the event of curtailment, Customer will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23. If service to Customer's Priority 1 and 2A customers is in jeopardy, such customers shall be served in parity with Utility's Priority 1 and 2A customers as set forth in Rule No. 23.
- 4. All terms and conditions of Rule No. 30, Rule 40 and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under this schedule.
- 5. Customer's core load can be out of balance for a period up to twelve months in length. The maximum amount by which quantities purchased to serve the Customer's core market can be out-of-balance is limited to: (1) a quantity equal to the percentage of the Utility's storage capacity equivalent to the percentage of total storage costs assessed to the core customers of Customer as adopted in the most recent cost allocation proceeding; and (2) by any operational constraints experienced by the Utility.

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FIRM LOCAL TRANSPORTATION

- 6. The contract term for firm local transportation service shall be two years.
- 7. Utility shall offer firm local transportation service, provided that the Utility has sufficient capacity to receive and redeliver all such volumes on a firm basis.
- 8. Pursuant to the provisions and guidelines of Decision No. 92-11-052, the Utility may negotiate a discounted contract with Customer for a service term of five years or more. Such a contract must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure as adopted in Decision No. 92-11-052.

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FULL REQUIREMENTS SERVICE

- 9. For its firm local transportation service, Customer may elect full requirements service only for that portion of such usage serving (1) its own core customers' requirements, on an aggregate basis, and/or (2) the requirements, on an individual basis, of those noncore customers designated by Customer as requesting such service; as set forth in the Customer's Contract. Customer must provide Utility sufficient information to establish the usage requirements of its designated full requirements load.
- 10. Customer's full requirements service loads are prohibited from being displaced through use of alternate fuels or bypass pipeline service except (1) in the event of curtailment, (2) to test alternate fuel capability, (3) or where the Utility has provided prior written authorization for the use of alternate fuels or bypass for temporary periods. The Utility shall have the right to review the Customer's records in order to determine compliance hereunder.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
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(TO BE INSERTED BY CAL. PUC)
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 RESOLUTION NO. _____

Schedule No. GW-LB
WHOLESALE NATURAL GAS SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

FULL REQUIREMENTS SERVICE (Continued)

11. In the event of any unauthorized alternate fuel use or bypass which displaces Customer's full requirement load, Customer must provide the Utility written notice thereof quantifying the extent to which alternate fuel or bypass use occurred. Such notice must be provided prior to the end of the month in which the usage took place. Any unauthorized alternate fuel or bypass use will be subject to a use-or-pay charge equal to 80% of the applicable transmission charge. No other use-or-pay charges are applicable to full requirements service.

PARTIAL REQUIREMENTS SERVICE

12. For its firm local transportation service (excluding Customer's full requirements load, if applicable), Customer must contract for a separate annual quantity of gas applicable for each contract year during the term of the Contract. The annual contract quantity may not be changed during the term of the Contract and must be broken down by month into fixed service quantities for each contract year during the Contract term. Customer may request changes to the monthly contract quantities on a month-to-month basis, however, the total of the monthly contract quantities for a contract year must equal the annual contract quantity. The monthly quantity breakdown may be established on the basis of seasonal variations in accordance with Customer's historic usage pattern. The Utility reserves the right to accept or reject any requested contract quantities after considering Customer's historic requirements and other evidence provided by Customer regarding operational changes affecting its consumption.
13. If at the end of a contract year, Customer's partial requirements firm local transportation usage is less than 75% of the firm local transportation contract quantity, Customer will pay use-or-pay charges equal to 80% of the transmission charge for the last billing month of the contract year times the difference between the Customer's actual usage and the 75% threshold.
14. Use-or-pay charges applicable to partial requirements firm local transportation service shall only be forgiven to the extent Customer's reduced consumption is specifically due to intrastate curtailment or a Force Majeure event on either the interstate or intrastate systems.

INTERRUPTIBLE LOCAL TRANSPORTATION

15. Customer may elect interruptible local transportation service for all or part of its requirements. The minimum contract term for such service shall be one month.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

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Schedule No. GW-LB
WHOLESALE NATURAL GAS SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

PARTIAL REQUIREMENTS SERVICE (Continued)

- 16. By mutual agreement, the Utility and Customer may negotiate interruptible transmission charges for a term of service of less than five years without CPUC approval. Any such negotiated transmission charges shall be set forth in the Customer's Contract. Any such contract must be submitted by letter to the CPUC and made available for public inspection. No other charges for service under this schedule shall be negotiable unless CPUC approval is first obtained.
- 17. All contracts for a term of service of five years or longer ("long-term") meeting the guidelines set forth in Decision No. 92-11-052 must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure adopted in Decision No. 92-11-052. All other long-term contracts must be filed by advice letter for prior CPUC approval.

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RESIDUAL LOAD SERVICE

- 18. Customer may be subject to the provisions of the Residual Load Service Tariff, GT-RLS, if it receives gas transportation service from an alternate service provider.

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CORE STORAGE OPTION

- 19. Upon expiration of Customer's storage agreement in effect on April 1, 2002, Customer has the option to contract for a specific amount of storage capacity to meet the reliability/balancing needs of its core load.
- 20. The specific amount of storage that Customer may elect under this option is its last 12 months core throughput divided by SoCalGas' core throughput for the same period times the inventory, injection and withdrawal storage capacity reserved for reliability/balancing purposes for SoCalGas' total core market. Customer must take the whole amount of storage so quantified if it chooses to elect this option.
- 21. Under this option Customer will pay the same rate per unit of storage charged by SoCalGas for storage capacity reserved for the SoCalGas core market.
- 22. This option is available once per year immediately prior to the annual storage open season, to be effective for a period of one storage year (April 1 to March 31 of the succeeding year).
- 23. Customer is under no obligation to exercise this option and may acquire storage capacity in the same manner as all other noncore customers whether or not it exercises this option.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

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DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GW-SD
WHOLESALE NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for local transportation service for San Diego Gas & Electric Company ("Customer").

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TERRITORY

Delivery points shall be as specified in the Customer's Master Services Contract, Schedule A, Local Transportation Service.

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RATES

Interstate Transition Cost Surcharge (ITCS)

ITCS-SD, per therm 0.038¢

The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule except for that service identified in Rule No. 1 as being exempt.

Transmission Charges

The transmission charges below are applicable for firm local transportation service (GT-F8) and interruptible local transportation service (GT-I8).

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GT-F8 Rate/Therm 0.351¢
 GT-I8 Rate/Therm 0.351¢

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges or penalties that may occur.

The number of therms to be billed shall be the number of therms determined in accordance with Rule No. 2 less the number of therms billed to customers under Schedule No. GT-SD for the same applicable billing period.

SPECIAL CONDITIONS

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1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. As a condition precedent to service under this schedule, an executed Master Services Contract and an executed Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1) are required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

Schedule No. GW-SD
WHOLESALE NATURAL GAS SERVICE

Sheet 2

(Continued)

SPECIAL CONDITIONS (Continued)

3. In the event of curtailment, the Utility shall provide service to Customer in accordance with the provisions of Rule No. 23.
4. The transportation imbalance will be calculated by aggregating the confirmed transportation deliveries for the customer with the confirmed transportation deliveries for customers taking service under Schedule No. GT-SD less the actual usage recorded by the Utility at the SDG&E system receipt points. All other terms and conditions of Rule No. 30, Rule 40 and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under this schedule.
5. The contract term for firm local transportation service shall be two years.
6. Utility shall offer firm local transportation service , provided that the Utility has sufficient capacity to receive and redeliver all such volumes on a firm basis.
7. For its firm local transportation service, Customer may elect full requirements service only for that portion of such usage serving (1) its own core customers' requirements, on an aggregate basis, and/or (2) the requirements, on an individual basis, of those noncore customers designated by the Customer as requesting such service; as set forth in the Customer's Contract. The Customer must provide the Utility sufficient information to establish the usage requirements of its designated full requirements load.
8. Customer's full requirements service loads are prohibited from being displaced through use of alternate fuels or bypass pipeline service except (1) in the event of curtailment, (2) to test alternate fuel capability, or (3) where the Utility has provided prior written authorization for the use of alternate fuels or bypass for temporary periods. The Utility shall have the right to review the Customer's records in order to determine compliance hereunder.
9. In the event of any unauthorized alternate fuel use or bypass which displaces Customer's full requirements load, Customer must provide the Utility written notice thereof quantifying the extent to which alternate fuel or bypass use occurred. Such notice must be provided prior to the end of the month in which the usage took place. Any such unauthorized use will be subject to a use-or-pay charge equal to 80% of the applicable transmission charge. No other use-or-pay charges are applicable to full requirements service.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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Schedule No. GW-SD
WHOLESALE NATURAL GAS SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

- 10. For its firm local transportation service (excluding Customer's full requirements load, if applicable), Customer must contract for a separate annual quantity of gas applicable for each contract year during the term of the Contract ("partial requirements"). The annual contract quantity may not be changed during the term of the Contract and must be broken down by month into fixed service quantities for each contract year during the Contract term. Customer may request changes to the monthly contract quantities on a month-to-month basis, however, the total of the monthly contract quantities for a contract year must equal the annual contract quantity. The monthly quantity breakdown may be established on the basis of seasonal variations in accordance with Customer's historic usage pattern. The Utility reserves the right to accept or reject any requested contract quantities after considering Customer's historic requirements and other evidence provided by Customer regarding operational changes affecting its consumption. L
- 11. If at the end of a contract year, Customer's partial requirements firm local transportation usage is less than 75% of the Customer's firm local transportation contract quantity, Customer will pay use-or-pay charges equal to 80% of the average transmission charge for the last billing month of the contract year times the difference between the Customer's actual usage and the 75% threshold. T
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- 12. Use-or-pay charges applicable to partial requirements firm local transportation service shall only be forgiven to the extent Customer's reduced consumption is specifically due to intrastate curtailment or a Force Majeure event on either the interstate or intrastate systems. T
- 13. Customer may elect interruptible local transportation service for all or part of its requirements. The minimum contract term for such service shall be one month. D
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- 14. By mutual agreement, the Utility and Customer may negotiate interruptible transmission charges for a term of service of less than five years without CPUC approval. Any such negotiated transmission charges shall be set forth in the Customer's Contract. Any such contract must be submitted by letter to the CPUC and made available for public inspection. No other charges for service under this schedule shall be negotiable unless CPUC approval is first obtained. T,D
- 15. All contracts for a term of service of five years or longer ("long-term") meeting the guidelines set forth in Decision No. 92-11-052 must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure adopted in Decision No. 92-11-052. All other long-term contracts must be filed by advice letter for prior CPUC approval. T
- 16. Customer may be subject to the provisions of the Residual Load Service Tariff, GT-RLS, if it receives gas transportation service from an alternate service provider. T

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
 Vice President
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 RESOLUTION NO. _____

Schedule No. GW-SD
WHOLESALE NATURAL GAS SERVICE

Sheet 4

(Continued)

CORE STORAGE OPTION

17. Upon expiration of Customer's storage agreement in effect on April 1, 2002, Customer has the option to contract for a specific amount of storage capacity to meet the reliability/balancing needs of its core load. T,L
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18. The specific amount of storage that Customer may elect under this option is its last 12 months core throughput divided by SoCalGas' core throughput for the same period times the inventory, injection and withdrawal storage capacity reserved for reliability/balancing purposes for SoCalGas' total core market. Customer must take the whole amount of storage so quantified if it chooses to elect this option. T,L
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19. Under this option Customer will pay the same rate per unit of storage charged by SoCalGas for storage capacity reserved for the SoCalGas core market. L,T
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20. This option is available once per year immediately prior to the annual storage open season, to be effective for a period of one storage year (April 1 to March 31 of the succeeding year). T
21. Customer is under no obligation to exercise this option and may acquire storage capacity in the same manner as all other noncore customers whether or not it exercises this option. T

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Schedule No. GW-SWG
WHOLESALE NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for firm and interruptible local transportation service and long-term storage service for Southwest Gas Corporation ("Customer") to Customer's service territory in southern California.

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TERRITORY

Delivery points shall be as specified in the California Wholesale Gas Transportation and Storage Service Agreement ("Contract").

RATES

Transmission Charges

GT-F9, GT-I9, Firm & Interruptible Transmission

Rate, per therm 0.623¢

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Interstate Transition Cost Surcharge (ITCS)

ITCS-SWG, per therm 0.038¢

The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule except for that service identified in Rule No. 1 as being exempt.

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Storage Reservation Charges

Rate, per year \$1,192,118

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The annual storage reservation charge set forth above shall be escalated annually as of each January 1 during the Contract term in accordance with the storage reservation charge escalation provisions set forth in the Contract. The annual reservation charge shall be billed in twelve equal monthly installments.

The above storage reservation charge shall be in lieu of the reservation charges set forth in Schedule No. G-TBS. The variable charges set forth in Schedule No. G-TBS shall be applicable to storage service hereunder.

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Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities used in developing prior periods' transportation charges.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Lee Schavrien
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Regulatory Affairs

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DATE FILED May 1, 2002
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Schedule No. GW-SWG
WHOLESALE NATURAL GAS SERVICE

Sheet 2

(Continued)

RATES (Continued)

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

GENERAL

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. As a condition precedent to service under this schedule, an executed California Wholesale Gas Transportation and Storage Service Agreement is required. The minimum term of such Contract shall be fifteen (15) years. All contracts, rates and conditions of service are subject to revision and modification as a result of Commission order.
3. In the event of curtailment, Customer will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23. If service to Customer's Priority 1 and 2A customers is in jeopardy, such customers shall be served in parity with Utility's Priority 1 and 2A customers as set forth in Rule No. 23.
4. All terms and conditions of Rule No. 30, Rule 40 and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under this schedule.

STORAGE SERVICES

5. The Utility shall provide the Customer with storage service rights in the following capacities:

Annual firm withdrawal: 60 MMcfd

Annual firm inventory: 1.5 Bcf

Monthly firm injection: 12.5 MMcfd (April through September only)

6. On a daily or monthly basis, the Customer's storage service injections or withdrawals may exceed the capacities set forth above by up to ten percent (10%) so long as the Customer's scheduled injections plus total storage quantity in inventory does not exceed 1.5 Bcf at any time.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
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Lee Schavrien
Vice President
Regulatory Affairs

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DATE FILED May 1, 2002
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RESOLUTION NO. _____

Schedule No. GW-SWG
WHOLESALE NATURAL GAS SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

STORAGE SERVICES (Continued)

7. All terms and conditions of Schedule No. G-LTS, Long-Term Storage Service, shall apply to the storage services provided under this schedule except where such provisions would conflict with the charges and conditions set forth in this schedule or in the Customer's Contract.

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FIRM LOCAL TRANSPORTATION

8. The minimum service period for firm local transportation service under the Customer's Contract shall be two years.
9. Utility shall offer firm local transportation service, provided that the Utility has sufficient capacity to receive and redeliver all such volumes on a firm basis.

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RESIDUAL LOAD SERVICE

10. Customer may be subject to the provisions of the Residual Load Service Tariff, GT-RLS, if it receives gas transportation service from an alternate service provider.

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CORE STORAGE OPTION

11. Upon expiration of Customer's storage agreement in effect on April 1, 2002, Customer has the option to contract for a specific amount of storage capacity to meet the reliability/balancing needs of its core load.
12. The specific amount of storage that Customer may elect under this option is its last 12 months core throughput divided by SoCalGas' core throughput for the same period times the inventory, injection and withdrawal storage capacity reserved for reliability/balancing purposes for SoCalGas' total core market. Customer must take the whole amount of storage so quantified if it chooses to elect this option.
13. Under this option Customer will pay the same rate per unit of storage charged by SoCalGas for storage capacity reserved for the SoCalGas core market.
14. This option is available once per year immediately prior to the annual storage open season, to be effective for a period of one storage year (April 1 to March 31 of the succeeding year).
15. Customer is under no obligation to exercise this option and may acquire storage capacity in the same manner as all other noncore customers whether or not it exercises this option.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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Schedule No. GW-VRN
WHOLESALE NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable for firm and interruptible local transportation service for the City of Vernon ("Customer").

TERRITORY

Delivery points shall be as specified in the Master Services Contract, Schedule A, Local Transportation Services ("Contract").

RATES

Transmission Charges

GT-F10, GT-I10, Firm & Interruptible Transmission
 Rate, per therm 0.515¢

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges or penalties that may occur.

Interstate Transition Cost Surcharge (ITCS)

ITCS-VRN, per therm 0.038¢

The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule except for that service identified in Rule No. 1 as being exempt.

Billing Adjustments

Billing adjustments may be necessary to reflect changes in quantities used in developing prior periods' transportation charges.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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 EFFECTIVE _____
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Schedule No. GW-VRN
WHOLESALE NATURAL GAS SERVICE

Sheet 2

(Continued)

SPECIAL CONDITIONS

GENERAL

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. As a condition precedent to service under this schedule, an executed Master Services Contract and an executed Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1) are required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
3. In the event of curtailment, Customer will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23.
4. All terms and conditions of Rule No. 30, Rule No. 40 and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under this schedule.

FIRM LOCAL TRANSPORTATION

5. The contract term for firm local transportation service shall be two years.
6. Utility shall offer firm local transportation service, provided that the Utility has sufficient capacity to receive and redeliver all such volumes on a firm basis.
7. Pursuant to the provisions and guidelines of Decision No. 92-11-052, the Utility may negotiate a discounted contract with Customer for a service term of five years or more. Such a contract must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure as adopted in Decision No. 92-11-052.

FULL REQUIREMENTS SERVICE

8. For its firm local transportation service, Customer may elect full requirements service only for that portion of such usage serving (1) its own core customers' requirements, on an aggregate basis, and/or (2) the requirements, on an individual basis, of those noncore customers designated by Customer as requesting such service; as set forth in the Customer's Contract. Customer must provide Utility sufficient information to establish the usage requirements of its designated full requirements load.
9. Customer's full requirements service loads are prohibited from being displaced through use of alternate fuels or bypass pipeline service except (1) in the event of curtailment, (2) to test alternate fuel capability, (3) or where the Utility has provided prior written authorization for the use of alternate fuels or bypass for temporary periods. The Utility shall have the right to review the Customer's records in order to determine compliance hereunder.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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Schedule No. GW-VRN
WHOLESALE NATURAL GAS SERVICE

(Continued)

SPECIAL CONDITIONS (Continued)

FULL REQUIREMENTS SERVICE (Continued)

- 10. In the event of any unauthorized alternate fuel use or bypass which displaces Customer's full requirement load, Customer must provide the Utility written notice thereof quantifying the extent to which alternate fuel or bypass use occurred. Such notice must be provided prior to the end of the month in which the usage took place. Any unauthorized alternate fuel or bypass use will be subject to a use-or-pay charge equal to 80% of the applicable transmission charge. No other use-or-pay charges are applicable to full requirements service.

PARTIAL REQUIREMENTS SERVICE

- 11. For its firm local transportation service (excluding Customer's full requirements load, if applicable), Customer must contract for a separate annual quantity of gas applicable for each contract year during the term of the Contract. The annual contract quantity may not be changed during the term of the Contract and must be broken down by month into fixed service quantities for each contract year during the Contract term. Customer may request changes to the monthly contract quantities on a month-to-month basis, however, the total of the monthly contract quantities for a contract year must equal the annual contract quantity. The monthly quantity breakdown may be established on the basis of seasonal variations in accordance with Customer's historic usage pattern. The Utility reserves the right to accept or reject any requested contract quantities after considering Customer's historic requirements and other evidence provided by Customer regarding operational changes affecting its consumption.
- 12. If at the end of a contract year, Customer's partial requirements firm local transportation usage is less than 75% of the firm local transportation contract quantity, Customer will pay use-or-pay charges equal to 80% of the transmission charge for the last billing month of the contract year times the difference between the Customer's actual usage and the 75% threshold.
- 13. Use-or-pay charges applicable to partial requirements firm local transportation service shall only be forgiven to the extent Customer's reduced consumption is specifically due to intrastate curtailment or a Force Majeure event on either the interstate or intrastate systems.

INTERRUPTIBLE LOCAL TRANSPORTATION

- 14. Customer may elect interruptible local transportation service for all or part of its requirements. The minimum contract term for such service shall be one month.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

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Schedule No. GW-VRN
WHOLESALE NATURAL GAS SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

INTERRUPTIBLE LOCAL TRANSPORTATION (Continued)

- 15. By mutual agreement, the Utility and Customer may negotiate interruptible transmission charges for a term of service of less than five years without CPUC approval. Any such negotiated transmission charges shall be set forth in the Customer's Contract. Any such contract must be submitted by letter to the CPUC and made available for public inspection. No other charges for service under this schedule shall be negotiable unless CPUC approval is first obtained.
- 16. All contracts for a term of service of five years or longer ("long-term") meeting the guidelines set forth in Decision No. 92-11-052 must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure adopted in Decision No. 92-11-052. All other long-term contracts must be filed by advice letter for prior CPUC approval.

RESIDUAL LOAD SERVICE

- 17. Customer may be subject to the provisions of the Residual Load Service Tariff, GT-RLS, if it receives gas transportation service from an alternate service provider.

CORE STORAGE OPTION

- 18. Upon expiration of Customer's storage agreement in effect on April 1, 2002, Customer has the option to contract for a specific amount of storage capacity to meet the reliability/balancing needs of its core load.
- 19. The specific amount of storage that Customer may elect under this option is its last 12 months core throughput divided by SoCalGas' core throughput for the same period times the inventory, injection and withdrawal storage capacity reserved for reliability/balancing purposes for SoCalGas' total core market. Customer must take the whole amount of storage so quantified if it chooses to elect this option.
- 20. Under this option Customer will pay the same rate per unit of storage charged by SoCalGas for storage capacity reserved for the SoCalGas core market.
- 21. This option is available once per year immediately prior to the annual storage open season, to be effective for a period of one storage year (April 1 to March 31 of the succeeding year).
- 22. Customer is under no obligation to exercise this option and may acquire storage capacity in the same manner as all other noncore customers whether or not it exercises this option.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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DATE FILED May 1, 2002
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Schedule No. GT-AC

Sheet 1

CORE TRANSPORTATION-ONLY AIR CONDITIONING
SERVICE FOR COMMERCIAL AND INDUSTRIAL

APPLICABILITY

Applicable to the local transportation of customer-owned natural gas, as defined in Rule No. 1, for qualifying gas cooling uses, at each Facility classified in Rule No. 23 as Priority 1 and 2A or receiving service under Schedule No. GT-10 or Schedule No. GT-10L. In addition, this schedule is applicable to all qualifying core Priority 1 and 2A uses at each Facility served in combination with noncore service.

Qualifying usage under this schedule is for any gas used by nonresidential core customers, or the core gas-cooling load of noncore customers, to fuel high- efficiency gas cooling absorption chillers with two- or three-stage generators, designed and built by the original equipment manufacturers, and rated as double-effect or triple-effect units. The cooling output of the absorption chillers must equal at least 90% of the Btu input of the higher heating value of gas. Qualifying usage under this schedule also includes gas used by non-residential core customers, or the core gas-cooling load of noncore customers, to fuel high-efficiency gas engine-driven chillers.

Eligibility for service under the GT-AC rate shown below is limited to customers who elect to purchase natural gas from ESPs in accordance with Rule No. 32, and meet the requirements specified under Special Conditions 8 through 16.

Eligibility for service under the GT-ACL rate is limited to Non-Profit Group Living Facilities that meet the income requirements for California Alternate Rates for Energy as defined in Rule No. 1, Definitions, and specified in Special Condition 17, and meet the requirements specified in Special Conditions 8 through 16.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charge

Per Month \$150.00

If the applicable customer charge is collected under Schedule No. G-AC, no duplicative charge is collected hereunder.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Schedule No. GT-AC

Sheet 2

CORE TRANSPORTATION-ONLY AIR CONDITIONING
SERVICE FOR COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (continued)

Transmission Charges

GT-AC

This charge is equal to the core commodity rate less the monthly non-residential procurement charge as set forth in Schedule No. G-CP.

Rate, per therm 6.865¢

GT-ACL

This charge is equal to the discounted core commodity rate less the discounted monthly non-residential procurement charge as set forth in Schedule No. G-CP.

Rate, per therm 5.492¢

Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Schedule No. GT-AC

Sheet 3

CORE TRANSPORTATION-ONLY AIR CONDITIONING
 SERVICE FOR COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS

General

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customer may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s) through additional meter installations. Where service is rendered under (b), a separate monthly customer charge shall be applicable for service under each schedule unless otherwise stated, and usage shall be the sum of all meters for billing purposes and priority classification under Rule No. 23.
3. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
4. As a condition precedent to service under this schedule, an executed Master Service Contract (Form No. 6597) and Addendum I, Gas Air Conditioning Services (Form No. 6597-9) is required. All contracts, rates, and conditions are subject to revision and modification as a result of Commission order.
5. The contract terms for service under this schedule shall be for a minimum of 30 days. After the initial 30-day term, the contract will continue on a month-to-month basis until terminated by either party upon 15-day written notice.
6. SoCalGas at its option may use either of the following means to accurately measure gas usage for nonresidential core cooling (a) install a separate metering facility, or (b) use a subtracting meter. Such meters will be installed at the customer's expense. Where service is rendered under (a), the customer's usage will be the sum of both meters.
7. In the event customers make any material change, in either the amount or character of their gas air conditioning appliances or equipment, written notice to SoCalGas must be made within 30 days.
8. Customers may make service arrangements through an ESP, as defined in Rule No. 1, and as provided for in Rule No. 32.
9. As a condition precedent to service under this schedule, a Direct Access Service Request (DASR) submitted by an ESP is required.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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Schedule No. GT-AC

Sheet 4

CORE TRANSPORTATION-ONLY AIR CONDITIONING
SERVICE FOR COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS (continued)

10. If the customer and the ESP have met all of the requirements set forth in Rule No. 32, service will be effective in accordance with the schedule established in Rule No 32.
11. All provisions of Rule No. 32, Core Transportation Service, shall apply to customers receiving service under this provision of the schedule.
12. All terms and conditions of Rule No. 30 and Rule No. 40 shall apply to the transportation of customer-owned gas under schedule GT-AC.
13. Transportation Imbalance Service shall be provided to the customer's ESP under Schedule No. G-IMB.
14. Customers with multiple facilities (under the same customer name) who comply with provisions for becoming an ESP may participate as an ESP, but must designate a single account under which charges for imbalance are to be billed.
15. In the event the ESP defaults on any payments to SoCalGas, the ESP's customers shall be responsible for SoCalGas' billings, excluding any Procurement Management Charges, as defined in Rule No. 1, regardless of any billing arrangements the customer has with the ESP or any third parties.
16. SoCalGas shall continue to read customer meters, send customers legally required notices and bill inserts pursuant to Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services.

CARE

17. Eligibility Requirements: The CARE discount shall apply to non-profit group living facilities and non-licensed, separately metered affiliated facilities, such as homeless shelters, women's shelter, transitional housing (e.g., for drug rehabilitation, halfway house, etc.), short- or long-term care facility (hospice, nursing home, senior's or children's home), a group home for physically or mentally disabled persons, or non-profit residential facility whose construction was government-subsidized and meets all other applicable criteria. Student housing/dorms, military barracks, fraternities/sororities, government-owned, and privately-owned "for profit" government-subsidized housing are excluded. The exclusion of government-owned and government-subsidized housing does not apply to homeless shelters.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Schedule No. GT-AC

Sheet 5

CORE TRANSPORTATION-ONLY AIR CONDITIONING
SERVICE FOR COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS (continued)

CARE (continued)

17. (continued)

The discount shall apply to non-licensed, separately metered affiliates of qualifying non-profit group facilities so long as the customer of record is the qualifying non-profit facility.

Each resident of the facility or the non-licensed, separately metered facility (100%) must meet the CARE income eligibility standards for a single-person household to qualify for the G-ACL rate. At least 70% of the energy consumed on the CARE rate must be used for residential purposes.

SoCalGas shall require the facility to provide a copy of its IRS Non-Profit Tax ID Form 501(c)(3), and state business license, conditional use permit or any other proof satisfactory to SoCalGas. Facilities that have been qualified by SoCalGas under self-certification or self-recertification and are receiving the rate discount may be subject to random post-enrollment verification by SoCalGas.

An authorized representative of the facility shall sign Form No. 6571 certifying that any savings derived from the discount shall be used for the direct benefit of the residents. Such direct benefit may be in the form of improved quality of care or improved food service.

Customers who are found to be ineligible or fail to timely notify SoCalGas when they no longer qualify for the rate discount may be subject to corrective rebilling under the appropriate rate schedule.

Upon completion of Form No. 6571 and acceptance, eligible facilities or their affiliates shall receive the discount commencing with the next regularly scheduled bill.

Income Eligibility Requirements for Residents: The total annual household income from all sources (taxable and non-taxable) shall not be more than \$22,000 for each resident of the facility, and the resident shall not be claimed on another person's income tax return.

The owner or authorized representative of the facility shall notify SoCalGas within 30 days following any change that may impact the facility's eligibility for the discount.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Lee Schavrien
Vice President
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Schedule No. GT-AC

Sheet 6

CORE TRANSPORTATION-ONLY AIR CONDITIONING
SERVICE FOR COMMERCIAL AND INDUSTRIAL

(Continued)

SPECIAL CONDITIONS (continued)

CARE (continued)

17. (continued)

Self-Certification and Self-Recertification Requirements: Non-profit group living facilities must provide proof of the appropriate state license to care for residents who, either temporarily or permanently, cannot function normally outside of the group-home environment and certification from the appropriate state agency showing what services, besides lodging, are provided, or any other proof satisfactory to SoCalGas. Primary facilities must meet the licensing and certification requirements, but not their separately-metered affiliated facilities.

Homeless shelters must provide verification that at least six (6) beds each day or night are provided for a minimum of 180 days each year for persons who have no alternate residence, and must provide proof of a valid municipal or county conditional-use permit or any other proof satisfactory to SoCalGas. Non-profit group living facilities are not required to be licensed or certified.

Self-Recertification Requirements: Facilities will be required to recertify on an annual basis. At the time of each annual certification, SoCalGas shall require the facility, including homeless shelters, to certify how it intends to pass-on the rate discount.

Random Post-Enrollment Verification: The self-certification and self-recertification application for CARE benefits, and certification of the flow-through of the rate discount, shall be made under penalty of perjury under the laws of the State of California by the same individual who is responsible for the annual renewal of the facility's license from the appropriate state agency, when applicable. The accuracy of the self-certification or self-recertification applications may be subject to random post-enrollment verification by SoCalGas.

18. If the customer splits its gas requirements between service under this schedule and noncore service under Schedule Nos. G-CS, GT-F, and/or GT-I, the customer shall be required to specify a fixed monthly quantity for service hereunder by month for the term of the customer's contract.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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Schedule No. GT-F
FIRM LOCAL TRANSPORTATION SERVICE

Sheet 1

APPLICABILITY

Applicable for firm local transportation-only service for (1) commercial and industrial use at each facility classified as noncore, as defined in Rule No. 1, (2) electric generation plants and (3) enhanced oil recovery.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charges

GT-F3D, Commercial/Industrial Distribution Level, per month	\$350
GT-F3T, Transmission Level, per month	\$700
GT-F4, Enhanced Oil Recovery, per month	\$500
GT-F5, Electric Generation using less than 3 million therms per year Per month	\$50

The applicable GT-F5 monthly customer charge shall be determined on the basis of the customer's GT-F5 usage (combined with G-CS5 and GT-I5 usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the customer charge shall be determined on a pro rata basis using the months for which usage is available.

If the applicable customer charge is collected under Schedule Nos. G-CS or GT-I, no duplicative charge shall be collected hereunder.

Transmission Charges

GT-F3D, Commercial/Industrial Distribution Level
 Rate, per therm

Tier I	0 - 20,833 Therms	7.885¢
Tier II	20,834 - 83,333 Therms	4.871¢
Tier III	83,334 - 166,667 Therms	2.943¢
Tier IV	Over 166,667 Therms	1.565¢

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(TO BE INSERTED BY UTILITY)
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Schedule No. GT-F
FIRM LOCAL TRANSPORTATION SERVICE

Sheet 2

(Continued)

RATES (Continued)

Transmission Charges (Continued)

GT-F3T, Transmission Level
 Rate, per therm

Tier I	0 - 166,667 Therms	0.953¢
Tier II	Over 166,667 Therms	0.206¢

GT-F4, Enhanced Oil Recovery

Rate, per therm	1.215¢
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GT-F5, Electric Generation*

For customers using less than 3 million therms per year Rate, per therm	3.429¢
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For customers using 3 million therms or more per year Rate, per therm	1.174¢
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The applicable GT-F5 transmission charge shall be determined on the basis of the customer's GT-F5 usage (combined with G-CS5 and GT-I5 usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the transmission charge shall be determined on a pro rata basis using the months for which usage is available.

* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 19 herein.

Interstate Transition Cost Surcharge (ITCS)

ITCS, per therm	0.038¢
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The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule except for that service identified in Rule No. 1 as being exempt.

Minimum Charge

For commercial/industrial, enhanced oil recovery and electric generation using less than 3 million therms per year service, the minimum monthly charge shall be the applicable monthly customer charge. For electric generation customers using 3 million therms or more per year, the minimum monthly charge shall be the GT-F3T customer charge.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
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Schedule No. GT-F
FIRM LOCAL TRANSPORTATION SERVICE

Sheet 3

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(Continued)

RATES (Continued)

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

GENERAL

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customers may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s). Where service is rendered under (b), a separate monthly customer charge will be applicable for service under each schedule with a customer charge unless otherwise stated.
3. As a condition precedent to service under this schedule, an executed Master Services Contract and an executed Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1) are required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
4. The contract term for service under this schedule shall be two years.
5. In the event of curtailment, customers served hereunder will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23.
6. In the event customers make a material change, either in the amount or character of their gas appliances or equipment, written notice thereof must be made to the Utility in accordance with Rule No. 29, Change of Consumer's Apparatus or Equipment. Customers who do not meet historical usage criteria for noncore rate classification under this schedule may conditionally qualify for noncore rate status by submitting a written request to the Utility and providing therein certified evidence documenting the customer's load increases which will meet the minimum consumption requirement on a permanent basis. The customer's written request must further acknowledge that if usage following conditional reclassification is less than the required minimum, the customer shall be rebilled in accordance with the rate schedule otherwise applicable to its usage. The Utility reserves the right to accept or reject any such request.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
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Schedule No. GT-F
FIRM LOCAL TRANSPORTATION SERVICE

Sheet 4

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(Continued)

SPECIAL CONDITIONS (Continued)

SERVICE ELECTIONS

7. Customers receiving service under this schedule or other commercial/industrial noncore rate schedule as of September 29, 1993 may continue to receive service hereunder regardless of size consistent with the grandfathering of noncore customers established in D.93-09-082. Such customers who elect core service or close their facilities (excluding changes in name or ownership) will no longer be eligible for service under this schedule unless they meet the size requirements set forth for noncore customers under Rule No. 23.
8. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under this schedule.
9. Customers having existing gas exchange agreements with the Utility must exchange the maximum amount of gas allowable under those agreements prior to the delivery of customer-owned gas for transportation under other service agreements, unless otherwise agreed to by the Utility.

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FULL REQUIREMENTS SERVICE

10. Customers may elect full requirements service under this schedule. Full requirements customers are not required to contract for a stated annual quantity.
11. Full requirements customers are prohibited from using alternate fuels or bypass pipeline service (1) except in the event of curtailment, (2) to test alternate fuel capability, or (3) where the Utility has provided prior written authorization for the use of alternate fuels or bypass for temporary periods.
12. In the event of any unauthorized alternate fuel use or bypass, customers must provide the Utility written notice thereof quantifying the extent to which alternate fuel or bypass use occurred. Such notice must be provided prior to the end of the month in which the usage took place. Any unauthorized alternate fuel or bypass use will be subject to a use-or-pay charge equal to 80% of the applicable transmission charge. No other use-or-pay charges are applicable to full requirements service.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

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Schedule No. GT-F
FIRM LOCAL TRANSPORTATION SERVICE

Sheet 5

(Continued)

SPECIAL CONDITIONS (Continued)

PARTIAL REQUIREMENTS SERVICE

- 13. A customer not electing full requirements service must contract for an annual quantity of gas applicable each contract year during the term of the customer's contract. The annual contract quantity may not be changed during the term of the customer's contract. The annual contract quantity must be broken down by month into fixed service quantities for each contract year during the term of the contract. The customer may request changes to the monthly quantities on a month-to-month basis, however, the total of the monthly contract quantities for the contract year must equal the annual contract quantity. The monthly contract quantity breakdown may be established on the basis of seasonal variations in the customer's usage in accordance with the customer's historic usage pattern. The Utility reserves the right to accept or reject such requested quantities after considering the customer's historic usage pattern and other evidence provided by the customer regarding operational changes affecting the customer's consumption.
- 14. If at the end of a contract year, the partial requirements customer's annual usage is less than 75% of the customer's annual contract quantity, the customer will pay a use-or-pay charge equal to 80% of the transmission charge for the last billing month of the contract year times the difference between the customer's actual usage and the 75% threshold.
- 15. Use-or-pay charges applicable to partial requirements service shall only be forgiven to the extent the customer's reduced consumption is specifically due to curtailment or an event of Force Majeure, as defined in Rule No. 1, on either the interstate or intrastate systems.

FIRM LOCAL TRANSPORTATION

- 16. Utility shall offer firm local transportation service, provided that the Utility has sufficient capacity to receive and redeliver all such volumes on a firm basis.

ELECTRONIC METER-READING

- 17. Customers electing noncore service status must have electronic meter-reading equipment installed at Customer's expense as a condition of noncore service.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Schedule No. GT-F
FIRM LOCAL TRANSPORTATION SERVICE

Sheet 6

(Continued)

SPECIAL CONDITIONS (Continued)

USE-OR-PAY AGGREGATION

18. Individual customers served under this schedule may aggregate their firm local transportation service at their facilities for the purpose of use-or-pay penalty determination. In the event a customer aggregates firm local transportation service provided at different transmission rates, any applicable use-or-pay penalty shall be assessed at a weighted average transmission charge based on the proportion of the customer's annual contract quantities for such rates. For use-or-pay aggregation, firm local transportation service may only be aggregated under contracts with concurrent contract year periods. As a condition of service aggregation, customers shall be required to designate in their contracts the applicable facilities and services to be aggregated.

ELECTRIC GENERATION

19. Subject to Special Condition 22, the amount of gas to be billed at the electric generation rate for customers having both electric generation and non-electric generation end use on a single meter will be the lesser of:
- a. Total metered throughput; or
 - b. An amount of gas equal to the customer's recorded power production in kilowatt-hours (KWH) times the average heat rate for their electric generation facilities. The difference between total meter throughput and the volume limitation specified herein will be charged the rate applicable to the other end use served off the meter.
20. When required, as a condition of service under the electric generation rate, electric generation customers will provide the utility with the average heat rate for electric generation equipment as supported by documentation from the manufacturer. If not available, operating data shall be used to determine customer's average heat rate.
21. Electric generation customers receiving electric generation service will make available upon request any measurement devices required to directly or indirectly determine the kilowatt-hours generated or the average heat rate for the electric generation equipment. The Utility shall have the right to read, inspect and/or test all such measurement devices during normal business hours. Additional gas and/or steam metering facilities required to separately determine gas usage to which the electric generation rate is applicable may be installed, owned and operated by the Utility in accordance with Rule No. 21; however, the Utility may, at its sole discretion, utilize estimated data to determine such gas usage.
22. All electric generation customers receiving service at the electric generation transmission rate shall be separately metered unless it can be demonstrated that a separate meter is not economically feasible.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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Schedule No. GT-F
FIRM LOCAL TRANSPORTATION SERVICE

Sheet 7

(Continued)

SPECIAL CONDITIONS (Continued)

ELECTRIC GENERATION (Continued)

23. A Cogeneration Contract Addendum (Form No. 5058) will be required as a condition of electric generation service for cogeneration customers under this schedule in those cases where dedicated main facilities are necessary to serve the customer.
24. Cogeneration facilities with standby boilers will be treated as one customer for purposes of assessing customer charges, providing the customer has signed an affidavit (Form No. 6419) to the effect that its boiler system only operates when the cogeneration system is not operating.

COMMERCIAL/INDUSTRIAL

25. Commercial and industrial customers served under this schedule shall be assigned a rate classification based on the type of facilities from which the customer receives service. Customers served from the Utility's distribution-related facilities shall be classified as distribution (GT-F3D). Customers served from the Utility's transmission-related facilities, as established by the Utility's capital accounting records, shall be classified as transmission (GT-F3T). Customers served from transmission facilities or a combination of transmission and distribution facilities may, at their option, elect transmission or distribution rate status.
26. For commercial and industrial customers served under this schedule through multiple meters on a single premises, as defined in Rule No. 1, the Utility shall combine all such meters, excluding meters serving electric generation equipment, for billing purposes in accordance with the provisions of Rule No. 17.

LONG-TERM DISCOUNTED CONTRACTS

27. Pursuant to the provisions of Decision No. 92-11-052, the Utility may negotiate discounted contracts for a service term of five years or longer with customers served under this schedule. Such contracts must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure as adopted in Decision No. 92-11-052.

RESIDUAL LOAD SERVICE

28. Customers who receive gas transportation service from an alternate service provider may be subject to the provisions of the Residual Load Service Tariff, GT-RLS.

(TO BE INSERTED BY UTILITY)
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Regulatory Affairs

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Schedule No. GT-I
INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE

Sheet 1

APPLICABILITY

Applicable for interruptible local transportation-only service for (1) commercial and industrial use at each facility classified as noncore, as defined in Rule No. 1, (2) electric generation plants and (3) enhanced oil recovery. All such noncore customers shall be eligible to receive interruptible local transportation service under this schedule.

TERRITORY

Applicable throughout the service territory.

RATES

Customer Charges

GT-I3D, Commercial/Industrial Distribution Level, per month	\$350
GT-I3T, Transmission Level, per month	\$700
GT-I4, Enhanced Oil Recovery, per month	\$500
GT-I5, Electric Generation using less than 3 million therms per year Per month	\$50

The applicable GT-I5 monthly customer charge shall be determined on the basis of the customer's GT-I5 usage (combined with G-CS5 and GT-F5 usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the customer charge shall be determined on a pro rata basis using the months for which usage is available.

If the applicable customer charge is collected under Schedule Nos. G-CS or GT-F, no duplicative charge shall be collected hereunder.

Transmission Charges

GT-I3D, Commercial/Industrial Distribution Level
 Rate, per therm

Tier I	0 - 20,833 Therms	7.885¢
Tier II	20,834 - 83,333 Therms	4.871¢
Tier III	83,334 - 166,667 Therms	2.943¢
Tier IV	Over 166,667 Therms	1.565¢

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Schedule No. GT-I
INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE

Sheet 2

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(Continued)

RATES (Continued)

Transmission Charges (Continued)

GT-I3T, Transmission Level
 Rate, per therm

Tier I	0 - 166,667 Therms	0.953¢	R
Tier II	Over 166,667 Therms	0.206¢	R

GT-I4, Enhanced Oil Recovery

Rate, per therm	1.215¢	R
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GT-I5, Electric Generation*

For customers using less than 3 million therms per year Rate, per therm	3.429¢	R
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For customers using 3 million therms or more per year Rate, per therm	1.174¢	R
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The applicable GT-I5 transmission charge shall be determined on the basis of the customer's GT-I5 usage (combined with G-CS5 and GT-F5 usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the transmission charge shall be determined on a pro rata basis using the months for which usage is available.

* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 13 herein.

Interstate Transition Cost Surcharge (ITCS)

ITCS, per therm	0.038¢
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The ITCS, as defined in Rule No. 1, recovers certain interstate capacity costs and applies to all service under this schedule except for that service identified in Rule No. 1 as being exempt.

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Schedule No. GT-I
INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE

Sheet 3

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(Continued)

RATES (Continued)

Minimum Charge

For commercial/industrial, enhanced oil recovery and electric generation using less than 3 million therms per year service, the minimum monthly charge shall be the applicable monthly customer charge. For electric generation customers using 3 million therms or more per year, the minimum monthly charge shall be the GT-I3T customer charge.

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

GENERAL

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customers may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s). Where service is rendered under (b), a separate monthly customer charge will be applicable for service under each schedule with a customer charge unless otherwise stated.
3. As a condition precedent to service under this schedule, an executed Master Services Contract and an executed Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1) are required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
4. The minimum contract term for service hereunder shall be one month.
5. In the event of curtailment, customers served hereunder will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23.
6. In the event customers make a material change, either in the amount or character of their gas appliances or equipment, written notice thereof must be made to the Utility in accordance with Rule No. 29, Change of Consumer's Apparatus or Equipment. Customers who do not meet historical usage criteria for noncore rate classification under this schedule may conditionally qualify for noncore rate status by submitting a written request to the Utility and providing therein certified evidence documenting the customer's load increases which will meet the minimum consumption requirement on a permanent basis. The customer's written request must further acknowledge that if

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DECISION NO. 01-12-018

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Schedule No. GT-I
INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE

Sheet 4

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

6. (Continued)

usage following conditional reclassification is less than the required minimum, the customer shall be rebilled in accordance with the rate schedule otherwise applicable to its usage. The Utility reserves the right to accept or reject any such request.

7. Customers receiving service under this schedule or other commercial/industrial noncore rate schedule as of September 29, 1993 may continue to receive service hereunder regardless of size consistent with the grandfathering of noncore customers established in D.93-09-082. Such customers who elect core service or close their facilities (excluding changes in name or ownership) will no longer be eligible for service under this schedule unless they meet the size requirements set forth for noncore customers under Rule No. 23.

8. All terms and conditions of Rule No. 30, Rule No. 40, and Schedule No. G-IMB shall apply to the transportation of customer-owned gas under this schedule.

9. Customers having existing gas exchange agreements with the Utility must exchange the maximum amount of gas allowable under those agreements prior to the delivery of customer-owned gas for transportation under other service agreements, unless otherwise agreed to by the Utility.

ELECTRONIC METER-READING

10. Customers electing noncore status must have electronic meter-reading equipment installed at Customer's expense as a condition of noncore service.

NEGOTIABLE TRANSPORTATION CHARGES

11. By mutual agreement, the Utility and the customer may negotiate interruptible local transportation charges for a term of service of less than five years without CPUC approval. Any such negotiated service charges shall be set forth in the customer's service contract. All such service contracts must be submitted by letter to the CPUC and made available for public inspection. No other charges under this schedule shall be negotiable unless CPUC approval is first obtained.

12. All contracts for a term of service of five years or longer ("long-term") meeting the guidelines set forth in Decision No. 92-11-052 must be filed for prior CPUC approval under the CPUC's Expedited Application Docket (EAD) procedure adopted in Decision No. 92-11-052. All other long-term contracts must be filed by advice letter for prior CPUC approval.

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Schedule No. GT-I
INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE

Sheet 5

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(Continued)

SPECIAL CONDITIONS (Continued)

ELECTRIC GENERATION

- 13. Subject to Special Condition 16, the amount of gas to be billed at the electric generation rate for customers having both electric generation and non-electric generation end use on a single meter will be the lesser of:
 - a. Total metered throughput; or
 - b. An amount of gas equal to the customer's recorded power production in kilowatt-hours (KWH) times the average heat rate for their electric generation facilities. The difference between total meter throughput and the volume limitation specified herein will be charged the rate applicable to the other end use served off the meter.
- 14. When required, as a condition of service under the electric generation rate, electric generation customers will provide the utility with the average heat rate for electric generation equipment as supported by documentation from the manufacturer. If not available, operating data shall be used to determine customer's average heat rate.
- 15. Electric generation customers receiving electric generation service will make available upon request any measurement devices required to directly or indirectly determine the kilowatt-hours generated or the average heat rate for the electric generation equipment. The Utility shall have the right to read, inspect and/or test all such measurement devices during normal business hours. Additional gas and/or steam metering facilities required to separately determine gas usage to which the electric generation rate is applicable may be installed, owned and operated by the Utility in accordance with Rule No. 21; however, the Utility may, at its sole discretion, utilize estimated data to determine such gas usage.
- 16. All electric generation customers receiving service at the electric generation transmission rate shall be separately metered unless it can be demonstrated that a separate meter is not economically feasible.
- 17. A Cogeneration Contract Addendum (Form No. 5058) will be required as a condition of electric generation service for cogeneration customers under this schedule in those cases where dedicated main facilities are necessary to serve the customer.
- 18. Cogeneration facilities with standby boilers will be treated as one customer for purposes of assessing customer charges, providing the customer has signed an affidavit (Form No. 6419) to the effect that its boiler system only operates when the cogeneration system is not operating.

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Schedule No. GT-I
INTERRUPTIBLE LOCAL TRANSPORTATION SERVICE

Sheet 6

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(Continued)

SPECIAL CONDITIONS (Continued)

COMMERCIAL AND INDUSTRIAL

19. Commercial and industrial customers served under this schedule shall be assigned a rate classification based on the type of facilities from which the customer receives service. Customers served from the Utility's distribution-related facilities shall be classified as distribution (GT-I3D). Customers served from the Utility's transmission-related facilities, as established by the Utility's capital accounting records, shall be classified as transmission (GT-I3T). Customers served from transmission facilities or a combination of transmission and distribution facilities may, at their option, elect transmission or distribution rate status.
20. For commercial and industrial customers served under this schedule through multiple meters on a single premises, as defined in Rule No. 1, the Utility shall combine all such meters, excluding meters serving electric generation equipment, for billing purposes in accordance with the provisions of Rule No. 17.

RESIDUAL LOAD SERVICE

21. Customers who receive gas transportation service from an alternate service provider may be subject to the provisions of the Residual Load Service Tariff, GT-RLS.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Rule No. 01
DEFINITIONS

Sheet 1

The following are definitions of the principal terms used in these tariff schedules.

Affiliate: Any person, corporation, utility, partnership, or other entity 50 (fifty) percent or more of whose outstanding securities are owned, controlled, or held with power to vote, directly or indirectly either by the person or any of its subsidiaries, or by that person's subsidiaries.

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Agent Marketer (Agent): Agents are individuals, companies or consortiums that are appointed by noncore customers to act on their behalf in activities such as the purchasing, nominating and balancing of gas supplies. As an example, however, Agents bear no financial responsibility for the transportation imbalances incurred by the customers they represent.

Aggregator: See Energy Service Provider (ESP).

Alternate Fuel: Any fuel, gaseous, liquid, or solid, that may be used in lieu of natural gas. Electricity shall not be considered as an alternate fuel for purposes of conversion.

Alternate Fuel Capability: Alternate fuel facilities installed, permitted and capable of use on a sustained basis, excluding those uses exempted by Section 2773.5 of the California Public Utilities Code.

Alternate Gas Transportation Service Provider: Entity other than the Utility that transports natural gas to the customer's facility.

Annual Firm Withdrawal: Storage withdrawal service that is available every day of the storage year except for core emergencies, force majeure, or scheduled maintenance outages.

Appliance: Approved (e.g. AGA listed) and essential gas fired equipment.

Applicant: Person, agency, or entity requesting the Utility to supply natural gas service.

Application: Request to the Utility for natural gas service; not an inquiry as to the availability or charges for such services.

As-Available Storage Service: Injection or withdrawal storage service which is provided at times when firm storage capacity is not fully utilized.

Backbone Receipt Point Rights: Firm or interruptible rights to have Utility receive gas at a specific receipt point and have Utility redeliver the gas at any point of interconnection of its backbone transmission system with its local transmission or distribution system, or to any SoCalGas storage account. Backbone Receipt Point Rights are receipt point specific, not path specific. Backbone Receipt Point Rights are not included in noncore tariff rate schedules for local transportation service.

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Rule No. 01
DEFINITIONS

Sheet 2

(Continued)

Balancing Account: Account in which expenses are compared with actual revenues derived from rates designed to recover those expenses. Any resulting over- or undercollection, plus interest, is due to or owed from ratepayers, respectively. Account balances are amortized in future rates, as approved by the Commission.

Balancing Entity: The Balancing Entity (Entity) is the end-use customer, Contracted Marketer, Core Transport Agent, or other third party, responsible for managing monthly supply imbalances and paying authorized charges, and managing Operational Flow Orders (OFO) and paying authorized charges. In the event of involuntary diversion of backbone transmission system supplies, the Entity is responsible for reducing the demand of its customers, and for payment of all authorized charges associated with unauthorized use of diverted supplies. All authorized charges are calculated at the designated imbalance account level.

Balancing Service: Best-efforts service to accommodate imbalances between actual Customer usage and Customer-owned gas delivered to the Utility.

Baseline: A rate structure mandated by the California Legislature that ensures all residential customers are provided a minimum necessary quantity of gas at the lowest possible cost.

Billing Cycle: The regular periodic interval for reading a Customer's meter for billing purposes. Usually meters are scheduled to be read monthly.

Branch Service: Service that is not connected to a natural gas main and has another service as its source of supply.

British Thermal Unit (Btu): The standard unit for measuring a quantity of thermal energy. One Btu equals the amount of thermal energy required to raise the temperature of one pound of water one degree Fahrenheit and is exactly defined as equal to 1,055.05585262 joule, rounded to 1,055.056 joule. (A joule is equal to one watt-second.)

Brokerage Fee: Fee charged to customers who procure supply directly from the Utility to cover gas purchasing expenses.

Burn: Natural gas usage as measured by electronic metering or an estimated quantity such as Minimum Daily Quantity (MinDQ) for purposes of compliance with winter delivery requirements as specified in Rule No. 30.

Buyback Rate: Rate applicable to excess imbalance volumes of gas as specified in the Utility's rate schedules. Rate shall generally be the lower of either 1) the Utility's lowest incremental cost of gas; or 2) 50% of the weighted average cost of gas of the applicable gas supply portfolio.

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Rule No. 01
DEFINITIONS

Sheet 3

(Continued)

California Alternate Rates for Energy (CARE) Program: CPUC program that offers reduced rates to qualified low-income customers. Household income of customers qualifying for CARE assistance shall not exceed 175% of the Federal poverty level as established by the CPUC and set forth in the applicable Utility rate schedules. CARE Program was previously known as the Low-Income Ratepayer Assistance (LIRA) Program.

Citygate: The implied, non-physical point of interconnect between the Utility's backbone transmission system and its local transportation system.

Cogeneration: Sequential use of energy for the production of electrical and useful thermal energy. Sequence can be thermal use followed by power production or the reverse, subject to the following standards: (a) At least 5 percent of the facility's total annual energy output shall be in the form of useful thermal energy. (b) Where useful thermal energy follows power production, the useful annual power output plus one-half the useful annual thermal energy output equals not less than 42.5 percent of any natural gas and oil energy input.

Commission: Public Utilities Commission of the State of California, sometimes referred to as the Public Utilities Commission (PUC) or the California Public Utilities Commission (CPUC).

Company: See Utility.

Company's Operating Convenience: Use, under certain circumstances, of facilities or practices not ordinarily employed which contribute to the overall efficiency of the Utility's operations; term does not refer to customer convenience nor to the use of facilities or adoption of practices required to comply with applicable laws, ordinances, rules, regulations, or similar requirements of public authorities.

Conservation Meter: Meter to identify conservation applications to calibrate process equipment; to account for fuel and energy invested in a process, a production run, or the like. Not to be used for billing purposes.

Consumer Price Index (CPI): Index as published in the Bureau of Labor Statistics, "Los Angeles--Long Beach--Anaheim Metropolitan Area Consumer Price Indexes".

Contract Quantity, Annual: Annual natural gas quantity contracted for delivery during each contract year. Quantity is based on the customer's historical usage or negotiated on the basis of the customer's operational forecast.

Contract Quantity, Daily (DCQ): The maximum daily quantity of natural gas specified in the applicable service agreement.

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Rule No. 01
DEFINITIONS

Sheet 4

(Continued)

Contract Quantity, Monthly: Monthly natural gas quantity contracted for delivery during each contract month as set forth in the customer's applicable service agreement. Quantity is based on the customer's historical usage or negotiated on the basis of the customer's operational forecast.

Contracted Marketer: Contracted Marketers are individuals, companies or consortiums that arrange for natural gas procurement-related activities on behalf of noncore customers. Contracted Marketers must enter into a contract with SoCalGas and meet certain credit requirements. They must comply with Rules 30 and 35 and all other tariffs which address the transportation and management of customer-owned gas.

Core Service, Priority 1: All residential usage regardless of size. All commercial and industrial usage less than 20,800 therms per active month* (active month defined as one in which consumption exceeds 1,000 therms), excluding usage reclassified to noncore service pursuant to economic practicality prior to September 29, 1993. All electric generation usage less than 20,800 therms per active month* electing core service.

Core Service, Priority 2A: All commercial and industrial usage of 20,800 therms or greater per active month** who elect to remain core customers.

Core Subscription Service: Utility natural gas procurement service available to noncore customers. Core subscription service is subject to special conditions as identified in the customer's applicable rate schedule.

Core Transportation Aggregator (CTA): See Energy Service Provider (ESP).

Critical Customer: Customer facility where the interruption of natural gas service would cause a danger to human life, health or safety, and includes customers such as hospitals, other state-licensed health care facilities, medical research facilities, medical facilities at military installations and detention facilities, municipal water pumping plants and sanitation facilities.

* A customer whose usage does not exceed 20,800 therms per active month on an annualized basis for any period of 12 contiguous months within the most recent 24 month period will be classified as Priority 1. A commercial or industrial customer whose usage is 20,800 therms per active month or greater on an annualized basis, for a period of any 12 contiguous months within the most recent 24 month period will be classified as Priority 2A and have the option of electing noncore service.

** A customer whose usage does not exceed 20,800 therms per active month on an annualized basis for any period of 12 contiguous months within the most recent 24 month period will be classified as Priority 1. A commercial or industrial customer whose usage is 20,800 therms per active month or greater on an annualized basis, for a period of any 12 contiguous months within the most recent 24 month period will be classified as Priority 2A and have the option of electing noncore service.

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Rule No. 01
DEFINITIONS

Sheet 5

(Continued)

Cubic Foot of Gas: The quantity of gas that, at a temperature of sixty (60) degrees Fahrenheit and a pressure of 14.73 pounds per square inch absolute, occupies one cubic foot.

Curtailment: Utility initiated suspension of natural gas service. Utility may temporarily reduce the quantity of gas it will transport or deliver or may terminate service entirely for certain service categories as needed for operational requirements.

Customer: Person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or in the absence of a signed instrument, by the receipt and payment of bills regularly issued in their name.

Customer-Owned Gas: Natural gas transported by the Utility for customer's own use where title to such natural gas is held by the Utility customer or third party and is not a part of the Utility-owned system supplies.

Daily Average Quantity (DAQ): Annual average natural gas quantity stated on a daily basis. The DAQ is based on historical consumption or forecasted consumption and is the basis for establishing credit with the Utility for Energy Service Providers.

Day: Period commencing at 12:00 midnight (Pacific time) on any calendar day and ending at 12:00 midnight (Pacific time) on the next succeeding calendar day.

DCQ: See Contract Quantity, Daily.

Decatherm: Ten therms or 1,000,000 British thermal units (MMBtu).

Direct Access (DA): Any end-use Utility customer electing to procure its natural gas, and any other CPUC-authorized energy services, directly from energy service providers (ESP).

Direct Access Service Request (DASR): Request for enrollment, termination, or other change under the Core Aggregation Transportation (CAT) program. The DASR transaction outlined in Rule No. 32 was implemented pursuant to CPUC D.98-02-108.

Electric Generation: Use of natural gas to generate electricity, either directly or indirectly, including natural gas used for cogeneration or solar electric generation projects.

Electric Generation Startup and Igniter Fuel: Electric generation natural gas use where no alternate fuel capability exists for: (1) heating the boiler system adequately during start-up to enable efficient oil burning to meet pollution standards; and (2) insuring continuous-ignition and flame-stabilization within the boiler.

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Rule No. 01
DEFINITIONS

Sheet 6

(Continued)

Electronic Billing: Also referred to as "Paperless Billing". Provision of Utility billing information to the customer solely by means of a computer network such as the Internet or in a form to be used by a computer or similar electronic device to destinations mutually agreed upon between Utility and the customer, such as Utility's web page, a home banking website, or a third party billing consolidator's website.

Electronic Data Interchange (EDI): The sending and receiving of data and/or funds in a structured electronic format, commonly involving information technology and telecommunications technology.

Energy Service Provider (ESP): Individuals, companies or consortiums that arrange for natural gas procurement related activities (procurement, interstate transportation and balancing) on behalf of core customers. See Rule No. 32.

Enhanced Oil Recovery (EOR): Operation which includes the use of natural gas to pressure, cycle, or inject a substance into a well for the purpose of increasing oil production from that well, specifically including natural gas used for cogeneration to promote these operations.

Enterprise: Business corporation, partnership, or sole ownership established for the purpose of engaging in a single business or commerce.

Equivalent Margin: Margin embedded in the Commission's rate design. Margin is the amount of revenue the Commission allows a utility to recover over a one-year period without consideration of fuel costs, Gas Exploration and Development Adjustments and Conservation Cost Adjustments.

Exchange Gas: Natural gas which is produced by a customer and redelivered under a natural gas exchange agreement by Utility to that same customer at a different location.

Facility: Individual meter with the exception of meters combined for the Utility's operating convenience in accordance with Rule No. 17. Customers who have had more than one meter installed for their own convenience at their own request shall be treated as a separate facility with respect to each meter.

Feedstock Usage: Natural gas used as raw material for its chemical properties in creating an end product.

Force Majeure: Unanticipated events or conditions beyond the reasonable control of the party claiming Force Majeure which could not have been prevented by the exercise of due diligence. Force Majeure as it applies to the Tariff Rate Schedules specifically does not include required maintenance of customer's facilities, plant closures, economic conditions or variations in agricultural crop production.

Franchise Fees: Financial obligation collected from the customers by the Utility and remitted in whole to a city or a county government for the Utility's nonexclusive right to install and maintain equipment on that government's highway and street property, or public rights of way.

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Vice President
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(TO BE INSERTED BY CAL. PUC)
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DEFINITIONS

Sheet 7

(Continued)

Full Requirements Service: Full requirements service is an option for core subscription customers and firm local transportation customers. Full requirements customers choose to have all of their fossil fuel requirements satisfied by natural gas. Full requirements customers may choose to procure their supplies from the Utility; transport their own supplies; or any combination of the two. Such customers are not subject to use-or-pay charges except to the extent that unauthorized alternate fuel use or bypass occurs. Full requirements customers are prohibited from using alternate fuels or bypass pipeline service except: (1) in the event of curtailment, (2) to test alternate fuel systems, or (3) where Utility has provided prior written authorization for the use of alternate fuels or bypass. Any fuel produced on-site by the customer can be used by the producer without penalty.

Gas Engine Water Pumping: Natural gas engine used for water pumping in agricultural or agricultural-related operations for the growing of crops or the raising of fowl or animals within SoCalGas' service territory. In addition, any natural gas engine used for municipal water pumping for countercyclical or agricultural use.

Gas Service Provider (GSP): Supplier of natural gas to core or noncore customers including, but not limited to Energy Service Provider (ESP or Aggregator), Contracted Marketer, Agent or its equivalent title for SoCalGas, Pacific Gas & Electric Company, or San Diego Gas & Electric Company.

Gas Service Provider No Longer Offering Gas Service In California: GSP will be considered no longer offering gas service in California if the GSP does not provide natural gas to any customer facility on the system of SoCalGas, Pacific Gas & Electric Company or San Diego Gas & Electric Company, excluding those customers that serve as their own GSP.

Gas Supply: Supply of gas procured by Utility on behalf of its procurement customers and to meet its operational needs.

Heating Value: Number of Btus liberated by the complete combustion at constant pressure of one cubic foot of natural gas at a base temperature of sixty degrees Fahrenheit (60°F) and a pressure base of fourteen and seventy-three hundredths (14.73) psia, with air at the same temperature and pressure as the natural gas, after the products of combustion are cooled to the initial temperature of the natural gas, and after the water vapor of the combustion is condensed to the liquid state. The Heating Value of the natural gas shall be corrected for the water vapor content of the natural gas being delivered except that, if such content is seven (7) pounds or less per one million (1,000,000) cubic feet, the natural gas shall be considered to be dry.

Housing Project: Building or group of buildings located on a single premises and containing more than one family dwelling unit.

(Continued)

(TO BE INSERTED BY UTILITY)
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Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)
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DEFINITIONS

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Hub: Also California Energy Hub, refers to SoCalGas' area natural gas hub. Encompasses the various delivery points in California or at the California border at which some portion of a Hub Transaction may be effectuated by utilizing SoCalGas' facilities or some interconnection therewith.

Hub Delivery Point: Point on the Hub where SoCalGas shall deliver natural gas to any service user or for service user's account. Hub Transaction may require more than one delivery point.

Hub Displacement Delivery: Delivery or redelivery to a service user on an interruptible basis of natural gas received by SoCalGas pursuant to a "Wheeling Transaction" or a "Parking Transaction", when such redelivery occurs at a delivery point where either party has access to an interstate pipeline, but not a delivery point located on or interconnected with the pipeline facilities of SoCalGas as the ultimate delivery point. Displacement delivery is made in the direction contrary to the physical flow of gas in a pipeline facility.

Hub Receipt Point: Point on or off the Hub where SoCalGas shall receive natural gas from service user or for a service user's account in connection with a Hub Transaction. Hub Transaction may require more than one receipt point.

Hub Transaction: Either an interruptible Parking or Loaning-storage type transaction or a Wheeling transmission type transaction or other transactions approved and implemented from time to time.

Individually Metered Service: Service whereby each single family dwelling unit, each dwelling unit within a multi-family structure, or nonresidential occupancy, is separately metered and billed by the utility.

Industrial Use: Service to customers engaged primarily in a process which creates or changes raw or unfinished materials into another form or product.

Interstate Transition Cost Surcharge (ITCS): Volumetric surcharge on the Utility's noncore local transportation service to recover costs for certain interstate pipeline demand charges resulting from the transition to an unbundled interstate capacity market pursuant to the CPUC's Capacity Brokering Rules set forth in Decision Nos. 91-11-025 and 92-07-025. ITCS is applicable to all noncore service except for enhanced oil recovery and that service provided by the Utility under fixed-rate contracts (including long-term contracts in effect on or before the implementation date of the CPUC's Capacity Brokering Rules). See Preliminary Statement Part VII for a more detailed description of noncore ITCS and core ITCS.

Late Payment Charge: Charge that is added to offset the expenses created by late customer payments.

(Continued)

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DEFINITIONS

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Life-Support Device: Medical device using Utility-supplied natural gas for its operation that is regularly required to sustain, restore, or supplant a vital function of a person residing in a residential unit. Term does not include apparatus or appliances used in a hospital or medical clinic, nor does it include therapeutic devices such as pool or tank heaters, saunas, or hot tubs.

Loaning Transaction: Utility advances or loans natural gas which is returned by service user delivering back to Utility an equivalent or greater natural gas quantity at the time(s) and location(s) specified in the Hub Transaction.

Local Transportation: The receipt and redelivery of gas volumes from the Utility's Citygate to a customer's meter, including deliveries from the Utility's storage facilities to a customer's meter, Utility's backbone transmission system or a Citygate pool.

Low-Income Ratepayer Assistance (LIRA) Program: See California Alternate Rates for Energy (CARE) Program above.

Mailed: Notice or other communication to the customer will be considered "mailed" when received into the customer's electronic mail box via electronic data interchange or when it is enclosed in a sealed envelope, properly addressed, and deposited in any authorized United States Postal Service receptacle, postage prepaid.

Main Extension: Length of main and its related facilities required to transport natural gas from the existing facilities to the point of connection with the service piping.

Marketer: Third party which accesses one or more interstate or intrastate pipeline systems for the purpose of transporting natural gas to Utility System on Marketer's own behalf or on the behalf of designated end-use customers.

Master-Metered Service: Service whereby the Utility installs a meter to register the consumption of two or more occupancies.

Maximum Daily Quantity (MDQ): Maximum daily quantity of natural gas that can be nominated for delivery to a customer's premises not served by an automated meter when the Utility institutes an Operational Flow Order. For noncore customers and core customers not served under core aggregation this is based on the equipment at the customer's facility. For ESP's the maximum daily quantity is equal to their DCQ.

Mcf/d: Thousands of cubic feet per day. Measure quantifies the amount of gas being consumed or transported on a daily basis.

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Memorandum Account: Account authorized by the Commission for the purpose of tracking certain costs and revenues. Each individual memorandum account may have specific accounting treatment applicable to that account.

Minimum Daily Quantity (MinDQ): Estimate of natural gas usage at a customer's premises not served by an automated meter for purposes of compliance with winter delivery requirements as specified in Rule No. 30.

Mobilehome: Structure designed as a residence, in one or more sections, and of width and length, which when moved over a public highway requires a special permit from the California Department of Transportation. They are located in mobilehome parks and residential lots in California where they comply with the requirements of the local ordinances for permanent housing. Mobilehomes first sold prior to July 1, 1980 are licensed by the California Department of Housing and Community Development. Mobilehomes first sold new on and after July 1, 1980, for installation as a residence, are all automatically subject to local property taxation.

Mobilehome Park: Area of land where two or more mobilehome sites are rented to accommodate mobilehomes used for permanent residency. Homeowner and mobilehome park management are subject to the Civil Code requirements of the "Mobilehome Residency Law". This law only applies to a mobilehome that requires a permit to be moved on a street or highway.

Multi-family Accommodation: Apartment building, duplex, mobile home park, or any other group of permanent residential single-family dwellings located upon a single premises, provided that the residential dwellings therein meet the requirements for a single-family dwelling or accommodation. Multi-family accommodation does not include hotels, motels, residential hotels, guest or resort ranches, marinas, tourist camps, recreational vehicle parks, campgrounds, halfway houses, rooming houses, boarding houses, institutions, dormitories, rest or nursing homes, convalescent or care facilities, military barracks, or any enterprise that includes or rents to either transient tenants or transient accommodations.

Net Usage: Customer's uncorrected billing period usage plus any adjustments from previous billing periods.

Noncore Service: Includes all commercial and industrial usage electing noncore service, all electric generation usage not electing and qualifying for core service, and all enhanced oil recovery service.

Noncore Service, Firm Service: All usage served through firm local transportation service.

Noncore Service, Interruptible: All usage served through interruptible local transportation service. Interutility deliveries shall be considered interruptible intrastate service.

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(TO BE INSERTED BY UTILITY)
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Non-Profit Group Living Facility: Non-profit homeless shelter that may be government subsidized with six (6) or more beds that provides lodging day or night for a minimum of 180 days of the year; other non-profit residential-type facilities (excluding government-owned and privately-owned, "for profit" government-subsidized housing) that provide a service in addition to lodging and which may be licensed by the appropriate state agency to care for residents who temporarily or permanently cannot function normally outside of the group home environment; and non-licensed, separately metered affiliated facilities where the primary facility is eligible for CARE and is the customer of record for the affiliate, and at least 70% of the energy consumed by the affiliate is used for residential purposes. All residents must meet the CARE income eligibility standards; however, a caregiver who lives in the group facility is not a resident for purposes of determining the facility's eligibility. Non-profit group living facilities that are not licensed or certified must provide any other documentation the Utility may reasonably require.

Off-System Customer: Marketer, broker, supplier or other entity bidding for storage service on their own behalf for ultimate consumption outside the Utility's service territory.

Open Season: Designated time period in which a service election must be submitted to the Utility. Customers who do not submit their service election during the Open Season will receive default service, or will continue receiving current service election, if tariffs contain evergreen provisions.

Paid or Payment: Funds received by Utility through postal service, Utility payment office, Utility authorized agent, or deposited in Utility bank account by electronic transfer.

Parking Transaction: Utility-received natural gas for service user's account for short-term interruptible storage.

Peak Day Minimum: Volume of gas in Utility storage inventory that provides deliverability for the core 1-in-35 year peak day event, firm withdrawal commitments and noncore balancing requirement. Peak day minimums are calculated annually as part of normal winter operations planning. Peak day minimums are specified in billion cubic feet (Bcf).

Peak-Day Volume: Customer's highest one-day usage over the specified time period.

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(TO BE INSERTED BY UTILITY)
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Percentage of Default: Ratio that shall be determined on a monthly basis and shall be equal to:

- A. Customer's total (1) volumetric transmission charges, (2) demand charges or other non-volumetric transmission charges, (3) customer or facilities charges, (4) CPUC Reimbursement Fee (Schedule No. G-SRF), and (5) Interstate Transition Cost Surcharge, under the applicable noncore service schedule for the immediate prior twelve-month period, divided by:
- B. Total of the above charges that would have applied if the customer were paying full-tariff rates for the same 12-month period.

Permanent Service: Service which, in opinion of the Utility, is of a permanent and established character. Customer's use of gas may be continuous, intermittent, or seasonal in nature.

Point(s) of Delivery: Place(s) where Utility delivers customer-owned natural gas from Utility System.

Point(s) of Receipt: Place(s) where customer delivers, or has delivered on its behalf, natural gas into the Utility System.

Pooling Services: Pooling is defined as: 1) the aggregation of gas from multiple physical and/or logical points to a single physical or logical point, and/or 2) the disaggregation of gas from a single physical or logical point to multiple physical and/or logical points.

Post-Bypass Load Factor: Used to calculate the ceiling rate for Residual Load Service customers subject to one of the following applicable customer classes:

- A. Non-UEG Customers and Non-Jurisdictional UEG Customers: The post-bypass load factor shall be calculated by dividing the average daily volume by the Peak-Day Volume on the Utility System on a cumulative basis from the first day after bypass begins, or over the previous twelve months, whichever is less, to the 20th day of the calendar month prior to the month service is provided.
- B. UEG customers subject to CPUC jurisdiction: The post-bypass load factor shall be calculated using the customer's average daily volume divided by the Peak-Day Volume on the SoCalGas system on a cumulative basis over the relevant time period as follows:
 - 1) For the first three billing months following the date of bypass, the relevant time period will be the three months prior to the month service is provided, up to the 20th day of the month prior to the month service is provided.
 - 2) After the first three billing months following the date of bypass, the relevant time period will be all days since the first day after bypass begins, or over the previous twelve months, whichever is less, to the 20th day of the month prior to the month service is provided.

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Pre-Bypass Load Factor: Used to calculate the ceiling rate for Residual Load Service customers subject to one of the following applicable customer classes:

- A. Non-UEG customers: The customer's average daily volume divided by the customer's Peak-Day Volume recorded on the SoCalGas system over the 12 month period prior to the installation and operation of bypass facilities.
- B. UEG customers subject to CPUC jurisdiction: The customer's average daily combined volume divided by the combined Peak-Day Volume on the Utility system and the bypass pipeline(s) on a cumulative basis over the relevant time period as follows:
 - 1) For the first three billing months following the date of bypass, the relevant time period will be the three months prior to the month service is provided, up to the 20th day of the month prior to the month service is provided.
 - 2) After the first three billing months following the date of bypass, the relevant time period will be all days since the first day after bypass begins, or over the previous twelve months, whichever is less, to the 20th day of the month prior to the month service is provided.
- C. UEG customers not subject to CPUC jurisdiction: The customer's aggregate forecasted average daily volume divided by the customer's Peak-Day Volume based on the most recently adopted forecast in SoCalGas' BCAP proceeding.

If daily measurement load data is not available for the specified time periods, then monthly load data will be pro-rated on a daily basis to calculate the appropriate Pre-Bypass Load Factor.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the premises served.

Primary Receipt Point Rights: Firm or interruptible receipt point daily contract quantity (DCQ) rights at a receipt point on Utility's system specified under Customer's Backbone Receipt Contract (BRC).

Prime Mover: Machine which converts heat energy supplied by fuel into mechanical energy.

Priority: Classification assigned to all customers to be used in the event of curtailment as provided for in Rule 23.

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Procurement Customer: Customer who receives both natural gas procurement and transportation services from the Utility.

Procurement Management Charge: Charges billed to ESPs participating in the Core Aggregation Transportation program that may arise from ESPs' management of procurement portfolios on behalf of customers served by the ESPs.

Qualified Agricultural Employee Housing Facility: Migrant farmworker housing center provided pursuant to Section 50710 of the Health and Safety Code currently under contract to the Office of Migrant Services; privately-owned employee housing as defined by Section 17008 of the Health and Safety Code, that is licensed and inspected by state and/or local agencies pursuant to Part I (commencing with Section 17000) of Division 13 of the Health and Safety Code; or agricultural employee housing operated by nonprofit entities as defined by Subdivision (b) of Section 1140.4 of the Labor Code exempted from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code. All usage (100%) must be residential except for master-metered migrant farmworker housing centers and agricultural employee housing operated by a nonprofit entity where at least 70% of the energy consumed must be used for residential purposes. Each resident household in the facility must meet the CARE income-eligibility standards; however, an employee operating and/or managing the facility who lives in it is not considered a resident household for purposes of determining eligibility.

Qualified Contractor/Subcontractor (QC/S): Applicant's contractor or subcontractor who: 1) Is licensed in California for the appropriate type of work such as, but not limited to, gas and general; 2) Employs workmen properly certified for specific required skills such as, but not limited to, plastic fusion and welding. Workmen shall be properly qualified; and 3) Complies with applicable laws such as, but not limited to, Equal Opportunity Regulations, OSHA and EPA.

Recreational Vehicle: Motor home, travel trailer, camper or camping trailer, with or without motive power, designed for recreational or emergency occupancy. Travel trailer or camping trailer may be moved on a public highway without a special permit or chauffeur's license. Recreational Vehicles are licensed by the Department of Motor Vehicles, and must comply with traffic laws.

Recreational Vehicle Park: Area or tract of land within an area zoned for recreational use; or a separate designated section within a mobilehome park. Lots are customarily occupied for temporary purposes (less than 30 days), and there is displayed in plain view a sign indicating that the recreational vehicle may be removed from the premises, for the reason specified in the Civil Code "Recreational Vehicle Park Occupancy Law". Sign must also contain the number of the local traffic law enforcement agency.

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Red Team: Term referring to a California State-sponsored economic development effort whose principal goal is the creation and/or retention of business within the State of California. Red Teams typically consists of State and local governments, utilities and businesses who mobilize individuals and resources to negotiate, streamline and expedite the business retention, expansion or development process; identify and propose incentives; and recommend resolution of regulatory issues and requirements. Separate Red Teams are usually created for each project under the leadership or coordination efforts of the California Trade and Commerce Agency.

Residential Dwelling Unit: Group of rooms, such as a house, a flat, an apartment, or a mobilehome which provides complete single-family living facilities in which the occupant normally cooks meals, eats, sleeps, and carries on the household operations incident to domestic life.

Residential Hotel: Hotel establishment which provides lodging as a primary or permanent residence and has at least 50% of the units or rooms leased for a minimum period of one month and said units are occupied for nine months of the year. Residential hotels do not include establishments such as guest or resort hotels, resort motels or resort ranches, tourist camps, recreational vehicle parks, half-way houses, rooming houses, boarding houses, dormitories, rest homes, convalescent or care facilities, military barracks, or a house, apartment, flat or any residential unit which is used as a residence by a single family or group of persons.

Residential Use: Gas service for use at dwelling units, which includes service to residential units and mobile home units but does not include enterprises such a rooming houses, boarding houses, dormitories, rest homes, convalescent or care facilities, military barracks, stores, restaurants, service stations and other similar establishments. Also excluded are central heating plants serving a combination of residential and commercial uses where the commercial portion of the use is in excess of 100 Mcf per day or is more than 15% of the total natural gas requirements.

Rules: Tariff sheets which set forth the application of all rates, charges and service when such applicability is not set forth in and as a part of the rate schedules.

Seasonal Service: Permanent natural gas service to a facility which is utilized seasonally or intermittently, such as a seasonal resort, cottage or other part-time establishment.

Secondary Receipt Point Rights: Applicable only to firm receipt point rights to Utility's backbone intrastate transmission system where there is more than one upstream source that might deliver gas to the receipt point. Any eligible receipt point from which Customer may nominate volumes to be received on an interruptible basis under its Backbone Receipt Contract (BRC) up to the specified firm daily contract quantity (DCQ). Quantities nominated on secondary receipt point rights have a higher priority over interruptible nominations.

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Service: All pipe, valves and fittings from and including the connection at the main up to the service delivery point.

Service Delivery Point: Point where the utility's pipe connects to the customer's house line, usually the meter location.

Service Extension: Consists of the service as above defined when provided for a new customer at a premises not heretofore served in accordance with the service extension rule.

Shipper: See Marketer.

Short-Run Marginal Cost: Variable per-unit cost of providing additional throughput to the average customer in a customer class. Short-Run Marginal Cost (SRMC) is determined for a given customer class by dividing the sum of Company Use and Unaccounted for (UAF) costs allocated to that customer class in the most recent BCAP by the cost allocation throughput for that customer class.

SoCalGas: Southern California Gas Company (also referred to as "Utility").

Solar Electric Generation Project: Project which utilizes solar energy as the primary fuel in the generation of electricity, uses natural gas as a secondary fuel constituting 25% or less of the total fuel utilized on an equivalent basis, has a natural gas efficiency utilization rate of more than 60%, and qualifies as a small power production facility under the Public Utility Regulatory Policies Act of 1978.

Space Heating Only: Term applied to customers who are using gas primarily for space heating for human comfort as determined by survey or under the presumption that customers who use less than 11 therms per month during each of the regular billing periods ending in August and September are using gas primarily for space heating for human comfort.

Standby: Gas service used as an alternate energy source, typically for emergency or backup purposes.

Storage: Natural gas storage operated by Utility. Its location for gas transportation purposes is at the Utility Citygate.

Stub Service: Lateral pipe, including valves and fittings, from and including the connection at the main to a dead end near the curb or property line of the street in which the main is located.

Submetered Service: Service from metering furnished, owned, installed, maintained, read and tested by the customer who is served through a master meter.

Summary Bill: Billing statement that includes charges for multiple service accounts.

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Surface Repair: Replacement to the satisfaction of the Utility, appropriate governmental agency, or property owner, of existing asphalt, concrete, decorative surfaces, landscaping, etc., removed for trenching and/or construction purposes.

Tariff Schedules: Entire body of effective rates, rentals, charges, and rules collectively, of the Utility, as set forth herein, and including title page, preliminary statement, rate schedules, rules and sample forms.

Tariff Sheet: Individual sheet of the tariff schedules.

Temporary Service: Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of limited duration. Service which, in the opinion of the Utility, is for operations of a speculative character or the permanence of which has not been established, also is considered temporary service.

Tenant: One who holds or possesses real estate (as a condominium) or sometimes personal property by any kind of right; one who has the occupation or temporary possession of lands or tenements of another; one who rents or leases (as a house or apartment) from a landlord.

Therm: Unit of measurement for billing purposes, nominally 100,000 Btu.

Third Party Gas: See Customer-Owned Gas.

Tracking Account: Account which reconciles the difference between Commission-authorized forecasted costs and the Utility's recorded costs. Balances in the tracking accounts shall be reconciled in the revenue requirement in the Utility's next Biennial Cost Allocation Proceeding (BCAP) or other appropriate rate proceeding.

Transportation: Receipt of gas purchased and owned by a customer into the Utility System at one or more points of receipt and the subsequent delivery of an equivalent quantity of natural gas to the customer at a mutually acceptable location (points of delivery) on the system.

Transportation Deliveries: Volume of gas delivered to the Utility to be transported for customer use.

UEG: Utility Electric Generation. Consumption of gas for the generation of electricity by a utility's power plants.

Utility: Southern California Gas Company (also referred to as "SoCalGas").

Utility Distribution Company (UDC): Entity which provides regulated services for the distribution of natural gas to all customers and provides natural gas procurement services to customers who do not choose direct access. See Utility.

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DEFINITIONS

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(Continued)

Utility System: Pipeline transmission and distribution system and related facilities located in California and operated by Utility.

Utility Users Tax: Tax imposed by local governments on the Utility's customers. Utility is required to bill customers within the city or county for the taxes due, collect the taxes from customers, and then pay the taxes to the city or county.

Utility's Metered Service: See Individually Metered Service.

Wheeling Transaction: Interruptible receipt of natural gas at a point of interconnection on SoCalGas' pipeline system and the interruptible redelivery of such natural gas to the initial or other service user either at a point of interconnection on or with SoCalGas' pipeline system, or at a point off such system. All Hub Transactions which require more than one day to complete are Parking or Loaning Transactions, even though Wheeling may be involved.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
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EFFECTIVE _____
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ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

Each applicant for service will be required to establish or re-establish credit to the satisfaction of the Utility before service will be rendered.

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A. ESTABLISHMENT OF CREDIT -- RESIDENTIAL APPLICANTS

- 1. Applicant's credit will be deemed established:
 - a. If credit information satisfactory to the utility is provided.
 - b. If applicant makes a cash deposit with the Utility, in accordance with the provisions of Rule No. 7, to secure the payment of any bills for service to be furnished by the Utility.
 - c. If applicant furnishes a guarantor satisfactory to the Utility for the payment to the Utility of bills of applicant for the service to be furnished by the Utility under the application.
 - d. If applicant has, within the last two years, been a customer of the Utility and has paid all bills for service before becoming past due as set forth in Rule No. 9.C., for a period of twelve (12) consecutive months immediately prior to the date when the applicant for service previously ceased to take service from the Utility, provided, however, the credit of the applicant is unimpaired.
 - e. As a means of avoiding interruption of gas service for non-payment of bills, actual users (tenants) of single metered, multi-family dwellings have the right to become Utility customers in place of the landlord who fails to pay his gas bill. Alternatively, the tenants may form an association for the purpose of paying all bills for future gas service. The Utility may require that one (or more) applicant(s) assume responsibility to the Utility for such payments; such applicant(s) must be willing and able to assume responsibility for the entire account to the satisfaction of the Utility. These actual users may establish credit as set forth above in Sections A.1.b, A.1.c, and A.1.d. In addition, where prior service is being considered as a condition for establishing such credit, residency in such dwellings for the immediately preceding twelve (12) months and proof of prompt payment of rent for this same period of time shall be a satisfactory equivalent.

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B. RE-ESTABLISHMENT OF CREDIT -- RESIDENTIAL CUSTOMERS

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- 1. An applicant who is a former gas customer of the Utility and whose service has been discontinued for failure to pay his gas bills within the period as set forth in Rule No. 9, Section C., within the last twelve (12) months of service, may be required to re-establish credit by depositing an amount in accordance with the provisions of Rule No. 7.

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(TO BE INSERTED BY UTILITY)
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Rule No. 06

Sheet 2

ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

(Continued)

B. RE-ESTABLISHMENT OF CREDIT – RESIDENTIAL CUSTOMERS (continued)

- 2. A customer who fails to pay bills before they become past due as provided in Rule No. 9.C. and who further fails to pay such bills within 15 calendar days after presentation of a discontinuance of service notice, may be required to pay these bills and re-establish credit by depositing an amount in accordance with the provisions of Rule No. 7. This rule will apply regardless of whether or not service has been discontinued for such nonpayment.
- 3. A customer may be required to re-establish credit if the conditions of service or basis on which credit was originally established have changed.
- 4. Where the Utility has received information that a Customer left another utility with a bill that was unpaid 90 days or more after the billing date, the customer may be required to re-establish credit by paying an amount in accordance with the provisions of Rule No. 7.

C. ESTABLISHMENT OF CREDIT -- OTHER THAN RESIDENTIAL CUSTOMERS

- 1. To qualify for credit and receive service from the Utility, a Customer must either establish an unsecured line of credit and/or provide security based upon Utility’s total financial exposure as a result of that Customer’s transactions with Utility.
- 2. Utility shall conduct commercially reasonable credit evaluation and apply such evaluation under this Rule on a non-discriminatory basis. Utility may modify its creditworthiness requirements for a Customer based on changes in the Customer’s requirements for service and/or overall financial condition, and/or the total exposure to Utility. In the event Utility determines that a financial change has affected, or could adversely affect the creditworthiness of a Customer, Utility may terminate the Customer’s participation in any Utility service or program. Utility will provide written notice to the Customer with a commercially reasonable cure time not to be less than 3 business days prior to termination.
- 3. Customers unsecured line of credit and/or security requirement is calculated as follows:
 - a. For Customers taking bundled transportation and gas commodity service, total credit requirement is twice the maximum periodic bill as estimated by the Utility.
 - b. For Customers taking local transmission and distribution, and transporting their own gas supplies, total credit requirement is twice the maximum periodic bill as estimated by the Utility for transportation service plus 97 times the highest daily Customer usage times the applicable standby charge.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
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Rule No. 06

Sheet 3

ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

(Continued)

C. ESTABLISHMENT OF CREDIT -- OTHER THAN RESIDENTIAL CUSTOMERS (continued)

4. Steps to establishing credit

The Customer may be required to complete, execute, and submit a credit application that includes financial and/or other information reasonably requested by Utility in order to make its decision.

Utility shall use the financial and other relevant information, along with the Customer's service request and any other available information, to determine the Customer's maximum credit line, either secured and/or unsecured.

After a creditworthiness evaluation is conducted on a reasonable, non-discriminatory basis, Utility will grant final credit approval, on a secured and/or unsecured basis. If unsecured credit is granted based on the financial strength of a parental corporation, a parental guaranty will be required. Utility shall provide the form of guaranty, which would be acceptable to it, but nothing in this Rule shall prevent Utility from agreeing to other terms.

All information provided by Customer shall be kept confidential by the Utility except to the extent otherwise required by law.

5. Continuation of creditworthiness

To assure the continued validity of an established credit facility with Utility, the Customer shall be required to furnish Utility with financial and other relevant information reasonably requested by Utility during the Customer's service period. Based upon Utility's evaluation of such information, Utility may change the amount of Customer's unsecured credit line and/or require security or additional security.

In the event that Utility reasonably determines that a financial change has adversely affected, or could adversely affect the creditworthiness of a Customer, or if the Customer does not provide the requested financial information or any security within the applicable time period, Utility may terminate the Customer's participation in any Utility service or program.

6. Credit line utilizing security

As required by Utility or as an alternative or supplement to the creditworthiness evaluation process, any Customer may establish a secured credit line by posting security equivalent to the requested credit line, in a form acceptable to Utility.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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Rule No. 06

Sheet 4

ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

(Continued)

C. ESTABLISHMENT OF CREDIT -- OTHER THAN RESIDENTIAL CUSTOMERS (continued)

6. Credit line utilizing security (continued)

a. Examples of acceptable forms of security

1. Cash. The amount of cash taken to establish a credit line may be subject to adjustment upon request by Utility and/or the Customer.
2. Irrevocable Standby Letter of Credit. An irrevocable and renewable Standby Letter of Credit in form, substance, and amount reasonably acceptable to the Utility and issued by an acceptable major financial institution within the United States, acceptable to the Utility.
3. Surety Bond. Renewable Surety Bond(s) in a form, reasonably acceptable to Utility and issued by an acceptable major insurance company within the United States, acceptable to the Utility.
4. Other Forms of Security, Subject to Discretionary Acceptance. Other forms of security that Utility may, at its sole discretion, determine are acceptable to Utility.

7. Reducing creditworthiness requirements

Utility and Customer may agree, pursuant to the exercise of reasonable decision-making, to any other arrangements in order to reduce the secured or unsecured credit line.

a. Examples of credit reducing agreements

1. Prepayment for services rendered. Agreement to pay periodic prepayments for services rendered.
2. Guaranteed Delivery Agreements. Agreement to deliver a specified quantity of gas.
3. Supplemental Margin Agreement. Agreement to limit exposure to a specified dollar amount.
4. Other credit reducing agreements. Other agreements that Utility may, at its sole discretion, determine are acceptable to Utility.

D. RE-ESTABLISHMENT OF CREDIT -- OTHER THAN RESIDENTIAL CUSTOMERS

Customer may be required to re-establish credit if bills are not paid as required or, if in the reasonable determination of Utility, the conditions under which credit was originally established have changed.

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Rule No. 07
DEPOSITS

Sheet 1

A. AMOUNT TO ESTABLISH OR RE-ESTABLISH CREDIT FOR RESIDENTIAL CUSTOMERS

1. Amount to Establish Credit

The amount of security required to establish credit may be twice the average monthly bill as estimated by the Utility.

2. Amount to Re-Establish Credit

The amount of security required to re-establish credit may be twice the maximum monthly bill as estimated by the Utility.

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Rule No. 09
DISCONTINUANCE OF SERVICE

Sheet 1

A. CUSTOMER'S REQUEST FOR SERVICE DISCONTINUANCE

1. A Customer who wants gas service discontinued will give the Utility notice at least two work days prior to the date service is desired to be discontinued.
2. The Utility shall not be required to terminate service earlier than two work days after notice of discontinuance is received. A Customer will be held responsible for payment of charges for all services furnished at the premises until the requested date of termination or until the expiration of the required period of notice, whichever date is later.

B. NOTICE OF DISCONTINUANCE

Except as otherwise provided in this Rule, no gas service to a Customer may be terminated unless reasonable written prior notice is given to the Customer and the Customer has a reasonable opportunity to dispute the reasons for the proposed termination. A written statement of the residential Customers' rights and remedies regarding termination of gas service shall be provided to all new Customers, and to all existing Customers on an annual basis.

C. NON-PAYMENT OF BILLS

1. A Customer's bill for gas service will be considered past due if it is not paid within:
 - a. Nineteen calendar days after mailing for residential accounts when bills are normally mailed out monthly.*
 - b. Fifteen calendar days after mailing for non-residential accounts when bills are normally mailed out monthly.
 - c. Ten calendar days after mailing when bills are mailed out fortnightly.
 - d. Five calendar days after mailing when bills are mailed out weekly.
2. a. The Utility may mail to any residential Customer a notice that a bill is past due after the expiration of the applicable period specified in paragraph C.1. The notice that a bill is past due shall state that if the Customer is unable to pay the bill by the final date (fifteen calendar days after the date of mailing of said notice), he or she should contact the local Utility office to discuss payment arrangements, to avoid discontinuance of service. If the bill is not paid, or payment arrangements have not been made by the final date, service may be discontinued for non-payment.

* Under paragraphs C.1.a. and C.2.a., residential Customers who are normally billed monthly will have a minimum of 34 calendar days between the date of mailing of the bill and the date of service termination for non-payment.

(Continued)

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 ADVICE LETTER NO. 3146
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Rule No. 09

Sheet 2

DISCONTINUANCE OF SERVICE

(Continued)

C. NON-PAYMENT OF BILLS (continued)

- b. A non-residential Customer's service may be discontinued for non-payment of a past due bill provided that a written notice of discontinuance has been issued and the past due amount has not been paid within five calendar days of the issuance of the discontinuance of service notice.
- 3. The Utility shall allow elderly and handicapped Customers, at their option, to designate a third party representative to receive a copy of the notice described in paragraph C.2.a. The Utility shall establish procedures to ensure that third parties consent to receive such notice, and that a copy of the notice is sent directly to a third party. The Utility shall inform all Customers at least once annually of the availability of this service.
- 4. When a bill for service has become past due and the written notice described in paragraph C.2. has been issued, service may be discontinued if the bill is not paid or the Customer has not contacted the Utility and made satisfactory payment arrangements within fifteen calendar days for residential Customers, and five calendar days for non-residential Customers, after the date the notice is issued. A Customer's security to establish credit will not be used as payment to avoid discontinuance of service.
- 5. Before residential service may be discontinued for non-payment of bills, the Utility shall make a reasonable attempt to personally contact an adult on the Customer's premises prior to termination of service. This reasonable attempt to contact an adult on the Customer's premises shall consist of:
 - a. The Utility will solicit or verify Customer telephone numbers when Customers request the service be turned on, when Customers contact the Utility for any type of service order or extension, and when the Utility contacts Customers at the time of termination of service.
 - b. At least two attempts will be made to personally contact an adult on the Customer's premises by telephone in order to avoid discontinuance of service.
 - c. Whenever telephone contact cannot be accomplished, the Utility shall give by mail a notice of termination of service at least 48 hours prior to termination. The Utility shall maintain a record of the mailed notice.
 - d. At the time of termination of service, the Utility shall attempt to personally contact an adult on the Customer's premises in order to avoid discontinuance of service.

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DISCONTINUANCE OF SERVICE

(Continued)

C. NON-PAYMENT OF BILLS (continued)

e. Where the Utility is aware that there is an elderly (age 62 and over) or handicapped* residential Customer, the Utility shall provide at least 48 hours notice by telephone or by visit; however, if personal contact cannot be made, a notice shall be posted in a conspicuous location at the service address at least 48 hours prior to termination.

In the event the Utility terminates service in error, such service shall be restored, without charge, as provided for in Rule No. 10.

6. a. If the Customer contacts the Utility before expiration of the notice described in paragraph C.2., either to contest the amount of the bill, or because of inability to pay the bill, the Utility shall provide the Customer a reasonable opportunity to review the amount of the bill and the reasons for the proposed discontinuance of service with a review manager of the Utility. Such review shall include consideration of whether the Customer should be permitted to amortize the unpaid balance of the account weekly, fortnightly or monthly, over a reasonable period of time, not to exceed a period of 12 months. If the Customer is unable to pay the bill, the Utility shall furnish to the Customer information on the availability of various financial assistance programs.

b. If, after contacting the Utility, the Customer is still unable to pay the bill, and if payment arrangements have not been extended, the Customer may write to the Consumer Affairs Branch of the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, e-mail: consumer-affairs@cpuc.ca.gov, to make an informal complaint. The Customer will not be required to submit a deposit to the Commission. It is the Customer's responsibility to inform both the Utility and the Consumer Affairs Branch (CAB) of the complaint prior to the expiration date of the termination notice, to avoid discontinuance of service.

Within ten business days after receiving the informal complaint, the CAB will report its proposed resolution by letter both to the Customer and the Utility.

If the Customer is not satisfied with the proposed resolution of the CAB, he may file no later than ten business days after the date of the CAB letter, a formal complaint with the Commission on a form provided by the CAB. The complaint will be processed under the Commission's expedited complaint procedure.

If the Customer fails to observe these time limits, the Utility will be entitled to payment, or, if the bill is not paid, to discontinue service.

* Certification from licensed physician, public health nurse, or a social worker may be required by the Utility.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

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DISCONTINUANCE OF SERVICE

(Continued)

C. NON-PAYMENT OF BILLS (continued)

11. Gas service to a residential Customer will not be discontinued for nonpayment when the Customer has established to the satisfaction of the Utility that such termination would be especially dangerous to the health* of anyone living at the residence served under the Customer's bill; or the Customer has established to the satisfaction of the Utility that someone living at such residence is elderly (62 or over) or handicapped*; and the Customer establishes to the satisfaction of the Utility that he or she is unable to pay for such service in accordance with the provisions of the Utility's tariffs; and the Customer is willing to arrange installment payments, satisfactory to the Utility, as specified in paragraphs C.6. and C.8., above.
12. If a Customer who has received a notice of discontinuance of service under paragraph C.2. notifies the Utility prior to the expiration of such notice that because of infirmities of age and/or handicap, he or she is unable to deliver payment in time to avoid discontinuance of service, the Utility shall offer to make arrangements to collect payment at the customer's home. The Customer's claim of infirmity shall be subject to verification by the Utility.
13. In any case of nonpayment of a bill, the Utility shall not discontinue service on any Saturday, Sunday, legal holiday, or at any time during which the business offices and authorized payment locations of the Utility are not open to the public.
14. Any Customer whose complaint or request for investigation has resulted in a determination by the Utility which is adverse to him may appeal such decision to the Commission.

D. UNSAFE APPARATUS

1. Whenever the Utility determines that any part of a Customer's services, appliances or apparatus are at any time unsafe, or that the utilization of gas by means thereof is prohibited or forbidden under authority of any law or municipal ordinance or regulation (until such law, ordinance or regulation shall be declared invalid by a court of competent jurisdiction), the Utility may refuse to serve, or may cease serving, such a Customer until the Customer shall put such part in good and safe condition and comply with all the laws, ordinances and regulations applicable thereto.
2. The Utility does not assume the duty of inspecting the Customer's services, appliances or apparatus or any part thereof, and assumes no liability therefor. In the event that the Customer finds the gas service to be defective, the Customer is requested to immediately notify the Utility to this effect.

* Certification by a licensed physician, public health nurse, or social worker may be required by the Utility.

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(TO BE INSERTED BY UTILITY)
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Rule No. 09
DISCONTINUANCE OF SERVICE

Sheet 6

(Continued)

E. FRAUD

The Utility shall have the right to refuse to serve gas to, or on, any premises and at any time to discontinue service if found necessary to do so in order to protect itself against abuse or fraud.

F. UNAUTHORIZED USE

The Utility may discontinue service if the acts of the Customer or the conditions upon the premises indicate an intent to deny the Utility full compensation for services rendered, including, but not limited to, tampering or unauthorized use. Discontinuance of service for non-payment of a bill for unauthorized use shall be in accordance with the provisions of Rule 9.C. When the Customer's service has been terminated under this section, the Utility may refuse to restore service until the unauthorized use has ceased and the Utility has received full compensation for all authorized charges.

G. MULTILINGUAL SERVICE

The Utility shall provide a reasonable number of multilingual individuals to advise Customers of termination policy where a substantial portion of the Customers in the Utility's service area do not speak English.

H. NONCOMPLIANCE WITH THE UTILITY'S RULES

1. If the Customer should fail to comply with any of the Utility's rules from time to time in force, the Utility shall notify the Customer of such failure. If the Customer does not remedy the failure within five calendar days after the presentation of written notification, the Utility shall have the right, to discontinue service to the Customer.
2. Except in cases of emergency, or as otherwise provided, the Utility shall not discontinue the service of any Customer for violation of any rule except on written notice of at least five calendar days, advising the Customer in what particular such rule has been violated for which service will be discontinued if the violation is not remedied. The Utility may waive this notice in the event of discovery of a dangerous condition on or affecting a Customer's premises, or in case of a Customer utilizing the service in such a manner as to make it dangerous for occupants of the premises, thus rendering the immediate discontinuance of service to the premises imperative.
3. As a condition for restoration of service, the Customer shall comply with all applicable gas rules and tariff schedules.

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(TO BE INSERTED BY UTILITY)
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DECISION NO. 01-12-018

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Rule No. 09

Sheet 7

DISCONTINUANCE OF SERVICE

(Continued)

I. USAGE OF SERVICE DETRIMENTAL TO OTHER CUSTOMERS

The Utility shall not furnish service to gas apparatus or appliances, the operation of which will be detrimental to the gas service being furnished by the Utility to its other Customers in the immediate vicinity or supplied from the same distribution system, and the Utility shall refuse to continue furnishing gas to any Customer who, after being notified by the Utility to discontinue the use of gas for such gas apparatus or appliances, continues to so use them.

J. FAILURE TO ESTABLISH OR RE-ESTABLISH CREDIT AFTER INSTITUTION OF SERVICE

1. If, for the convenience or at the request of a Customer, the Utility institutes gas service to a Customer prior to his having established credit or should continue service to a customer when credit has not been re-established in accordance with Rule No. 6 and if such Customer fails to establish or re-establish credit as provided by a written notice of not less than seven calendar days for a residential Customer and five calendar days for a non-residential Customer, the Utility may discontinue service.
2. If a non-residential Customer does not provide information satisfactory to the Utility to re-establish credit, or fails to provide security as set forth in Rule No. 6.C. as provided by a written notice of not less than five calendar days, the Utility may continue service.

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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

A. GENERAL

The Utility will exercise reasonable diligence and care to furnish and deliver service to its customers, and to avoid any interruption of same. The Utility shall not be liable for damages or otherwise for any failure to deliver gas or provide service to its customers, which failure in any way or manner results from an event of Force Majeure (as defined in Rule No. 1).

B. LOCALIZED CURTAILMENT

1. Effectuation of Localized Curtailment

When in the judgment of the Utility, operating conditions on the local transmission and/or distribution systems require curtailment of service to end-use customers, such curtailment shall be effectuated in the order and manner described below, unless otherwise specified in this rule.

- a. All interutility service provided under Schedule No. GIT.
- b. All interruptible local transportation service according to the percentage of default rate paid, as defined in Rule No. 1, with customers paying the lowest percentage of default curtailed first. Customers paying the same percentage of default shall be curtailed on a pro rata basis (by equal percentage) with the exception that all UEG service shall be curtailed before cogeneration service where such service is at the same percentage of default.
- c. All firm local transportation service on a rotating basis as described in Section B.2 herein.
- d. All Priority 2A service on a pro rata basis.
- e. All Priority 1 non-residential service on a pro rata basis.
- f. All Priority 1 residential service on a pro rata basis.

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(TO BE INSERTED BY UTILITY)
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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

(Continued)

B. LOCALIZED CURTAILMENT (Continued)

2. Curtailement of Firm Local Transportation Service

Firm local transportation service curtailment shall be effectuated by customer rotation. For determining the order of such curtailment, customers shall be separated into two firm service curtailment lists. The first list shall be for UEG and cogeneration customers and the second list shall be for all other firm service customers. Each curtailment list shall be ordered by individual customer as described in Section B.1. The order of customers for the two lists was established by lottery or other non-discriminatory means prior to the implementation date of the CPUC's Capacity Brokering Rules. The customer distribution for the two lists shall be maintained for the ten-year period beginning on the date of such implementation. During the ten-year period, new customers to firm service shall be randomly assigned a position on the appropriate list.

Once the order of the customers is established for each firm service curtailment list, the Utility shall aggregate customers with peak-day usage under 20 MMcfd into "blocks" of approximately 20 MMcfd, to the extent possible. Such aggregation shall be accomplished in the order of the listed customers for each list. Customers with peak-day usage of 20 MMcfd or more shall remain separately listed and shall be considered as one curtailment block. In the event firm service customers are added or deleted from the curtailment lists over the ten-year period, the Utility shall adjust the aggregation of the customer blocks as necessary.

In the event of a firm service curtailment, the Utility shall curtail, in unison, that number of customer blocks necessary to provide for a sufficient level of curtailment. The customer blocks curtailed shall be established by (1) selecting the first customer block from one firm service list, (2) then selecting the first customer block from the other firm service list, and (3) continuing such alternating selections down the two lists until that level of curtailment is reached that is operationally necessary. At the conclusion of the curtailment of the initially curtailed customer blocks, additional customer blocks shall be curtailed, if necessary, using the same alternating method beginning with the customer block immediately following the last block selected. Once all customers on a particular firm service list have been selected for curtailment, the alternating rotation process for such list shall continue at the beginning of the list.

In the event the curtailment of the last customer block selected would result in exceeding the level of curtailment operationally necessary, then the customers within that block shall be selected for curtailment based on the customer order within the block. Those customers not selected shall be treated as a separate block in succeeding curtailment rotations. If the curtailment of an individual customer would result in exceeding the level of curtailment necessary, then such customer shall be curtailed only to the level of curtailment which is necessary.

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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

(Continued)

B. LOCALIZED CURTAILMENT (Continued)

2. Curtailement of Firm Local Transportation Service (Continued)

For the UEG and cogeneration customer firm service list, UEG customers shall be listed before cogeneration customers. For each curtailment episode, UEG customers must be curtailed at least once using the alternating rotation process described above before beginning the curtailment order of cogeneration customers.

3. Transfers of Intrastate Curtailment

Firm and interruptible local transportation customers may make arrangements among themselves to transfer curtailment requirements in the event the Utility curtails service. Through such arrangements, responsibility for the curtailment imposed by the Utility shall be transferred from the original customer to be curtailed ("original curtailment assignee") to another customer or group of customers ("curtailment transferee") who would not otherwise be curtailed. All of the customers involved in the curtailment transfer must execute and provide to the Utility a Notice of Intrastate Curtailment Transfer (Form No. 6600). Because localized curtailment will affect only customers within specific geographic locations, implementation of transfers of intrastate curtailment between customers in different locations may not be possible.

In the event the Utility provides curtailment notification to the original curtailment assignee less than 48 hours prior to initiation of the curtailment of such customer, the Utility must receive the Notice of Intrastate Curtailment Transfer, executed by all customers involved in the transfer arrangement, within 24 hours of the Utility's notification to the original curtailment assignee. In the event the Utility provides more than 72 hours notice to the original curtailment assignee, the Utility must receive the Transfer Notice, signed by all involved customers, no later than 48 hours prior to the scheduled initiation of curtailment of the original curtailment assignee. In the event of a curtailment, parties involved in a transfer of intrastate curtailment shall have their authorized curtailment quantity (ACQ) adjusted to reflect the transfer. The original curtailment assignee shall have its authorized curtailment quantity increased and the curtailment transferee shall have their authorized curtailment quantity decreased. Any penalties and charges assessed to either the original curtailment assignee or the curtailment transferee, due to either parties' failure to curtail, will be based upon transfer-adjusted ACQ's for each party.

For the purpose of facilitating transfers of intrastate curtailment, as described in Section B.3, the Utility shall maintain a curtailment list by customer facility, as defined in Rule No. 1, for interruptible and firm local transportation service with the exception that for UEG customers, the curtailment order shall be listed by all service for an individual UEG customer for a particular level of service (firm or interruptible) and by percentage of default for interruptible service. The Utility shall make the curtailment list available to firm and interruptible end-use customers upon request.

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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

(Continued)

B. LOCALIZED CURTAILMENT (Continued)

4. Operating Emergency Declared By A Customer

In the event of an operating emergency as declared by a customer at the customer's facility, service may be made available out of the normal curtailment pattern order, if in the judgment of the Utility it is possible to do so. Out-of-pattern deliveries will be provided to critical customers, as defined in Rule No. 1, whenever they declare an operating emergency. In such an event, subsequent out-of-pattern curtailment may be imposed on the customer in order to balance the amount of curtailment with other customers at the same level on the curtailment order.

5. Restoration of Service

When curtailment of service is to be decreased, restoration of service shall be made (a) in the same manner as described in Section B.1, but inversely to the order given, and (b) to the level of service which in the judgment of the Utility can be provided. However, the Utility reserves the right to restore firm local transportation service in such order as it deems necessary irrespective of the curtailment rotation list described in Section B.2 herein.

C. CURTAILMENT VIOLATIONS

The Utility shall read the meter of the curtailed customer at the beginning and end of each curtailment period for the applicable service curtailed. For other than a customer operating emergency as set forth in Section B.4, customers failing to curtail on request will be assessed a curtailment violation charge of \$1.00 per therm for the initial 5 hours of the Customer's operating day, \$3.00 per therm for hours 6 through 8, and \$10.00 per therm for hours 9 through the end of the curtailment episode. The curtailment violation charge applies to all gas quantities determined by the Utility to be in violation of curtailment. All other charges associated with such usage will apply. Any customer failing to curtail after 48 hours will be immediately reassigned to a core rate schedule for a minimum period of one year. Curtailment violations will be determined as follows:

1. Usage Exceeding Authorized Curtailment Quantity

For curtailment of interruptible or firm local transportation service, customers whose consumption under their applicable service schedule exceeds their authorized curtailment quantity during the curtailment period for such service will be in violation of curtailment.

2. Authorized Curtailment Quantity

The authorized curtailment quantity used to determine a customer's compliance with curtailment shall be established on the basis of the monthly contract billing quantities set forth in the Customer's Master Services Contract, Schedule A, Local Transportation Services (Form Nos. 6597 and 6597-1).

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)
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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

(Continued)

C. CURTAILMENT VIOLATIONS (Continued)

2. Authorized Curtailment Quantity (Continued)

The customer's total authorized curtailment quantity for the applicable period of curtailment shall be equal to the sum of the authorized curtailment quantities for each of the customer's services that are not subject to curtailment during such period. For each such service, the authorized curtailment quantity shall be equal to the monthly contract quantity divided by the customer's actual number of operating days for such service during the month in which the curtailment occurs, multiplied by the customer's actual number of operating days during the curtailment period.

The customer's actual operating days for the month shall be determined based on the operating-day information set forth in the customer's contract. For service designated as operating seven days per week, the operating days shall be all calendar days in the month. For service designated as less than seven operating days per week, the operating days shall be all designated days in the month excluding national holidays. Customers with non-uniform operating schedules for any particular month shall be required to designate in the contract the actual operating-day schedule for such months. The customer may request a change to the operating schedule on a month-to-month basis. All operating schedules shall be subject to the Utility's acceptance and the Utility may adjust such schedules as it deems necessary based on the customer's operations.

D. OUT OF SEQUENCE CURTAILMENT

Curtailments may be effected in certain localized areas due to local transmission and/or distribution system capacity restrictions or emergencies. In such cases, curtailments will generally be made based on the order established herein to the extent it is operationally feasible to do so. In the event of a localized curtailment, customers in unconstrained areas may receive service while other customers of equal or higher priority are curtailed.

E. DIVERSION OF BACKBONE SUPPLIES

In the event insufficient gas supply or capacity is available on its backbone transmission system for the Utility to meet the requirements of its core customers, the Utility may effectuate involuntary diversions of supply originally intended for the Utility's noncore customers. The Utility must call a Stage 2 OFO and eliminate all interruptible storage withdrawals before involuntarily diverting backbone supplies. The Utility shall notify the CPUC within one business day in the event of any involuntary diversion of customer gas.

All customers with Backbone Receipt Contracts (Schedule N to the Master Services Contract) whose gas supply is involuntarily diverted will receive a \$25 per decatherm Involuntary Diversion Credit for gas volumes diverted. In addition, such Involuntary Diversion Credit will also apply to involuntary diversion of scheduled firm storage withdrawal supplies.

(Continued)

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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

(Continued)

E. DIVERSION OF BACKBONE SUPPLIES (Continued)

Unauthorized use of involuntarily diverted supply (calculated at the imbalance account level) will be assessed an additional charge of \$25 per decatherm. The additional Involuntary Diversion Charge shall be assessed to the Balancing Entity for all such unauthorized use. Additionally, any OFO charges as specified in Schedule No. G-IMB and Rule No. 40 will be assessed to the Balancing Entity. The Utility shall identify when unauthorized use of diverted backbone supplies occurs. In such cases, unauthorized use of involuntarily diverted supply will disqualify the party from receiving the above-described \$25 per decatherm Involuntary Diversion Credit.

During a diversion the Balancing Entity is solely responsible for contacting its customers to reduce demand such that total usage falls within adjusted scheduled volumes for that day. The Utility assumes no role in contacting end-use customers served by the Balancing Entity to ensure the total usage of the Balancing Entity's customers does not exceed the adjusted scheduled volumes.

The Involuntary Diversion Credit does not apply when the diversion is the result of either Force Majeure (Rule No. 1) or system maintenance and repair (Section G herein). However, the Involuntary Diversion Credit will apply for a diversion resulting from high demand due to weather conditions.

In the event the Utility diverts gas supply, the Utility shall not be responsible for any interstate or intrastate pipeline transmission charges associated with diverted gas. The Utility's total cost responsibility for the diverted gas supply shall be equal to the Involuntary Diversion Credit times the volume of gas diverted.

Involuntary diversion of backbone transmission receipt access supplies and scheduled firm storage withdrawal shall be made in the following order to the extent the Utility deems such order operationally feasible:

1. Interruptible backbone transmission receipt access service: Diversion shall take place according to the price paid for such capacity, with those paying the least diverted first;
2. Firm backbone transmission receipt access service: Diversion shall be implemented on a pro rata basis among all receipt points, to the extent operationally feasible;
3. Scheduled firm storage withdrawal: Diversion shall be implemented on a pro rata basis to the extent operationally feasible.

Backbone transmission service and firm storage withdrawals that are identified as being for service to core end-use customers are not subject to involuntary diversions under this Rule.

(Continued)

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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

(Continued)

F. CURTAILMENT/DIVERSION DUE TO EMERGENCY CONDITIONS

At a time when there is a threatened or actual shortage creating an emergency condition for a short duration in the Utility's ability to meet the demands of Priority 1 and 2A customers, or the Utility's ability to meet contractual commitments to firm noncore local transportation service customers, the Utility may, during such emergency period, curtail and/or divert service of all customers, or a portion of such customers, in the most reasonable and practicable manner possible. Further, in such event, the Utility shall have the right to shut off, discontinue, re-establish, or continue service for all customers or a portion of such customers, irrespective of the priority or preference provisions set forth herein or in the tariff schedules, contracts, or rules and regulations applicable to such service. In such emergency situations, curtailments shall generally be made based on the customer's level of demand and transfers of curtailment responsibility, as provided for in Section B.3 herein, shall not be allowed.

The Utility may also, during any national crisis, give preference, as between all customers, to facilities directly engaged in the production of food supplies and the production of national government requirements, when the discontinuance of service to such customers would stop, or materially diminish, the output of said plants.

G. SYSTEM MAINTENANCE AND REPAIR

The Utility, whenever it finds necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of gas, but, in all such cases, as reasonable notice thereof as circumstances will permit will be given to customers, and the making of such repairs or improvements will be prosecuted as rapidly as may be practicable, and, if practicable, at such times as will cause the least inconvenience to the customers.

In the event such interruption of service affects more than one customer, interruption of service shall be made in the order established herein only to the extent it is operationally feasible to do so.

(Continued)

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CONTINUITY OF SERVICE AND INTERRUPTION OF DELIVERY

(Continued)

H. UTILITY ELECTRIC GENERATION SERVICE

The Utility shall accommodate, subject to the capability of its existing physical facilities and the requirements of higher priority customers, requests by its retail and wholesale customers for reallocation of deliveries for use in electric generating plants deviating from the normal pattern of deliveries by the Utility (a) of an emergency nature to avoid actual electric load curtailment, and/or (b) based on requirements to minimize particularly adverse air pollution impacts expected to be of short duration. Such deviations in deliveries must be approved by the Utility and shall be in accordance with the agreements between the Utility's retail and wholesale customers relating to such reallocations and providing for compensation between such customers. In no event, however, will the Utility's total deliveries for electric generation requirements imposed on the Utility exceed in the aggregate the deliveries which would have been scheduled absent the reallocation agreements between Utility's customers. Customers requesting the Utility to redirect deliveries hereunder shall notify the CPUC promptly after each occurrence of the problem occasioning such request.

I. WHOLESALE SERVICE EXCLUDING SDG&E

Wholesale customers, excluding SDG&E, will receive Priority 1 and 2A service from the Utility in proportion to such customers' Priority 1 and 2A loads. Service to wholesale customers' loads shall be curtailed in the same manner as that for the Utility's retail customers. Wholesale customers may, however, negotiate with the Utility regarding the timing and extent of curtailments for their noncore loads with the condition that such loads shall be subject to curtailments which are proportionate to the curtailment of the Utility's noncore customers.

J. WHOLESALE SERVICE TO SDG&E

The Utility and SDG&E shall operate as independent gas systems to the extent operationally feasible. The Utility shall curtail its noncore customers only to the extent necessary to maintain service to its own core customers. Likewise, SDG&E shall curtail service to its noncore customers only to the extent necessary to maintain service to its own core customers. Neither the Utility nor SDG&E shall curtail its noncore customers to serve the core requirements of the other except as expressly provided by a mutual assistance agreement between the two utilities.

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Rule No. 30

Sheet 1

TRANSPORTATION OF CUSTOMER-OWNED GAS

This Rule describes the general terms and conditions applicable whenever the Utility transports Customer-Owned Gas over its system. Customers who wish to transport gas must sign the applicable Agreements.

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A. GENERAL

1. Nature of Service

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Customers or their designated Agent, Contracted Marketer (CM) or Energy Service Provider (ESP) will deliver equivalent quantities of gas, on a Btu-for-Btu basis, to the Customer's Delivery Point. The gas that the Utility delivers to the Customer will not necessarily be the gas that the Customer Agent, CM or ESP delivered to the Utility.

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2. Gas Specifications

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Unless otherwise agreed to by both parties, the gas delivered to the Utility must meet the quality specifications detailed in Section G, below. The minimum and maximum heating value and the pressure of the gas must be such that the gas can be integrated into the Utility's system at the Receipt Point(s).

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B. QUANTITIES OF GAS

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1. In-Kind Shrinkage Allowance

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The in-kind shrinkage quantities represent the Utility fuel use attributable to the volume of natural gas received by Utility for transmission transportation service. The in-kind charge for transmission fuel is 0.39% for volumes transported on the Utility's system, as referenced in Schedule No. G-BR.

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The Utility shall as nearly as practicable each day redeliver to Customer and Customer shall accept a like quantity of gas as is delivered by the Customer to the Utility on such day. It is the intention of both the Utility and the Customer that the daily deliveries of gas by the Customer for transportation hereunder shall approximately equal the quantity of gas which the Customer shall receive at the points of delivery. However, it is recognized that due to operating conditions either (1) in the fields of production, (2) in the delivery facilities of third parties, or (3) in the Utility's system, deliveries into and redeliveries from the Utility's system may not balance on a day-to-day basis. The Utility and the Customer will use all due diligence to assure proper load balancing in a timely manner.

(Continued)

(TO BE INSERTED BY UTILITY)
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Rule No. 30

Sheet 2

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

B. QUANTITIES OF GAS (Continued)

2. The gas to be transported hereunder shall be delivered and redelivered as nearly as practicable at uniform hourly and daily rates of flow. Utility may refuse to accept fluctuations in excess of ten percent (10%) of the previous day's deliveries, from day to day, if in the Utility's opinion receipt of such gas would jeopardize other operations. Customers may make arrangements acceptable to the Utility to waive this requirement.
3. The Utility does not undertake to redeliver to the Customer any of the identical gas accepted by the Utility for transportation, and all redelivery of gas to the Customer will be accomplished by substitution on a term-for-term basis.
4. Transportation customers, contracted marketers, and aggregators will be provided monthly balancing services in accordance with the provisions of Schedule No. G-IMB and Rule No. 40.
5. Unless authorized by the Commission, Gas shall be transported hereunder for use only by the Customer within the state of California, and not for delivery or resale to a third party.

C. GASSELECT®

1. Utility prefers and encourages customers to use GasSelect® to submit their transportation nominations to the Utility. Charges for GasSelect® are set forth in Rule No. 33. Use of GasSelect® is not mandatory for transportation only Customers.
2. Transportation nominations may be submitted manually (by means other than GasSelect® such as a fax), a processing charge of \$11.87 shall be assessed. No processing charge will apply to a GasSelect® subscriber for nominations submitted by fax at a time the GasSelect® system is unavailable for use by the subscriber.

D. OPERATIONAL REQUIREMENTS

1. Customer Representation

The customer must provide to the Utility the name(s) of agents ("agent") used by the Customer for delivery of gas to the Utility for transportation service hereunder and their authority to represent Customer.

(Continued)

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Rule No. 30

Sheet 3

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. OPERATIONAL REQUIREMENTS (Continued)

2. Receipt Points

Utility accepts nominations from transportation Customers or their representatives at the following receipt points into the SoCalGas system:

- Topock (El Paso, Transwestern)
- Ehrenberg (El Paso)
- North Needles (Transwestern, Southern Trails)
- Wheeler Ridge (Kern River, Mojave, PG&E and Occidental)
- Hector Road (Mojave)
- Kramer Junction (Kern River/Mojave)
- California Production:
 - a. Line 85
 - b. North Coastal
 - c. Other
- Storage

3. Receipt Point Capacity

Each day, receipt point capacities will be set at their physical operating maximums under the operating conditions for that day. The Utility will use the following rules to limit the nominations to the receipt point maximums. Nominations with firm primary access rights will have first priority, followed by firm secondary access rights for delivery to that same receipt point, followed by volumes using interruptible capacity rights. Firm primary rights have priority over volumes scheduled with secondary rights or interruptible rights. Firm secondary rights will have priority over volumes scheduled with interruptible rights through Intraday 1. Scheduling of interruptible capacity will be prioritized by price. Notice of scheduled volumes to bumped parties will be provided via the Transactions module in GasSelect®. Scheduled volumes in Intraday 1 and Intraday 2 are subject to the elapsed prorata rules.

The Utility will accept scheduled volumes for each receipt point to the maximum operating capacity of that individual point. The maximum operating capacity is defined as the facility design or contractual limitation to deliver gas into Utility's system adjusted for operational constrains (i.e. maintenance, localized restrictions, upstream delivery pressures) as determined each day.

(Continued)

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Rule No. 30

Sheet 4

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. OPERATIONAL REQUIREMENTS (Continued)

4. Nominations

The Customer shall be responsible for submitting gas service nominations to the Utility no later than the deadlines specified below.

Each nomination shall include all information required by the Utility's normal nomination procedures. Nominations received by the Utility will be subject to the conditions specified in the service agreements with the Utility. The Utility may reject any nomination not conforming to the requirements in these rules or in applicable service agreements. The Customers shall be responsible for making all corresponding upstream nomination/confirmation arrangements with the interconnecting pipeline(s) and/or operator(s).

Evening and Intraday nominations may be used to request increases or decreases, changes to receipt points or delivery points.

Intraday nominations do not roll from day to day.

Timely Cycle nominations will automatically roll from cycle-to-cycle and day-to-day until the end date is modified by the nominating entity.

Nominations may be made to and from Receipt Point pools, Backbone Intrastate Transmission Contracts, Citygate Pools and Storage.

Refer to Schedule No. G-POOL for nominating Receipts and Deliveries for Pooling Services.

Refer to Schedule No. G-BR for backbone intrastate transmission firm and interruptible receipt point rights.

5. Storage Nominations and Capacity Rights

a. Proration to System Storage Injection or Withdrawal Capacities

All three classes of firm rights (core, noncore storage, and noncore balancing) will be prorated to the total system capacity available on a daily basis. Customer nominations will be limited to these prorated amounts on that day.

(Continued)

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TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. OPERATIONAL REQUIREMENTS (Continued)

5. Storage Nominations and Capacity Rights (Continued)

a. Proration to System Storage Injection or Withdrawal Capacities (Continued)

A second prorationing step is applicable for the unbundled noncore storage class. After the total class amount is prorated based on allocated costs (classes), individual noncore Customer rights may be reduced in order to not exceed the total in the first step. The methodology for allocation will be based on the following: firm rights have the highest priority followed by interruptible ("IT") rights, ranked by contract terms. Any capacity cuts required within these categories will be prorated according to rights nominated.

b. Interruptible Injections and Withdrawals

IT injections and withdrawal will be scheduled in space not used by the firm shippers within the same Customer class of rights on a cycle-by-cycle basis consistent with the NAESB elapsed prorata rules. For example, noncore IT injections will only be scheduled within the daily noncore storage rights that are not being nominated firm and any unused noncore balancing rights. IT noncore storage nominations cannot be scheduled in the space not used by the core storage Customers. The formulas below define these limits.

$$\begin{aligned} \text{Total scheduled noncore withdrawal (Firm and IT)} &< \text{System capability} - W_R \\ \text{Total scheduled noncore injection (Firm and IT)} &< \text{System capability} - I_R \end{aligned}$$

Where:

$$W_R = \text{current days core firm withdrawal rights}$$

$$I_R = \text{current days core firm injection rights}$$

Noncore storage withdrawals and injections will include any Operations Park and Loan transactions occurring on that day. Current contracts that provide as-available injection and withdrawal service will now be considered IT and be ranked as the lowest priority IT service.

c. Classification of Secondary Market Rights

If any customer in the Core class buys storage rights in the secondary market or from the noncore storage program, those rights will be considered Core and treated as such during any proration. The same will hold for any noncore Customer buying capacities from the Core, those rights will be deemed noncore for proration and scheduling of IT requests.

(Continued)

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TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. OPERATIONAL REQUIREMENTS (Continued)

6. Timing

All times referred to below are in Pacific Clock Time.

a. Timely Cycle

Transportation nominations submitted via GasSelect for the Timely Nomination cycle must be received by the Utility by 9:30 a.m. one day prior to the flow date. Nominations submitted via fax must be received by the Utility by 8:30 a.m. one day prior to the flow date. Timely nominations will be effective at 7:00 a.m. the following morning.

b. Evening Cycle

Nominations submitted via GasSelect for the Evening Nomination cycle must be received by the Utility by 4:00 p.m. one day prior to the flow date. Nominations submitted via fax must be received by the Utility by 3:00 p.m. one day prior to the flow date. Evening nominations will be effective at 7:00 a.m. the following morning.

c. Intraday 1 Cycle

Nominations submitted via GasSelect for the Intraday 1 Nomination cycle must be received by the Utility by 8:00 a.m. on the flow date. Nominations submitted via fax must be received by the Utility by 7:00 a.m. on the flow date. Intraday 1 nominations will be effective at 3:00 p.m. the same day.

d. Intraday 2 Cycle

Nominations submitted via GasSelect for the Intraday 2 Nomination cycle must be received by the Utility by 3:00 p.m. on the flow date. Nominations submitted via fax must be received by the Utility by 2:00 p.m. on the flow date. Intraday 2 nominations will be effective at 7:00 p.m. the same day.

7. Confirmation and Ranking Process

A ranking must be received by the Utility at the time the nomination or the confirmation is submitted. The nominating party will rank its supplies and the confirming party will rank its markets. The Utility will then balance the pipeline system using the "lesser of" rule and the rankings submitted.

The ranking will automatically roll from cycle-to-cycle and day-to-day until the end date is modified by the nominating entity.

(Continued)

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TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

D. OPERATIONAL REQUIREMENTS (Continued)

7. Confirmation and Ranking Process (Continued)

If no ranking is submitted at the time the nomination is submitted, the Utility will use lowest ranking.

The Utility will compare the nominations received for each transaction and the "lesser of" the two nominated quantities will be the quantity confirmed by the Utility.

Subject to the utility receiving notification of confirmed transportation from the applicable upstream pipeline(s) and/or operator(s), the Utility will provide scheduled quantities on GasSelect®.

8. As between the Customer and the Utility, the Customer shall be deemed to be in control and possession of the gas to be delivered hereunder and responsible for any damage or injury caused thereby until the gas has been delivered at the point(s) of receipt. The Utility shall thereafter be deemed to be in control and possession of the gas after delivery to the Utility at the point(s) of receipt and shall be responsible for any damage or injury caused thereby until the same shall have been redelivered at the point(s) of delivery, unless the damage or injury has been caused by the quality of gas originally delivered to the Utility, for which the Customer shall remain responsible.

9. Any penalties or charges incurred by the Utility under an interstate or intrastate supplier contract as a result of accommodating transportation service shall be paid by the responsible Customer.

10. Customers receiving service from the Utility for the transportation of Customer-Owned Gas shall pay any costs incurred by the Utility because of any failure by third parties to perform their obligations related to providing such service.

E. INTERRUPTION OF SERVICE

1. The Customer's transportation service priority shall be established in accordance with the definitions of Core and Noncore service, as set forth in Rule No. 1, and the provisions of Rule No. 23, Continuity of Service and Interruption of Delivery.

2. The Utility shall have the right, without liability (except for the express provisions of the Utility's Service Interruption Credit as set forth in Rule No. 23), to interrupt the acceptance or redelivery of gas whenever it becomes necessary to test, alter, modify, enlarge or repair any facility or property comprising the Utility's system or otherwise related to its operation. When doing so, the Utility will try to cause a minimum of inconvenience to the Customer. Except in cases of unforeseen emergency, the Utility shall give a minimum of ten (10) days written notice of such activity.

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TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

F. ACCOUNTING AND BILLING

1. The Customer and the Utility acknowledge that on any operating day during the Customer's applicable term of transportation service, the Utility may be redelivering quantities of gas to the Customer pursuant to other present or future service arrangements. In such an event, the Utility and Customer agree that the total quantities of gas shall be accounted for in accordance with the provisions of Rule No. 23. If there is no conflict with Rule No. 23, the quantities of gas shall be accounted for in the following order:
 - a. First, to satisfy any minimum quantities under existing agreements.
 - b. Second, after complete satisfaction of Section a., above, then to any supply or exchange service arrangements with the Customer.
 - c. Third, after the satisfaction of Sections a. and b., above, then to any subsequently executed service agreement.
2. The Customer agrees that it shall accept and the Utility can rely upon, for purposes of accounting and billing, the allocation made by Customer's shipper as to the quality and quantity of gas, expressed both in Mcf and therms, delivered at each point of receipt during the preceding billing period for the Customer's account. If the shipper does not make such an allocation, the Customer agrees to accept the quality and quantity as determined by the Utility. All quality and measurement calculations are subject to subsequent adjustment as provided in the Utility's tariff schedules or applicable CPUC rules and regulations. Any other billing correction or adjustment made by the Customer or third party for any prior period shall be based on the rates or costs in effect when the event occurred and accounted for in the period they are reconciled.
3. The Utility shall render to the Customer an invoice for the services hereunder showing the quantities of gas, expressed in therms, delivered to the Utility for the customer's account, at each point of receipt and the quantities of gas, expressed in therms, redelivered by Utility for the customer's account at each point of delivery during the preceding billing period. The Customer shall pay such amounts due hereunder in accordance with Rule No. 9.
4. Both the Utility and the Customer shall have the right at all reasonable times to examine, at its expense, the books and records of the other to the extent necessary to verify the accuracy of any statement, charge, computation, or demand made under or pursuant to service hereunder. The Utility and the Customer agree to keep records and books of account in accordance with generally accepted accounting principles and practices in the industry.

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TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

G. GAS QUALITY

1. The gas stream delivered by the Customer into the Utility's system shall conform to the gas quality specifications as provided in any applicable agreements, contracts, service contracts and tariff schedules in effect between the delivering interstate or intrastate pipeline and the Utility at the time of the delivery.
2. All gas delivered into the Utility's system for the account of the Customer for which there is no existing contract between the delivering pipeline and the Utility shall be at a pressure such that the gas can be integrated into the Utility's system at the point(s) of receipt and shall conform to the following minimum specifications:
 - a. Heating Value: The minimum heating value is nine hundred and seventy (970) Btu (gross) per standard cubic foot on a dry basis. The maximum heating value is one thousand one hundred fifty (1150) Btu (gross) per standard cubic foot on a dry basis.
 - b. Moisture Content or Water Content: For gas delivered at or below a pressure of eight hundred (800) psig, the gas shall have a water content not in excess of seven (7) pounds per million standard cubic feet. For gas delivered at a pressure exceeding of eight hundred (800) psig, the gas shall have a water dew point not exceeding 20F at delivery pressure.
 - c. Hydrogen Sulfide: The gas shall not contain more than twenty-five hundredths (0.25) of one (1) grain of hydrogen sulfide per one hundred (100) standard cubic feet. The gas shall not contain any entrained hydrogen sulfide treatment chemical (solvent) or its by-products in the gas stream.
 - d. Mercaptan Sulfur: The mercaptan sulfur is not to exceed three-tenths (0.3) grains per hundred standard cubic feet.
 - e. Total Sulfur: The gas shall not contain more than seventy-five hundredths (0.75) of a grain of total sulfur compounds per one hundred (100) standard cubic feet. This includes COS and CS₂, hydrogen sulfide, mercaptans and mono, di and poly sulfides.
 - f. Carbon Dioxide: The gas shall not have a total carbon dioxide content in excess of three percent (3%) by volume.
 - g. Oxygen: The gas shall not at any time have an oxygen content in excess of two-tenths of one percent (0.2%) by volume, and Customer will make every reasonable effort to keep the gas free of oxygen.
 - h. Inerts: The gas shall not at any time contain in excess of four percent (4%) total inerts (the total combined carbon dioxide, nitrogen, oxygen and any other inert compound) by volume.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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RESOLUTION NO. _____

TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

G. GAS QUALITY (Continued)

2. (Continued)

- i. Hydrocarbons: For gas delivered at a pressure of 800 psig or less, the gas hydrocarbon dew point is not to exceed 45F at 400 psig or at the delivery pressure if the delivery pressure is below 400 psig. For gas delivered at a pressure higher than 800 psig, the gas hydrocarbon dew point is not to exceed 20F at a pressure of 400 psig.
- j. Dust, Gums and Other Objectionable Matter: The gas shall be commercially free from dust, gums and other foreign substances.
- k. Hazardous Substances: The gas must not contain hazardous substances (including but not limited to toxic and/or carcinogenic substances and/or reproductive toxins) concentrations which would prevent or restrict the normal marketing of gas, be injurious to pipeline facilities, or which would present a health and/or safety hazard to Utility employees and/or the general public.
- l. Delivery Temperature: The gas delivery temperature is not to be below 50F or above 105F.
- m. Interchangeability: The gas shall meet American Gas Association's Wobbe Number, Lifting Index, Flashback Index and Yellow Tip Index interchangeability indices for high methane gas relative to a typical composition of gas in the Utility system near the points of receipt. Acceptable specification ranges are:

Wobbe Number (W for receiving facility)*
(WP for producer)*
 $0.9 \leq WP \leq 1.1 W$

Lifting Index (IL)*
 $IL \leq 1.06$

Flashback Index (IF)*
 $IF \leq 1.2$

Yellow Tip Index (IY)*
 $IY \geq 0.8$

* Specifications are in relation to a typical composition of gas serving the area to be supplied by the new source.

- 3. The Utility, at its option, may refuse to accept any gas tendered for transportation by the Customer or on his behalf if such gas does not meet the specifications as set out in G. 1 and G. 2 above, as applicable.

(Continued)

(TO BE INSERTED BY UTILITY)
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DECISION NO. 01-12-018

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TRANSPORTATION OF CUSTOMER-OWNED GAS

(Continued)

H. TERMINATION OR MODIFICATION

1. If the Customer breaches any terms and conditions of service of the Customer's service agreement or the applicable tariff schedules and does not correct the situation within thirty (30) days of notice, the Utility shall have the right to cease service and immediately terminate the Customer's applicable service agreement.
2. If the contract is terminated, either party has the right to collect any quantities of gas or money due them for transportation service provided prior to the termination.

I. REGULATORY REQUIREMENTS

1. Any gas transported by the Utility for the Customer which was first transported outside the State of California shall have first been authorized under Federal Energy Regulatory Commission (FERC) regulations, as amended. Both parties recognize that such regulations only apply to pipelines subject to FERC jurisdiction, and do not apply to the Utility. The Customer shall not take any action which would subject the Utility to the jurisdiction of the FERC, the Economic Regulatory Administration or any succeeding agency. Any such action shall be cause for immediate termination of the service arrangement between the Customer and the Utility.
2. Transportation service shall not begin until both parties have received and accepted any and all regulatory authorizations necessary for such service.

J. WARRANTY AND INDEMNIFICATION

1. The Customer warrants to the Utility that the Customer has the right to deliver gas hereunder and that such gas is free from all liens and adverse claims of every kind. Customer will indemnify, defend and save Utility harmless against all loss, damage, injury, liability and expense of any character where such loss, damage, injury, liability or expense arises directly or indirectly out of any demand, claim, action, cause of action or suit brought by any person, association or entity asserting ownership of or any interest in the gas tendered for transportation hereunder, or on account of royalties, payments or other charges applicable before or upon delivery of gas hereunder.
2. The Customer shall indemnify, defend and save harmless Utility, its officers, agents, and employees from and against any and all loss, costs (including reasonable attorneys' fees), damage, injury, liability, and claims for injury or death of persons (including any employee of the Customer or the Utility), or for loss or damage to property (including the property of the Customer or the Utility), which occurs or is based upon an act or acts which occur while the gas is deemed to be in the Customer's control and possession or which results directly or indirectly from the Customer's performance of its obligations arising pursuant to the provisions of its service agreement and the Utility's applicable tariff schedules, or occurs based on the Customer-Owned Gas not meeting the specifications of Section G of this rule.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
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Rule No. 32

Sheet 2

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

1. Eligibility and Application for ESP Status (Continued)

- c. ESPs must have the capability to exchange data electronically with SoCalGas using an electronic format acceptable to SoCalGas.
- d. The term of the Service Agreement between an ESP and SoCalGas is twelve months, beginning with the first calendar day of the month after the Service Agreement is accepted by SoCalGas, and then month-to-month thereafter, until terminated by either party with 30 days notice or as set forth in section C.4. below.

2. Changing Customer Status to Core Transportation Service

- a. Eligibility for Program service is limited to customers eligible for Core Service, as defined in Rule No. 1, in accordance with D.93-09-082.
- b. ESPs communicate changes in customer's status to SoCalGas via successful submission of an electronic Direct Access Service Request (DASR) using the electronic format acceptable to SoCalGas. By submission of the DASR, the ESP warrants that the customer being enrolled in the Transportation Service program by the DASR:
 - (1) Has been informed of, and consents to all terms and conditions of SoCalGas' Core Transportation Service;
 - (2) Intended to change their status to "Core Transportation Service" and receive gas procurement and related services from that specific ESP;
 - (3) Has authorized the ESP to act on the customer's behalf in various gas procurement activities; and,
 - (4) Has authorized SoCalGas to release the customer's current and historic gas consumption information to that specific ESP.
- c. ESPs will maintain a signed customer contract (which includes customer acknowledgments and indemnification of SoCalGas) or records of independent third party verification in the manner set forth for requesting electronic direct access service in the Public Utilities Code, Section 366.5. In accordance with D.98-02-108, SoCalGas shall not be responsible for monitoring, auditing, reviewing or enforcing such contracts or arrangements between ESPs and Core Transportation Service Customers.

(Continued)

(TO BE INSERTED BY UTILITY)
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Rule No. 32

Sheet 3

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

2. Changing Customer Status to Core Transportation Service (Continued)

- d. The term of the electronic DASR is twelve months, beginning with the first day of the month that Core Transportation Service is received by the customer under the Program, and then month-to-month thereafter, until terminated as set forth in section A.3.a.12. below.

3. DASR Transaction Processing

- a. The DASR system is used to submit customer enrollment (Service Request) and termination (Termination Request) transactions for Core Transportation Service.

(1) DASRs may only be submitted by approved ESPs who have executed a Service Agreement with SoCalGas, and are in compliance with all applicable tariffs and requirements of the Core Transportation Program.

(2) DASRs must be submitted by the customer's authorized ESP.

(3) A separate DASR must be submitted for each service account.

(4) DASRs status will be communicated using the same method by which the DASR was submitted.

(5) DASRs shall not be submitted to SoCalGas by the ESP until three days after the verification required under Public Utilities Code Section 366.5 has been performed. Verification of all DASRs is the responsibility of the ESP. It is also the responsibility of the ESP to ensure that the requests of the residential and small commercial customers to cancel service pursuant to Public Utilities Code Section 395 are honored. If a DASR is accidentally submitted for a customer prior to the three-day waiting period, and the customer cancels, the submitting ESP shall direct SoCalGas to cancel the DASR within 24 hours.

(6) Submitted DASRs which comply with all processing, legal and regulatory requirements will be accepted by SoCalGas, and will be implemented based on the following time schedule:

- a) Accepted DASRs received from the first calendar day through the fifteenth calendar day of any month will be switched no later than the customer's meter read date in the following calendar month.

(Continued)

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Sheet 4

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (continued)

3. DASR Transaction Processing (continued)

a. (6) (continued)

- b) Accepted DASRs received from the fifteenth calendar day through the last calendar day of any month will be switched no later than the customer's meter read date in the second calendar month after the DASR is submitted.
- c) SoCalGas will provide an acknowledgement of its receipt of the DASR to the ESP within two (2) working days of its receipt.
- d) SoCalGas will process DASRs within 3 business days after the receipt date and provide notification to the ESP as to whether the DASR has been accepted. If accepted, the switch date determined in accordance with paragraphs above, will be sent to the ESP and customer. If rejected, the ESP will be notified that the DASR was rejected and be provided the reason for rejection within 3 business days after the DASR is received.
- (7) SoCalGas maintains the right to deny any DASR request where the information provided by the ESP is false, incomplete, or inaccurate in any material respect.
- (8) If more than one DASR is received for an account, the first accepted DASR will be processed. All subsequent DASRs for such account will be rejected.
- (9) Customers who are enrolled in CAT Service and who elect ESP consolidated billing option will be terminated from any special SoCalGas billing arrangement(s) in effect for the customer prior to being enrolled in CAT Service. Normal collection activities will be followed for any past-due balances owed by the customer.
- (10) Inactive customers cannot be enrolled in CAT Service.
- (11) SoCalGas, ESP and customer, on mutual agreement, may agree to a different service switch date for the service changes requested in a DASR.
- (12) The DASR will remain in effect unless any of the following events occur:
 - a) After the initial twelve-month term, a termination transaction is submitted by SoCalGas in response to a customer request (using Form 6567-T), or a termination transaction is submitted by the ESP at customer or ESP request;
 - b) Any party files for or is forced into bankruptcy proceedings or goes out of business;

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Rule No. 32

Sheet 5

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (continued)

3. DASR Transaction Processing (Continued)

a. (12) (Continued)

- c) The customer is no longer receiving service at the meter location, or the customer status and applicable tariff schedules change due to changes in customer gas consumption such that the customer is no longer eligible to receive core transportation service;
 - d) The ESP and the customer mutually agree to terminate service prior to the initial 12-month term, and the ESP submits a request to terminate service, or the ESP submits a request to terminate service for the customer's failure to pay for service provided to the customer by ESP;
 - e) SoCalGas cancels ESP's authorization due to ESP's breach of the Service Agreement or applicable tariffs. In this event, SoCalGas will send written notice of cancellation to the ESP and to the customer, pursuant to Section C.4, Termination of the Service Agreement;
 - f) There is a change in SoCalGas' tariff rate schedules that materially affects the rights of the customer or ESP; or,
 - g) There is a regulatory or other legislative change which impacts an ESP's right or ability to provide service hereunder.
- (13) Core transportation service customers who wish to exit the program and return to SoCalGas core procurement service, or who wish to change ESPs, may contact their existing ESP to request termination or submit a request for termination to SoCalGas. Upon receipt of the customer request for termination, SoCalGas will verify the customer has completed the minimum 12-month contractual requirement for core transportation service, and terminate the customer's participation in the program. When SoCalGas terminates the customer's participation, SoCalGas will notify the ESP within 24 hours.
- (14) The customer will have 90 days from the termination effective date in which to select another ESP or the customer will return to SoCalGas core procurement service under the customer's otherwise-applicable rate. If the customer returns to SoCalGas core procurement service, they must remain a core procurement customer for a minimum of twelve months thereafter.
- (15) Upon successful processing of a termination request, SoCalGas will notify the customer in writing of the termination and the effective date.

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Rule No. 32

Sheet 6

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

3. DASR Transaction Processing (Continued)

b. Customers remain responsible to SoCalGas for any charges incurred by their ESP associated with CAT Service prior to the effective date of core transportation service termination, except Procurement Management Charges as defined in Rule No. 1, even if such charges are rendered after cancellation has taken place.

4. Rates

Charges for service shall be in accordance with SoCalGas' core transportation rates for each end-use customer, as set forth in the core transportation rate schedules. Aggregation with other loads does not change the otherwise applicable rate schedule for a specific facility.

Charges by SoCalGas may be adjusted to reflect the applicable taxes, franchise fees or other fees, and regulatory surcharges that may occur.

5. Release of Customer Information

Upon receipt of an accepted DASR service request, SoCalGas will provide the ESP with available information for up to twelve months of customer gas consumption no later than 5 days before the scheduled switch month, where possible, in electronic format.

Except as provided above, SoCalGas must receive a signed "Customer Information Release" (Form 6538) to release customer-specific usage data to parties. Subject to customer authorization, SoCalGas will provide a maximum of the most recent 12 month's customer usage data (or all data available if customer has less than 12 month's usage history) to the customer or its authorized agent. If a customer, or a customer's ESP, requests this historic usage more than two times per year for a specific service account, SoCalGas shall have the ability to assess a processing charge if approved by the CPUC.

Customers may also obtain up to 24 months individual gas consumption history in a "downloadable" format free of charge at the "Customer Service Connection" located in SoCalGas' website at www.socalgas.com.

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CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

6. Taxes

The ESP shall pay the applicable Utility User's Tax, and any other fees and taxes applicable within the city or political subdivision where the gas is actually used unless otherwise provided for in a specific ordinance or other legislative ruling. For those customers located in the City of Los Angeles, pursuant to Los Angeles City Ordinance No. 168164, dated August 4, 1992, SoCalGas shall collect the user tax for all gas commodity delivered through the gas system for transportation service customers and consumed in the City of Los Angeles.

7. Applicable Contract Provisions

All contracts and customer authorizations of ESPs under this Rule shall be subject to Rule No. 4, Contracts. DASRs shall be deemed to be "contracts for gas service between ESP and core transportation service customer" for purposes of applying Rule No. 4 to this Rule.

B. CREDITWORTHINESS REQUIREMENTS

Prior to the establishment of service the ESP shall be required to complete a creditworthiness application. SoCalGas will establish the ESP's creditworthiness evaluation as set forth in Rule No. 39.

Calculation of Financial Exposure

The financial exposure shall be calculated as follows:

(a) ESP Bills Customers For Gas Commodity Only:

$$\text{CWR1.0} = 97 \text{ days} \times \text{DAQ} \times \text{Standby Charge};$$

Where: CWR1.0 equals the security in dollars for which the ESP is liable. The standby charge is described in Schedule G-IMB, and the DAQ is defined in Rule No.1.

(b) ESP Bills All Customers For Gas Commodity And Transportation Charges:

$$\text{CWR2.0} = \text{CWR1.0} + (75 \text{ days} \times \text{DAQ} \times \text{Wtd. average retail core transportation charge});$$

Where: CWR2.0 equals CWR1.0 plus the security in dollars for handling the customer's money in the event that an ESP bills and collects SoCalGas' transportation charges.

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS

CAT Program end-use customers have three billing options: Dual Billing, Consolidated ESP Billing and UDC Consolidated Billing. Under Dual Billing, customers receive one bill from the ESP for gas commodity charges, and one bill from the UDC for transportation charges. Under Consolidated ESP Billing, customers receive a single bill from the ESP that includes charges for both SoCalGas' transportation services and the ESP's commodity charges. SoCalGas shall provide customers choosing the Consolidated ESP Billing option with an "informational statement" containing transportation and related charges. SoCalGas will eliminate sending the "informational statement" and provide the ESP with a Billing Credit if they meet the qualifications under tariff Rate Schedule G-CBC. Under Consolidated ESP Billing option, the customer remains ultimately responsible for transportation and related charges (excluding any Procurement Management Charges, as defined in Rule 1) billed by SoCalGas, should the ESP fail to remit payment to SoCalGas on the customer's behalf. If SoCalGas determines that ESP is not fulfilling the requirements and obligations of ESP Consolidated Billing, the ESP may be subject to termination of this billing option and their customers will be switched to Dual Billing. Under UDC Consolidated Billing, customers receive a single bill from the UDC that includes both SoCalGas' transportation charges and the ESP's gas procurement charges (see rate Schedule G-CBS for a more detail description of this service).

1. Weekly Billing

For an ESP who bills for SoCalGas' transportation charges, in order to eliminate the cash-flow lag in the current month-end billing of SoCalGas' transportation charges, weekly summary billing of customer accounts will be implemented. Imbalance billing and notification will occur monthly.

2. Payment Terms

The ESP's bill is due and payable upon receipt. All payments will be made electronically or by wire transfer unless otherwise agreed to by SoCalGas. The bill will be considered past due if it is not paid within fifteen calendar days after transmittal. Past due notices will be mailed to the ESP and may be mailed to each of its customers. If the bill is not paid within seven days of the issuance of the past due notice, the ESP's participation may be subject to immediate termination by SoCalGas.

For an ESP who does not bill for SoCalGas' transportation charges, bills issued to the ESP for any Procurement Management Charges will be past due if not paid within fifteen calendar days after the date the bill is mailed.

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS (Continued)

3. Late Payment

If an ESP does not pay any bill rendered to it by SoCalGas within fifteen days after transmittal, then:

- a. A seven-day notice may be mailed to the ESP and its customers may be advised of such notice. If the charges in the notice remain unpaid after the expiration of the seven-day notice, participation under the Program is subject to termination. If participation is terminated, the ESP remains responsible for all charges incurred under the Program, even if such charges are identified after the termination becomes effective.
- b. The outstanding balance will be subject to any applicable late payment fees as authorized by the CPUC.
- c. The ESP will be unable to add customers until late payment is cured; and,
- d. The ESP may not trade, sell or withdraw any gas in storage until late payment is cured.

4. Termination of the Service Agreement

If a payment is not received within seven days of the issuance of a past due notice, the ESP's participation in the Program may be subject to termination. In addition, if SoCalGas receives any notification that the ESP has filed or will be filing any type of bankruptcy, or is closing its business, the ESP's participation will be terminated immediately and all of the ESP's rights to conduct business with SoCalGas thereunder shall be terminated, consistent with any bankruptcy laws that may take precedence over the rules set forth herein.

Upon termination of an ESP's participation:

- a. Notices of such Termination will be sent to the ESP, to the CPUC, and may be sent to each of its customers;
- b. Any gas in storage and gas that has been delivered into SoCalGas' system on behalf of the Customers served by ESPs will be used to off-set any immediate imbalances. This gas cannot be subject to encumbrances of any kind, including, but not limited to, liens, trades, or sales to other customers;
- c. The ESP will lose its right to a 10% tolerance for transportation imbalances and will be required to trade toward a zero imbalance; and,

(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS (Continued)

4. Termination of the Service Agreement (Continued)

d. All fees, charges and other obligations of ESP to SoCalGas shall be immediately due and payable without further notice of demand and shall thereafter be subject to CPUC authorized late payment fees and interest, until paid in full.

At the time of termination, if the ESP has not paid SoCalGas billings, any deposit held on the ESP's accounts shall be applied to recoup unpaid bills. In addition, if an ESP is terminated and/or declares bankruptcy, the ESP will be liable to SoCalGas for any and all costs, expenses, and attorney's fees incurred by SoCalGas as a result of such termination or bankruptcy. Payment by the ESP of all such costs, expenses and attorney's fees will be a condition of re-entry into, or continuation in, the Program.

5. Customer Liability For ESP Obligations

If a security deposit or guarantee has not been provided or does not adequately cover the outstanding charges owed by an ESP, excluding any Procurement Management Charges, the customers represented by the ESP will be liable for any such charges. These outstanding charges will first be reconciled and assigned to customers based on the customers' outstanding balance with SoCalGas. Any outstanding charges that remain unreconciled after that process will then be allocated to customers served by the ESP on a pro rata basis to customers based on the customers' usage during the period the outstanding balance was accumulated.

Regardless of who renders bills for SoCalGas transportation charges, the ESP will continue to be financially liable for outstanding Procurement Management Charges.

6. SoCalGas Collection Assistance

SoCalGas will pursue normal collection activity for nonpayment of SoCalGas' charges, if SoCalGas bills such charges directly to the customer. SoCalGas will bill the customer directly for such charges when the ESP bills for the gas commodity only.

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS (Continued)

7. Billing Disputes

If a Core Transportation Service customer disputes a SoCalGas bill, the disputed amount will be deposited by the customer with the CPUC pending resolution of the dispute under the existing CPUC procedures for resolving such disputes with SoCalGas. If a Core Transportation Service customer has a billing dispute with its ESP, the customer will remain obligated to pay SoCalGas charges in a timely manner. The ESP shall not withhold payment of any such SoCalGas charges pending resolution of any such disputes regarding the ESP's bills.

If the ESP, or customer whose transportation charges are billed by the ESP, disputes a SoCalGas bill, the disputed amount will be deposited by the ESP with the CPUC pending resolution of the dispute under existing CPUC procedures. No termination of participation in the Program will occur for this dispute while the CPUC is hearing this matter.

D. TRANSPORTATION SERVICES

Nominations and Deliveries: ESPs participating in the Program will perform capacity nominations and gas deliveries pursuant to the provisions and conditions set forth in Rule No. 30.

E. OPERATIONAL FLOW ORDER

ESPs participating in the program will be subject to Operational Flow Orders (OFO) as described in Rule No. 40 and charged for noncompliance as described in Rate Schedule G-IMB.

F. STORAGE RIGHTS AND OBLIGATIONS

Allocation of Storage Rights: ESPs participating in the program are allocated core reliability/balancing and non-reliability/balancing storage rights and costs as described in tariff Schedule G-CGS, Core Storage Service. ESPs are required to accept their allocation of reliability/balancing storage rights but will have the option to accept or reject their allocated non-reliability/balancing storage rights. ESPs may also take additional storage service as described under Schedule G-PAC, G-TBS, and G-PAL.

G. IMBALANCE SERVICES

The ESP is responsible for balancing transportation services with the customers' end-use consumption pursuant to Rule No. 30 and Schedule G-IMB.

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Rule No. 32

Sheet 12

CORE AGGREGATION TRANSPORTATION

(Continued)

H. CURTAILMENT

In the event of curtailment, SoCalGas shall make every effort to maintain service to Core Transportation Service customers. Such curtailment shall be effectuated in accordance with the provisions of Rule No. 23, Continuity of Service and Interruption of Delivery. Charges for violations of curtailment shall apply as set forth in Rule No. 23.

I. SERVICES PROVIDED BY SOCALGAS

SoCalGas shall read customer meters, send customers legally required notices and bill inserts in accordance with Public Utilities Code 454(a), and provide customers with all other regular SoCalGas services.

J. OTHER TARIFFS

Service under this Rule is subject to the terms and conditions of SoCalGas' tariff schedules on file with the CPUC, including all applicable contracts and agreements.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

12R11

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Rule No. 33
GASSELECT

Sheet 1

A. GENERAL

Upon their meeting all Utility conditions for authorization to use the GasSelect system, Utility will provide end-use customers, authorized marketers, and aggregators (hereinafter "User") access to its electronic transaction information and communication system known as GasSelect. The general terms and conditions applicable to the provision and use of GasSelect are set forth herein. Utility may terminate or change all or any part of the GasSelect program at any time, but will provide as much prior notice of any such termination or change as reasonably possible. Use of GasSelect is not mandatory.

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B. GASSELECT APPLICATIONS

Utility has implemented GasSelect to facilitate certain Utility-to-User and User-to-User interactions through the use of an electronic medium. GasSelect is intended to be accessible for the following applications or functions:

1. To nominate with Utility for transportation or storage capacity on utility's intrastate system, including the ability for User to verify receipt and allocation by Utility of such nominations;
2. To obtain gas usage information by account or group of accounts for User with electronic gas measurement;
3. To provide a mechanism for submitting transportation imbalance trades, CHIP trades, transmission capacity trades and storage trade requests to Utility for validation;
4. To post imbalance quantities for trade during imbalance trading periods and approving all trades;
5. To obtain information regarding such things as Utility tariff rate changes, curtailments, regulatory notices and other general information items;
6. To obtain Utility operational data as required in D.98-03-073, Remedial Measures; and
7. Other electronic bidding, trading and contracting for gas transactions and information sharing in connection with such other tariff services or programs as may be available from Utility from time to time or in connection with Utility's pipeline systems or related services offered by Utility or third parties.

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C. USER REQUIREMENTS

To access and use the GasSelect system, User must have access to the Internet.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
 Vice President
 Regulatory Affairs

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Rule No. 33
GASSELECT

Sheet 3

(Continued)

F. UTILITY REPRESENTATION

1. Utility does not warrant that GasSelect will meet User's requirements or that its operation will be uninterrupted or error-free.
2. The establishment, maintenance or termination of any commercial or legal relationship(s) between User and any other party or parties ("Third Parties") based in whole or in part on information obtained from GasSelect are the sole responsibility of the User and such Third Parties.
3. Authorized User shall indemnify, hold harmless and defend Utility, its officers, agents and employees, against any and all loss, damage, expense and/or liability arising out of or in any way connected with the performance or non-performance of GasSelect, however caused, except to the extent caused by active negligence or willful misconduct of Utility, its officers, agents and employees.

G. CHARGES

1. Pursuant to Conclusion of Law No. 53 of D. 93-12-043, GasSelect Users shall pay a fee to recover the Utility's costs. The following monthly charges shall apply to Users of GasSelect based on their actual GasSelect usage.

2. Monthly Base Fee

The monthly base fee recovers fixed monthly costs incurred by the Utility for the administration of GasSelect, including labor and computer network fees.

- a. End-use customers - \$47 per month.
- b. Contracted Marketers/Agents/Core Aggregation Transportation Aggregators/Third Parties - \$415 per month.

3. Monthly Usage Fee

Users will be assessed monthly usage fees based on their actual usage, determined by the actual connect time to the GasSelect system. Users will be assessed a charge of \$0.45 for each minute.

4. Failure to remit the appropriate charges to the Utility may result in suspension of access rights to GasSelect.

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(TO BE INSERTED BY UTILITY)
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Vice President
Regulatory Affairs

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CONTRACTED MARKETER TRANSPORTATION

The terms and conditions of this Rule shall apply to Contracted Marketers (referred to herein as "Contractor"). The Contractor may perform the same functions as the Agent Marketer (referred to herein as "Agent"), that is, the purchasing, nominating and balancing of gas supplies for one or more transportation customers. In addition to these responsibilities, the Contractor is required to sign a Master Services Contract (referred to herein as "MSC") and MSC Schedule B, Contracted Marketer Agreement (Form Nos. 6597 and 6597-2) with the Utility and as part of such agreement accepts the responsibility of managing imbalances for their customers and financial responsibility for all charges associated with their imbalances. This Rule shall also apply to the Contractor's end-use customers served under their applicable rate schedules.

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Both Contractors and Agents are appointed by individual customers in Utility's CM Form 3 (Notice to Add or Change Agent or Contracted Marketer) to act on behalf of the customers in the purchasing, nominating and balancing of gas supplies, but Agents bear no financial responsibility to SoCalGas for the transportation imbalances incurred by the customers they represent.

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The specific requirements of transportation customers are described in each transportation rate schedule. The transportation of customer-owned gas in conjunction with service under this Rule is subject, on behalf of their customers, specifically to the terms and conditions of Rule No. 30, Transportation of Customer-Owned Gas, Rule No. 23, Continuity of Service and Interruption of Delivery, Rule No. 40, Balancing Services and Operational Flow Orders (OFOs), and the charges or credits associated with these rules.

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A. GENERAL

1. Customer Elections

Customers may designate only one Contractor at a time. Customers may elect to have their entire transportation gas requirements supplied by the Contractor or customers may designate one or more Agents in addition to the Contractor. However, the Contractor is responsible for all transportation imbalances for transportation volumes delivered by any source to the customer. The minimum term of obligation for a Contractor is one calendar month. Customers can only elect changes in their service arrangements at the beginning of a month, with appropriate notice to Utility by submitting Utility's CM Form 3 or CM Form 4, as applicable. Utility may specify in the Forms themselves the amount of notice it needs, but such notice period will not be in excess of five business days before the first of the month in which the change is to be effective. There can be no mid-month changes, except in the case where a Contractor is terminated from the Contracted Marketer Transportation Program ("Program") or upon the express written consent of Utility. Any gas purchased from the Utility will be considered the first gas through the meter each billing period.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

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Lee Schavrien
 Vice President
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(TO BE INSERTED BY CAL. PUC)
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 RESOLUTION NO. _____

Rule No. 35

Sheet 2

CONTRACTED MARKETER TRANSPORTATION

(Continued)

A. GENERAL (Continued)

2. Rates

Charges for imbalance service shall be in accordance with Rate Schedule G-IMB, Transportation Imbalance Service.

3. Taxes, Fees and Surcharges

Applicable taxes will be added to all billings, including utility user's tax, and any other fees, surcharges and taxes applicable within the city or political subdivision where the gas is actually used.

B. CREDITWORTHINESS REQUIREMENTS

Prior to and at all times while taking service under this tariff, a Contractor must meet the Utility's credit requirements as specified in Rule No. 39, Customer Creditworthiness

The calculation of the amount of the credit limit ("CWR") the Contractor will need for participation in the Program shall be as follows:

$$CWR = 97 \times \text{Highest Daily Aggregate Customer Usage} \times \text{Utility's Applicable Standby Rate}$$

D. CONTRACTED MARKETER RESPONSIBILITIES

1. Nomination Procedures

The Contractor's contract with the Utility shall establish Contractor's right to nominate daily transportation deliveries on behalf of its customers to the Utility. Such nominations shall be in accordance with Rule No. 30, Transportation of Customer-Owned Gas and Rule No. 33, GasSelect®.

2. Imbalance Service

The Contractor is responsible for balancing transportation deliveries with their customers' end-use consumption on an aggregate basis. The Contractor is responsible for managing the imbalances of their aggregate load in accordance with the provisions of Schedule No. G-IMB, Transportation Imbalance Service, Rule No. 40, Balancing Services and Operational Flow Orders (OFOs).

The Contractor will assume responsibility for any pre-existing imbalance that a customer, new to that Contractor, possesses that is within the imbalance tolerance band as specified in Schedule No. G-IMB.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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 RESOLUTION NO. _____

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CONTRACTED MARKETER TRANSPORTATION

(Continued)

E. BILLING AND PAYMENT TERMS

Billing terms and conditions will be in accordance with the MSC and Rule No. 9, Discontinuance of Service.

F. TERMINATION OF SERVICE

If a payment is not received within seven days of the issuance of a past due notice, the Contractor's participation in the program may be subject to immediate termination. In addition, if the Utility receives any notification that the Contractor has filed or will be filing any type of bankruptcy, is closing its business, or if any of the grounds under Rule No. 39, Customer Creditworthiness, exist for terminating service, the Contractor's participation may be terminated immediately and all of the Contractor's rights to conduct business with Utility thereunder shall be terminated.

Upon termination of a Contractor's participation:

1. Termination notices will be sent to the Contractor and to each of its current contracted customers;
2. Any gas in storage and gas that has been delivered into the Utility's system on behalf of the Contractor's customers may be used to off-set any immediate imbalances. This gas cannot be subject to encumbrances of any kind, including, but not limited to, liens, trades, or sales to other customers;
3. The Contractor will lose its right to the tolerance allowed for transportation imbalances under Schedule No. G-IMB, Transportation Imbalance Service, and will be required to trade toward a zero imbalance;
4. All fees, charges and other obligations of Contractor to Utility shall be immediately due and payable without further notice of demand; and,
5. The Contractor will be suspended from the Utility's electronic communication network as defined in Rule No. 33, GasSelect®.

At the time of termination, if the Contractor has not paid Utility billings, any security held on the Contractor's accounts may be applied to recoup unpaid bills.

If security has not been provided or does not adequately cover the charges owed by the Contractor, the customers represented by the Contractor will be liable for any and all outstanding charges. Any outstanding charges or adjustment thereto will be allocated on a prorata basis to the Contractor's customers based on each customer's current month's usage.

After termination, a Contractor will not be allowed to participate in the Program again until the Contractor has reimbursed the Utility for all outstanding charges and all operating, maintenance, legal, and uncollectible expenses incurred by the Utility as a result of the Contractor's participation in the Program being terminated.

(Continued)

(TO BE INSERTED BY UTILITY)
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Lee Schavrien
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 Regulatory Affairs

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Rule No. 35

Sheet 4

CONTRACTED MARKETER TRANSPORTATION

(Continued)

H. CUSTOMER CHANGES MADE BY CONTRACTOR

Customers may be added to or dropped from Contractor's contracted marketer account by written notice (via Utility's CM Form 2). The Form itself may specify the amount of notice Utility needs, but such notice period will not be in excess of five business days before the first of the month the change is to be effective. Customers can only be added or dropped effective the first day of the subsequent month, unless express written consent is given by the Utility, or where a Contractor is terminated by Utility from the Program. The Contractor's new total aggregate customer load resulting from each new customer added to the contracted marketer account must not exceed the Contractor's established credit limit.

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I. ARBITRATION OF DISPUTES

If a Contractor disputes a Utility bill, the disputed amount will be deposited with the CPUC pending resolution of the dispute under existing Commission procedures. No termination of participation will occur for this dispute while the Commission is hearing the matter.

(TO BE INSERTED BY UTILITY)

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Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
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RESOLUTION NO. _____

Rule No. 40

Sheet 1

BALANCING SERVICES AND OPERATIONAL FLOW ORDERS (OFOs)

A. GENERAL

This Rule shall apply to customers (including but not limited to Utility’s Gas Acquisition Department, core transport agents (CTA), noncore transportation customers, wholesale customers, contracted marketers, marketers/agents) taking balancing services from the Utility.

B. BALANCING SERVICES

The Utility offers two default balancing services to its customers. The default balancing service for core customers (including CTAs) is the Core Balancing Service. The default balancing service for noncore customers (including wholesale customers) is the Noncore Default Balancing Service. Tolerance bands / levels and balancing capacities vary depending on the balancing service, and are listed below.

	Monthly Tolerance <u>Band</u>	OFO Day Tolerance <u>Level</u>	Normal Inventory <u>Rights</u> (BCF)	Normal Injection <u>Rights</u> (MMcfd)	Normal Withdrawal <u>Rights</u> (MMcfd)
Core Default Balancing Service	±0%	±*	70	327	1935
Noncore Default Balancing Service	±10%	±10%	5.3	250	250

* The lesser of 10% of customer’s forecast usage on that day or any unused storage rights.

Tolerance levels during a normal OFO day are as shown above. Section C describes the balancing rights for core and noncore classes when their respective inventory capacities are fully depleted or fully utilized.

Injection and withdrawal rights for core, unbundled storage, and noncore balancing will be prorated to the total system capacity available on those days when the system injection capacity is below 803 MMcfd and/or system withdrawal capacity is below 3125 MMcfd. Core and noncore OFOs will be called based on the lower prorated rights on that day. Any penalties, however, will still be based on whether an individual customer is within its tolerance level. The capacities for core balancing service will be modified by storage transactions that occur in the primary or secondary markets.

The capacities for the Core Balancing Service may be revised by the CTA’s rejection/acceptance of allocated non-reliability storage capacities. Such revisions shall be posted by the Utility on its GasSelect® Electronic Bulletin Board (EBB).

For providing the default noncore balancing service, an in-kind fuel charge of 2.44% shall be levied on the gas remaining in a noncore customer’s imbalance account immediately after each monthly imbalance trading period.

(Continued)

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Rule No. 40

Sheet 2

BALANCING SERVICES AND
OPERATIONAL FLOW ORDERS (OFOs)

(Continued)

C. OPERATIONAL FLOW ORDER (OFO)

In order to protect the integrity of its pipeline system, the Utility will issue and implement OFOs. The Utility will issue a Stage 1 OFO for the core and/or noncore customer class on a Gas Day if, on the day prior to this Gas Day, the Utility’s forecasted imbalance of the core and/or noncore customer class exceeds the storage balancing capacities of that particular class of customers. The following criteria will be used to determine whether a Stage 1 OFO condition exists for either the core or noncore classes:

- (Withdrawal Balancing Rights) ≤ (Supply – Forecasted Demand) ≤ (Injection Balancing Rights)

For the purpose of above calculations, “Supply” includes scheduled deliveries (i.e., flowing supplies) plus scheduled withdrawals from storage for the Gas Day.

If the imbalance (supply – forecasted demand) estimated/calculated for the Gas Day for a particular class falls outside of the balancing rights of the class, a Stage 1 OFO will be declared for that class. For the noncore customer class, the nominal balancing injection and withdrawal rights, unless prorated, are 250 MMcfd and 250 MMcfd, respectively. For the core customer class, the injection balancing rights are core’s injection rights for that day less core’s scheduled injections; and the withdrawal balancing rights are core’s withdrawal rights for that day less core’s scheduled withdrawals.

Under the following extenuating circumstances, a Stage 1 OFO will be declared for a particular class even if its imbalance (supply – forecast) falls within the balancing rights of the class:

1. A Stage 1 OFO will be declared for the noncore class if the inventory capacity allocated for noncore-balancing services is fully utilized or fully depleted.
2. A Stage 1 OFO will be declared if core’s inventory capacity is fully utilized or fully depleted.

Scheduling limitations, as described in Rule No. 30, will be instituted to ensure that core cannot use noncore storage assets to balance. Similarly, scheduling restrictions will also ensure that noncore customers cannot use core storage assets to balance.

The Utility will endeavor to issue Stage 1 OFOs before 7:30 A.M. on the day prior to the day of flow. However, Utility reserves the right to issue a Stage 1 OFO at any time but at least one hour prior to the next nomination cycle. A Stage 2 OFO will be issued when the forecasted total system deliveries exceed the system capacities, and will be applicable to all customers. When a Stage 2 OFO is declared, the Utility will reduce nominations across the backbone capacity in Cycle 4 (i.e., Intraday Cycle 2), if necessary. A Stage 2 OFO will supersede a Stage 1 OFO. Normally, a Stage 1 OFO will be issued before a Stage 2 OFO. However, a Stage 2 OFO may be declared to protect system integrity even if a Stage 1 OFO had not been previously declared. If customers fail to adequately respond to the Stage 2 OFO, the Utility reserves the right to institute such other measures it deems necessary to alleviate the operating condition.

(Continued)

(TO BE INSERTED BY UTILITY)
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Rule No. 40

Sheet 3

BALANCING SERVICES AND
OPERATIONAL FLOW ORDERS (OFOs)

(Continued)

C. OPERATIONAL FLOW ORDER (OFO) (Continued)

During an OFO event, customers must balance within the tolerance level for their respective balancing service to avoid OFO noncompliance charges as specified in Schedule G-IMB. Normally, customers will be permitted to be either over- or under-delivered during an OFO event as long as their imbalance is within their daily tolerance level. However, when the inventory capacity allocated to noncore balancing services is either fully utilized or fully depleted, the balancing rights for the noncore class will be zero for injection (when its inventory is fully utilized) or zero for withdrawal (when its inventory is fully depleted). Similarly, when the inventory capacity allocated to the core class is either fully utilized or fully depleted, the balancing rights for the core class will be zero for injection (when its inventory is fully utilized) or zero for withdrawal (when its inventory is fully depleted). The Utility will post on its GasSelect® EBB when the balancing rights will be restricted to zero.

Refer to Schedule No. G-BR for information on the Blyth MFO (minimum flow order).

D. OFO COMPLIANCE CRITERIA

The OFO compliance criteria will be based on the following:

1. For noncore end-use customers with automated meter reading (AMR) devices, compliance during the OFO event will be based on the actual daily-metered usage.
2. For noncore end-use customers without AMR devices (or without functioning AMR devices), compliance during an OFO event will be based on the maximum or minimum daily quantity (MDQ or MinDQ) as specified in the customer's service agreement to approximate usage.
3. For CTAs and the Utility's Gas Acquisition Department, compliance during an OFO event will be based on the first 24-hour forecast available each day.

E. TRADING OF OFO IMBALANCE RIGHTS

OFO Imbalance Rights are equal to the difference in decatherms between an OFO day imbalance and the applicable tolerance level. OFO Imbalance Rights correspond to a specific OFO date and may only be traded to offset OFO noncompliance charges from the same date. Storage rights are not eligible to offset OFO noncompliance charges after the fact.

Customers may sell OFO Imbalance Rights to another customer seeking to reduce or avoid an OFO noncompliance charge. OFO imbalance trading can occur only within the class (core or noncore) for which an OFO has been called on a particular day. However, if an OFO is called on the same day for both core and noncore classes, then OFO Imbalance Rights can be traded between as well as within the two classes for that day.

(Continued)

(TO BE INSERTED BY UTILITY)
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Rule No. 40

Sheet 4

BALANCING SERVICES AND
OPERATIONAL FLOW ORDERS (OFOs)

(Continued)

E. TRADING OF OFO IMBALANCE RIGHTS (Continued)

To facilitate trading, OFO Imbalance Rights shall be converted into "Chips" at the rate of one Chip per decatherm. Chips are positive (black) for those entities whose imbalances are within the tolerance level. Chips are negative (red) for those entities that are outside the tolerance level, and are subject to noncompliance charges. Therefore, if on a particular day there is a Stage 1 OFO for only one customer class (either core or noncore), then a black Chip can offset a red Chip, but a red Chip cannot offset another red Chip. However, if on a particular day there is a Stage 1 OFO for both customer classes and both customer classes are either under a "high" OFO situation (over-delivered) or under a "low" OFO situation (under-delivered), then a black Chip can offset a red Chip from the same class or from a different class. In this situation a red Chip cannot offset a red Chip from the same class or from a different class. A unique situation occurs if on a particular day there is a Stage 1 OFO for both customer classes and one customer class is under a "high" OFO situation while the other customer class is under a "low" OFO situation. In this situation, a black Chip can offset a red Chip from the same class but not a red Chip from a different class. On the other hand, a red Chip can offset a red Chip from a different class but not a red Chip from the same class.

An OFO Imbalance Rights statement for an OFO will appear on the customer's bill in the subsequent month. The Chip (OFO Imbalance Rights) trading will be concurrent with the monthly imbalance trading period specified in the section below. A customer may accumulate unlimited black Chips, but the accumulation of red Chips will be limited by the customer's credit limit for Chip trading.

OFO noncompliance charges will be calculated after the Chip trading period ends and after any purchased Chips are assigned to the purchaser. OFO noncompliance charges will be applied to any remaining red chips for each OFO day. Trading Chips will not change the customer's cumulative monthly imbalance since physical gas is not exchanged with Chip trading.

Accounting adjustments under Schedule G-IMB that are made after the Chip trading period will not create new Chips for trading or impact the results from trading. In the event there are any accounting adjustments affecting OFO day imbalances which are made subsequent to any Chip trading for that OFO day, the Utility shall not be responsible for any loss, costs, expenses or damages that may result from Chip trading or payments related thereto.

(Continued)

(TO BE INSERTED BY UTILITY)

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Rule No. 40

Sheet 5

BALANCING SERVICES AND
OPERATIONAL FLOW ORDERS (OFOs)

(Continued)

F. TREATMENT OF MONTHLY IMBALANCES

Customers may trade their monthly imbalances with other customers or into their available storage account per G-IMB. Customer's cumulative imbalances will be stated on the customer's monthly bill. The customer's bill will serve as notice of current imbalances. Beginning at 12:01 a.m., Pacific Clock Time (PCT), on the 25th calendar day in the month of notification, customers may enter GasSelect® to trade imbalances with other customers. Customers may trade any quantity desired, subject to their respective credit limits for imbalance purchases and their respective deliveries for imbalance sales. However, all quantities remaining after the trading period ends, which are outside of the Customer's tolerance band, shall be assessed the monthly charges specified in Schedule G-IMB. The trading period will end at 11:59 p.m. PCT on the 30th calendar day of the same month. During the month of February, the trading period begins at 12:01 a.m. PCT on the 23rd of the month and ends at 11:59 p.m. PCT on the 28th calendar day of the month.

Each month, a true up will be performed for Gas Acquisition and CTA accounts by comparing the amount of gas actually consumed by their customers and their forecast of gas consumption. Any difference will be carried forward into the month after the true up determination, with at least ten days notice, as an adjustment to the cumulative monthly forecast.

G. INITIAL OFO REVIEW

The Utility shall undertake a review of the number of OFOs in the first two months starting the effective date of Rule 40. If there were more than eight (8) OFO days during this first two-month period, and if any customer or shipper is found to have been responsible for causing (or significantly contributing to) more than 25 percent of the OFOs in this period (i.e., an "offending party"), the following steps shall be triggered:

1. The Utility shall convene an "OFO Forum" on the 10th day of the following month.
2. The Forum shall agree upon measures to impose upon the offending party(ies).
3. Such measures shall be implemented effective on the 1st day of the subsequent month.
4. The measures in this initial review for all offending parties shall remain in effect until the end of the next succeeding summer season.

(Continued)

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Rule No. 40

Sheet 6

BALANCING SERVICES AND
OPERATIONAL FLOW ORDERS (OFOs)

(Continued)

H. ANNUAL OFO REVIEW

If, over the immediately preceding summer period, the Utility has called more OFOs than there were OFO events during the corresponding previous summer period, the Utility will convene an "OFO Forum" within thirty (30) days after the end of the period.

1. At least five (5) days prior to the OFO Forum, the Utility will propose measures that are likely to reduce the number of systemwide OFOs.
2. If any customer or shipper has been found to be the cause for (or a significant contributor to) more than 25 percent of the OFOs during the summer, and the OFOs average at least four per month, the Utility will propose to the Forum measures that are likely to reduce the likelihood that that particular customer or shipper will continue to be a contributor to the OFOs in the following summer period (either on a seasonal or monthly basis). The measures offered by the Utility shall include procedures and penalties, which would limit the daily deliveries of the customer or shipper into the Utility's system on non-OFO days for the following summer period(s).
3. The Forum (through the Utility) will propose to the CPUC (through an advice letter) one or more measures intended to reduce the number of systemwide OFOs, per agreement of the Forum. The Forum must propose such measures within sixty (60) days after the Forum first convenes.

(TO BE INSERTED BY UTILITY)

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Rule No. 08

Sheet 1

RETURN OF SECURITY -- INTEREST ON CASH DEPOSIT

A. RETURN OF SECURITY

1. When the residential Customer deposit has been held for twelve (12) consecutive months, during which time continuous gas service has been received and all bills for such service have been paid on the average within the period as set forth in Rule No. 9.C., the Utility will refund the deposit by applying it to the Customer account or by draft, provided that the Customer's credit would, thereafter, be otherwise established under Rule No. 6.
2. When the service is discontinued, the Utility will refund the deposit in excess of unpaid bills for service. Deposits will not be used as payment for past due bills to avoid discontinuance of service.
3. When an application for service has been cancelled prior to the establishment of service, the deposit will be applied to any charges due the Utility and any remaining portion returned to the Customer.

B. INTEREST ON CASH DEPOSIT

1. The Utility will pay interest, compounded monthly at the rate of 1/12 of the interest rate on Commercial Paper (prime, 3 months), published in the prior month in the Federal Reserve Statistical Release, G.13. Should the publication of the interest rate on Commercial Paper (prime, 3 months) be discontinued, interest will so accrue at the rate of 1/12 of the interest rate on Commercial Paper, which most closely approximates the discontinued rate, and which is published in the prior month in the Federal Reserve Statistical Release, G.13, or its successor publication. Applicable interest commences on the date the deposit is received, and earned interest will be paid at the time the deposit is applied to the Customer's account or refunded.
2. No interest will be paid if service is temporarily or permanently discontinued for non-payment or the account was past due, as set forth in Rule No. 9.C., more than once during the past six months or more than twice during the past 12 months. No interest will be paid for months in which the deposit was not held the full month.

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(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
 EFFECTIVE _____
 RESOLUTION NO. _____

Rule No. 39

Sheet 1

CUSTOMER CREDITWORTHINESS

A. GENERAL

This Rule shall apply to Customers (including, but not limited to, potential Customers, Contracted Marketers, and Energy Service Providers under the Core Aggregation Transportation program obtaining services from Southern California Gas Company (SoCalGas) including, but not limited to, backbone transmission services, balancing services, or storage services pursuant to SoCalGas' authorized tariffs. In order to receive such services, Customers must meet the credit requirements set forth herein.

This Rule shall not apply to Customers who purchase or receive only local transmission service or distribution service from SoCalGas.

To receive service from SoCalGas, a Customer must either establish an unsecured line of credit or must provide security to SoCalGas at least equal to SoCalGas' total financial exposure based on all of that Customer's transactions with SoCalGas.

SoCalGas shall conduct a commercially reasonable credit evaluation and apply such evaluation under this Rule on a non-discriminatory basis. SoCalGas modify its creditworthiness requirements for a Customer based on changes in the Customer's requirements for service and/or overall financial condition. If SoCalGas determines that a financial change has affected, or could adversely affect the creditworthiness of a Customer, SoCalGas may terminate the Customer's participation in any SoCalGas service or program. SoCalGas will provide written notice to the Customer with a commercially reasonable cure time not to be less than 3 business days prior to termination.

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A Customer requesting service must establish a credit line on a secured basis, unsecured basis, or any combination thereof before SoCalGas will execute any agreement for service. Criteria for establishing creditworthiness are shown below.

B. ESTABLISHMENT OF CREDIT

1. Application for Credit

The Customer shall be required to complete, execute, and submit a credit application that includes financial and other relevant information needed to establish credit.

SoCalGas shall use the financial and other relevant information, along with the Customer's service request and any other available information, to determine the Customer's maximum credit line, either secured or unsecured.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Rule No. 39

Sheet 2

CUSTOMER CREDITWORTHINESS

(Continued)

B. ESTABLISHMENT OF CREDIT (Continued)

1. Application for Credit (Continued)

After a creditworthiness evaluation is conducted on a reasonable, non-discriminatory basis, SoCalGas will grant final credit approval, on a secured or unsecured basis. If unsecured credit is granted based on the financial strength of a parental corporation, a parental guaranty will be required.

Acceptable Forms of Guaranty:

A guaranty in form, substance and in an amount reasonably acceptable to SoCalGas may be provided by a Customer from the Customer's parent company or some other guarantor acceptable to SoCalGas. Any guarantor must submit to a creditworthiness evaluation and provide necessary financial and other information as requested by SoCalGas.

SoCalGas will provide acceptable guaranty forms and any amendment thereto and will allow reasonable modifications to the guaranty forms.

All information provided by Customer shall remain strictly confidential.

2. Continuation of Creditworthiness

To assure the continued validity of an established credit facility with SoCalGas, the Customer shall be required to furnish SoCalGas with financial and other relevant information satisfactory to SoCalGas during the Customer's service period. In the event that SoCalGas reasonably determines that a financial change has affected, or could adversely affect the creditworthiness of a Customer, or if the Customer does not provide the requested financial information, SoCalGas may terminate the Customer's participation in any SoCalGas service or program. SoCalGas will provide written notice to the Customer with a commercially reasonable cure time not to be less than 3 business days prior to termination.

In the event that SoCalGas determines that the Customer qualifies for an unsecured line of credit, security may be required at a future date if SoCalGas determines that a material change has occurred, or becomes aware of a material change in a Customer's financial position, or if the provisions of this Rule are changed.

3. Credit Line Utilizing Security

SoCalGas may approve a credit line on a secured or unsecured basis, or any combination thereof on a commercially reasonable basis.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

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Rule No. 39

Sheet 3

CUSTOMER CREDITWORTHINESS

(Continued)

B. ESTABLISHMENT OF CREDIT (Continued)

3. Credit Line Utilizing Security (Continued)

As an alternative to the creditworthiness evaluation process or as a supplement, any Customer may establish a secured credit line by posting security equivalent to the requested credit line, in a form acceptable to SoCalGas.

Examples of Acceptable Forms of Security:

a. Cash

The amount of cash taken to establish a credit line may be subject to adjustment upon request by SoCalGas and/or the Customer.

b. Irrevocable Standby Letter of Credit

An irrevocable and renewable Standby Letter of Credit in form, substance and amount reasonably acceptable to SoCalGas and issued by a major financial institution within the United States, acceptable to SoCalGas.

c. Surety Bond

Renewable Surety Bond(s) in a form reasonably acceptable to SoCalGas and issued by a major insurance company within the United States, acceptable to SoCalGas.

d. Other Forms of Security, Subject to Discretionary Acceptance

Other forms of security that SoCalGas may, at its sole discretion, determine are acceptable to SoCalGas.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

Rule No. 39

Sheet 4

CUSTOMER CREDITWORTHINESS

(Continued)

B. ESTABLISHMENT OF CREDIT (Continued)

4. Reducing Creditworthiness Requirements

SoCalGas and Customer may agree pursuant to the exercise of reasonable decision-making, to any other arrangements in order to reduce the secured or unsecured credit line.

Examples of Credit Line Reducing Agreements:

a. Prepayment for services rendered

Agreement to pay periodic prepayments for services rendered.

b. Guaranteed Delivery Agreements

Agreement to deliver a specified quantity of gas.

c. Supplemental Margin Agreement

Agreement to limit exposure to a specified dollar amount.

d. Other credit reducing agreements

Other agreements that SoCalGas may, at its sole discretion, determine are acceptable to SoCalGas.

5. Reestablishment of Credit

A Customer may be required to reestablish credit if bills are not paid as required or, if in the reasonable determination of SoCalGas, the conditions under which credit was originally established have changed.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

4R6

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE
(Form 6536-A, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

Page 1 of 8

This Contract ("Contract") is entered into this ____ day of _____, 200 __, by and between Southern California Gas Company ("Utility") and _____ (indicate company name) ("ESP") a _____ (indicate state and type of business entity), whose business address is _____, collectively referred to as "Parties" or individually as "Party."

WHEREAS, the California Public Utilities Commission ("CPUC") has authorized a Core Aggregation Transportation Program and the Parties hereto wish to engage in such Program subject to the applicable Utility tariff rules and rate schedules;

WHEREAS, the Core Aggregation Transportation Program provides small and medium-sized Utility customers an opportunity to purchase gas from sellers other than Utility, while continuing to purchase services needed to transport such gas quantities from Utility;

NOW THEREFORE, in consideration of the mutual undertakings set forth below the parties agree as follows:

I. CORE AGGREGATION SERVICE

1.1 Eligibility -- ESP must meet a minimum annual transport quantity of 120,000 therms delivered to qualified core aggregation transportation customers. If ESP's group load falls below 120,000 therms per year, ESP has 90 days from notification to make-up the deficient load. If sufficient additional load is not added within 90 days of the date of notification by Utility, this Contract may be terminated at Utility's sole discretion.

1.2 Compliance with Minimum Core Load Requirements and All Other Terms and Conditions -- ESP will provide service to one or more of Utility's core end-use customers hereunder. ESP shall meet the annual minimum core load requirement and comply with all terms and conditions set forth in Tariff Rule No. 32, "Core Aggregation Transportation," which is incorporated herein as an integral part of this Contract (see Attachment D).

1.3 Signed Customer Contract -- ESP will maintain a signed customer contract or records of an independent third party verification as set forth in PUC Code, Section 366.5.

1.4 Adding and Deleting Customers -- ESP may add or delete customers under this Contract by submitting Utility a Direct Access Service Request (DASR) via the electronic format acceptable to

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

Page 2 of 8

SoCalGas.. Accepted DASRs received by the fifteenth calendar day of the month will be switched no later than the customer's meter read date in the following calendar month. Accepted DASRs received after the fifteenth calendar day of the month will be switched no later than the customer's meter read date in the second calendar month after the DASR is submitted.

By submission of the DASR, the ESP warrants that the customer being enrolled in the Transportation Service program by the DASR:

- Has been informed of, and consents to all terms and conditions of SoCalGas' Core Transportation Service;
- Intended to change their status to "Core Transportation Service" and receive gas procurement and related services from that specific ESP;
- Has authorized the ESP to act on the customer's behalf in various gas procurement activities; and
- Has authorized SoCalGas to release the customer's current and historic gas consumption information to that specific ESP.

1.5 Nominations and Deliveries -- ESP shall perform capacity nominations and gas deliveries pursuant to the provisions and conditions of Tariff Rules No. 30 "Transportation of Customer-Owned Gas" (see Attachment E to this Contract).

1.6 Storage – ESPs will be allocated core reliability storage rights and have a choice to either accept or reject allocated core non-reliability storage rights , as described in Tariff Schedule G-CGS, Core Storage Service. These allocations are to be made on Form 6536-A, Attachment A and B, which is incorporated as part of this agreement. ESPs may also participate in additional storage services as described under Schedule G-PAC and G-TBS.

1.7 Balancing Transportation Services and End-Use Consumption -- ESP is responsible for balancing transportation services with its aggregation customers' end-use consumption pursuant to Schedule G-IMB, Rule No. 30, and Rule No. 40.

1.8 Operational Flow Order – ESPs will be subject to Operational Flow Order (OFO) as described in Rule No. 40 and Schedule G-IMB.

1.9 Utility Services -- Utility shall read customer meters, send customers legally required notices and bill inserts in accordance with Public Utilities Code 454(a), and provide customers with all other regular Utility services.

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

Page 3 of 8

II. TARIFF SCHEDULES

ESP is subject to all applicable tariff rules and regulations, including but not limited to the rates, terms and conditions set forth in Tariff Rule No. 30, "Transportation of Customer-Owned Gas;" Tariff Rule No. 32, "Core Aggregation Transportation;" Tariff Rule No. 33, "GasSelect;," Tariff Rule No. 39, "Creditworthiness and Payment Terms, Tariff Rule No. 40, "Balancing Services and Operational Flow Orders", and Tariff Rate Schedule G-IMB. Each of these tariff rules and regulations as they may be amended from time to time (or their legal successors, if superseded) are incorporated herein as an integral part of this Contract (see Attachments D - I).

III. OPERATING PROCEDURES

ESP agrees to comply with all operating procedures established by Utility, including but not limited to those reasonably required to comply with the tariffs of Utility (as in effect from time to time); and any applicable rules, procedures, decisions or orders of any governmental entity having jurisdiction. Such procedures shall be established as reasonably necessary to permit Utility to both act as a resource for information and comply with its applicable tariffs (including any applicable General Terms and Conditions) as may be in effect from time to time, and the rules, orders, decisions, and procedures of any governmental entity having jurisdiction over such operating matters.

IV. GASSELECT

ESP may contract separately with Utility to access and use GasSelect, pursuant to Tariff Rule No. 33 "GasSelect," incorporated herein as an integral part of this Contract (see Attachment G).

V. CREDITWORTHINESS

Prior to the establishment of service the ESP shall be required to complete a creditworthiness application. SoCalGas will establish the ESP's creditworthiness evaluation as described in Tariff Rule No. 39.

VI. TAXES

ESP shall pay the applicable Utility User's Tax, and any other fees and taxes applicable within the city or political subdivision where the gas is actually used unless otherwise provided for in a specific ordinance or other legislative ruling.

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

Page 4 of 8

VII. BILLING AND PAYMENT

7.1 Billing and Payment Terms -- During the term hereof, all charges including, any and all procurement management charges, end-use Customer's utility charges and/or any other applicable charges, shall be billed by Utility and paid by ESP in accordance with Tariff Rule No. 32.

7.2 ESP's Obligation to Pay Procurement Management Charges -- ESP shall pay any and all procurement management charges including, but not limited to, imbalance/adjustment charges, curtailment/Operational Flow Order (OFO) charges and any storage transactional charges which may arise out of ESP's management of its procurement portfolio on behalf of the customers it serves. ESP shall pay the rate and charges as set forth in Tariff Rate Schedule G-IMB and any applicable taxes, utility users tax or similar assessments which become applicable to this Contract.

7.3 ESP Responsibility for Paying Utility Bills on Behalf of End-Use Customers -- ESP is responsible for paying bills from Utility for Utility services as required pursuant to Tariff Rule No. 32, for those end-use customers who have specifically requested the ESP Consolidated Billing option. ESP shall pay in entirety such customers' bills at the rates set forth in the Tariff Rate Schedule(s) applicable to each end-use customer, including but not limited to, customer and service charges, utility users' tax and other taxes, franchise fees and other rates as they become applicable to the customer. SoCalGas shall provide customers choosing the ESP consolidated Billing option with a "informational statement" containing transportation and related charges. SoCalGas will eliminate sending the "informational statement" and provide the ESP with a Billing Credit if they meet the qualifications under tariff Rate Schedule G-CBC.

7.4 Billing Disputes -- ESP agrees to resolve any disputed bills and/or charges in accordance with Tariff Rule No. 32.

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

VIII. TERM

The term of this Contract is twelve months, beginning with the first day of the month after it is fully executed by both Parties, and then month-to-month thereafter, until terminated as set forth in Tariff Rule No. 32.

IX. TERMINATION

9.1 Termination by Utility -- If a payment is not received within seven days of issuance of a past due notice, ESP's participation in this Contract and participation in the Program will be subject to termination by Utility as set forth in Tariff Rule No. 32. In addition, if Utility receives any notification that ESP has filed or will be filing any type of bankruptcy, or is closing its business, ESP's participation in the Program will be terminated immediately and all of ESP's rights to conduct business under the Program shall be terminated, consistent with any bankruptcy laws that take precedence over the rules set forth in Tariff Rule No. 32.

9.2 Rights and Responsibilities -- Utility's and ESP's rights and responsibilities following such termination under this Contract are set forth in Tariff Rule No. 32.

X. NOTICES

10.1 Mailing Address -- Any formal notice, request, or demand concerning this Agreement shall be given in writing by ESP, Customer or Utility, and shall be mailed by Registered, Certified or other overnight mail, or delivered in hand, or faxed with confirmation as set forth below, to the other party as indicated below, or to such other address as the parties may designate by written notice.

To ESP: _____

Fax Number: _____ E-Mail Address: _____

Federal Tax ID: _____ DUNS Number: _____

To Utility: Southern California Gas Company

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

Page 6 of 8

Customer Choice Manager
M.L. 15F4
555 West Fifth Street
Los Angeles, CA 90013-1011
Fax Number: (213) 244-8384

10.2 Billing Address -- Statements, invoices and billings, and routine communications shall be sent by Utility to ESP by first class U.S. mail to:

and by ESP to Utility by first class U.S. mail to:

Southern California Gas Company
Billing Collections Manager
M.L. 22B1
P.O. Box 3249
Los Angeles, CA 90051-1249

10.3 Notices -- Notices delivered by hand shall be deemed received when delivered. Notices sent electronically or by FAX shall be deemed received upon receipt but must be confirmed by mail within seventy-two (72) hours. Notices delivered by first class mail shall be deemed received forty-eight (48) hours (not including weekends and holidays) after deposit, postage prepaid, in the U.S. mail, or if Certified, Registered or overnight mailing is used, as acknowledged by the signed receipt of mailing.

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

Page 7 of 8

XI. MISCELLANEOUS

11.1 Assignment -- This Contract, and the rights and obligations granted and/or obtained by ESP hereunder, shall not be further transferred or assigned by ESP without the prior written consent of Utility; Utility will refuse to approve any such assignment to a party it determines not to be creditworthy.

11.2 Choice of Law -- This Contract shall be carried out and interpreted under the laws of the State of California.

11.3 Resolution of Disputes -- Any dispute or need for interpretation arising out of this Contract which cannot be resolved after discussion between the parties to this Contract shall be submitted to the CPUC for resolution.

11.4 Indemnity Clause -- ESP shall defend with counsel reasonably approved by Utility, protect, indemnify and hold Utility, its affiliates and any of their directors, officers, representatives and employees free from harm against all claims, demands, losses and causes of action of every kind and character, including reasonable in-house and outside counsel fees and court costs arising from or out of any action or inaction of any party acting by, for or through ESP in ESP's performance under this Contract. Any such third party shall not be in privity of contract with Utility by any reason of any relationship, legal or otherwise it may have with ESP.

11.5 Damages -- Notwithstanding any other provision hereof, except Section 11.4 above, neither party shall be assessed any special, punitive, consequential, incidental, or indirect damages, whether in contract or tort, for any actions or inactions related to this Contract.

11.6 Governmental Actions -- This Contract shall be subject to the continuing jurisdiction of the CPUC and all orders, rules, regulations, decision or actions of any governmental entity (including a court) having jurisdiction over Utility or this Contract. The Contract is subject to such changes or modifications by the CPUC as it may direct from time to time in the exercise of its jurisdiction.

11.7 Entire Contract -- This Contract including the Exhibits and Attachments listed below, sets forth the entire understanding of the parties as to the subject matter hereof, and supersedes any prior discussions, offerings, representations or understanding (whether written or oral), and shall only be superseded by an instrument in writing executed by both parties. This Contract shall not be modified by course of performance, course of conduct or usage of trade.

ENERGY SERVICE PROVIDER AGREEMENT
FOR CORE AGGREGATION SERVICE

- Attachment A: Core Firm Storage Declaration for Reliability/Balancing*
- Attachment B: Core Firm Storage Declaration for Non-Reliability/Balancing*
- Attachment C: ESP Billing Agreement*
- Attachment D: Tariff Rule No. 32 - Core Aggregation Transportation*
- Attachment E: Tariff Rule No. 30 - Transportation of Customer-Owned Gas*
- Attachment F: Tariff Rate Schedule G-IMB*
- Attachment G: Tariff Rule No. 33 – GasSelect*
- Attachment H: Tariff Rule No. 39 – Creditworthiness and Payment Terms*
- Attachment I: Tariff Rule No.40–Balancing Services and Operation Flow Orders*

IN WITNESS WHEREOF, the authorized representatives of Utility and ESP have executed two (2) copies hereof as of the date written above.

UTILITY:
SOUTHERN CALIFORNIA GAS COMPANY
By: _____
Signature: _____
Name: _____
Title: _____

ESP: _____
By: _____
Signature: _____
Name: _____
Title: _____

MASTER SERVICES CONTRACT
(Form 6597, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

MASTER SERVICES CONTRACT

TAXPAYER I.D.(S) _____

This Master Services Contract ("MSC") is entered into by and between Southern California Gas Company ("Utility") and _____ ("Customer") as of the _____ day of _____.

NOW THEREFORE, in consideration of the promises and mutual undertakings set forth herein, the parties agree as follows:

Section 1 – Scope

This MSC sets forth the general terms and conditions under which Utility will provide gas services to Customer pursuant to the applicable Tariff Rate Schedules and Tariff Rules which have been filed with the Public Utilities Commission of the State of California ("CPUC"), as in effect from time to time. Such services shall be limited to those services specified by Customer from time to time under Section 2 hereof and for which Customer qualifies. Service under this MSC shall commence on _____ ("Effective Date") and continue thereafter so long as one or more of the attached Schedules referenced in Section 2 remain in effect. This MSC shall also remain in effect to permit any "winding up" occurring thereafter (e.g., billing and payment reconciliations, correction of gas imbalances, etc.) or to enforce or satisfy any obligations arising prior to the end of the MSC.

Section 2 – Applicable Services

Utility offers the services including but not limited to Intrastate Transportation Service, Marketer/Core Aggregator/Use of Pay Aggregator Service, GasSelect Service, Storage Services, Backbone Transmission Services, Balancing Services and others that maybe available from time to time. The following apply to this customer under this MSC.

Customer has as of the Effective Date requested and agreed to pay for those services above. Utility has determined that Customer qualifies for such service(s). Additional services may be requested by Customer from time to time consistent with Utility's Tariff Rate Schedules and Tariff Rules and any publicly-announced bidding, offering or operating procedures of Utility, and this MSC may be supplemented as appropriate.

The agreement(s) specifying the terms and conditions for any or all of the above services requested by Customer shall be incorporated into the MSC as a "Schedule". Each Schedule shall be an independent agreement, incorporating by reference the terms of this MSC. Customer may select additional services after the MSC is initially executed, and the MSC shall be deemed amended to include the additional executed Schedule.

Although the various services are compiled under this MSC for administration and other considerations, each service provided by Utility to Customer is separate and independent from all other services. Thus, the breach of the agreement for one service under a Schedule incorporated hereto shall not result in the breach of, or excuse performance under, another agreement for another service incorporated as a Schedule to this MSC. Likewise, there shall be no offset between any amounts claimed to be payable or due under one Schedule against amounts claimed to be payable or due under another Schedule.

Section 3 – Interpretation

In the event of any conflict between the provisions of this MSC and the provisions of any Schedule, the provisions of such Schedule shall be deemed to control; provided, however, notwithstanding the foregoing, this MSC and the Schedules attached hereto shall at all times be subject to (a) Utility's Tariff Rate Schedules and Tariff Rules, (b) all rules, regulations, decisions and orders of the CPUC, and (c) all other governmental laws, regulations, and decisions (including by a court) applicable to this MSC and/or the Schedules attached hereto, as each of the foregoing may be in effect from time to time.

Section 4 – Billing

All bills rendered by Utility shall be paid by Customer within nineteen (19) days after the billing date to Utility’s depository specified below (which may be changed by Utility on ten (10) days prior written notice). One master billing may be made by Utility for all services provided under this Contract (including all Schedules attached hereto) after 1993 as mutually agreed. Such billing shall be sent to Customer at the designated address. Changes in billing address shall be provided to the Utility in writing.

Attn: _____

Additional copies of billings shall also be sent to the following facility location(s) of Customer:

Attn: _____

The parties recognize that billings may be subject to adjustment in subsequent periods during the term hereof or after the expiration of this MSC (or any Schedule) to reflect subsequent reconciliation’s with the records of interstate transporters or third parties delivering gas in California for Customer.

Section 6 - Legal Provisions

This MSC and each Schedule is subject to, and incorporates by reference, all the terms and conditions of Utility’s generally applicable tariff rules, including, but not limited to, Tariff Rules No. 4, No. 9 and No. 39. In addition, the parties agree that the services to be rendered by Utility under each Schedule constitute the provision by Utility of a financial accommodation by Utility to Customer within the meaning of section 365(c)(2) of the Bankruptcy Code, 11 U.S.C. §365(c)(2), and the transactions entered into pursuant to each Schedule are “forward contracts” as defined in section 101 of the Bankruptcy Code, 11 U.S.C. §101. Nothing in this MSC shall be construed as preventing Utility and Customer from mutually agreeing to conditions which are more stringent than set forth in the Tariffs.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed this MSC in two (2) duplicate original copies.

(CUSTOMER NAME) SOUTHERN CALIFORNIA GAS COMPANY

BY: _____ BY: _____

TITLE _____ TITLE _____

Date: _____ Date: _____

MASTER SERVICES CONTRACT - SCHEDULE A
LOCAL TRANSPORTATION SERVICES AGREEMENT
(Form 6597-1, 5/02)

Sheet 1

(See Attached Form

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R6

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

MASTER SERVICES CONTRACT

SCHEDULE A

LOCAL TRANSPORTATION SERVICES AGREEMENT

This Local Transportation Service Agreement (Agreement or Schedule A) is entered into by and between Southern California Gas Company ("Utility") and _____ ("Customer") as of the ____ day of _____, _____. This Agreement shall be attached to and incorporated as a Schedule in the Master Services Contract ("MSC") executed by the Parties.

NOW THEREFORE, in consideration of the promises and mutual undertakings set forth herein, the parties agree as follows:

Section 1 - Scope

A. Intent

This Agreement sets forth the general terms and conditions under which Utility will transport gas, or transport and procure gas, for customer in California pursuant to Utility's applicable Tariff Rate Schedules and Tariff Rules ("Tariffs") on file with Public Utilities Commission of the State of California ("CPUC"), as each are in effect from time to time, including but not limited to billing and payment.

This schedule A is an independent Agreement, incorporating by reference all the provisions of the MSC.. All Local Transportation Service by Utility shall be paid for by Customer at the rates specified in the applicable Tariffs, except as otherwise specified herein and in Special Conditions. Nothing in this Agreement shall be construed as preventing Utility and Customer from mutually agreeing to conditions which are more stringent than set forth in the Tariffs.

B. Effective Date/Term

(1) The Effective Date of this Agreement shall be as of 12:00 P.M.(Midnight) on _____, _____.

(2) The initial term of this Agreement shall end on _____, _____.

(3) Sequences for terms less than the this contract date maybe amended or renewed as required in applicable tariffs and Rules on file with the CPUC.

At the end of the each term, this Agreement shall continue thereafter on a month to month basis unless terminated by written notice from one party to the other given not less than fifteen (15) days prior to the last day of any month thereafter.

Section 2 - Services Provided and Redelivery Locations

Customer has requested and agreed to pay for, and Utility has determined that Customer is qualified for local transportation services to the following locations (the data provided will be utilized by Utility in determinations regarding curtailment) and any special sequencing of redelivery conditions should be noted in Section 10(E):

Facility A

Facility Name: _____

Account Number: _____

Address: _____

Mail copy of Bill to this Facility: _____

Supplemental Facility Account Number(s):

Customer shall notify Utility in the event of any change in the gas requirements or notification designations for this facility.

Sequence 01

BILLING SCHEDULE				
Rate Schedule	Priority	Net Billed	Transmission Rates Tariff/Negotiated	Otherwise Applicable Rate
This portion of the contract expires in _____ months as consistent with the tariffs on file with the CPUC				

MONTHLY CONTRACTED QUANTITY			
Jan	_____	Jul	_____
Feb	_____	Aug	_____
Mar	_____	Sep	_____
Apr	_____	Oct	_____
May	_____	Nov	_____
Jun	_____	Dec	_____

Annual Quantity* _____ Use or Pay Aggregation (Y/N) _____ full Requirements (Y/N) _____

*(Only applies to firm rates under partial requirements)

Customer's regular days for operations under this sequence are:

M _____ T _____ W _____ Th _____ F _____ Sat _____ Sun _____

Sequence 02

BILLING SCHEDULE				
Rate Schedule	Priority	Net Billed	Transmission Rates Tariff/Negotiated	Otherwise Applicable Rate
This portion of the contract expires in _____ months as consistent with the tariffs on file with the CPUC				

MONTHLY CONTRACTED QUANTITY			
Jan	_____	Jul	_____
Feb	_____	Aug	_____
Mar	_____	Sep	_____
Apr	_____	Oct	_____
May	_____	Nov	_____
Jun	_____	Dec	_____

Annual Quantity* _____ Use or Pay aggregation(Y/N) _____ Full Requirements (Y/N) _____

*(Only applies to firm rates under partial requirements)

Customer's regular days for operations under this sequence are:

M _____ T _____ W _____ Th _____ F _____ Sat _____ Sun _____

Section 3 - other Existing Transportation/Exchange Arrangements

- (1) Customer has existing intrastate transportation/exchange arrangements with Utility
- (2) Date of Arrangement: _____
- (3) Term of Arrangement: _____
- (4) This Agreement shall have no impact on such existing arrangement except: _____

Section 4 - Operations

Customers "Order Control Code" (OCC) for gas transportation by Utility is: _____

All nominations, confirmations, and other operating procedures for transportation services shall be subject to the rules and conditions established therefor by Utility. Customer shall be responsible for obtaining, and subject to any liability or loss regarding, any upstream transportation prior to the receipt of gas by Utility at the citygate for Customer's account, except for core procurement usage. Customer's failure to obtain firm upstream transportation rights to ensure delivery to Utility at the citygate shall not be deemed to be a condition of Force Majeure.

Any deviations from a standard 5 or 7 day week should be noted in Section 9(E).

Section 5 - Billing and Payment

Billing and Payment for services hereunder shall be as provided in the MSC and Utility's applicable Tariffs, Including, but not limited to, Rule 9.. Any special billing instructions should be noted in Section 10(E).

Section 6 - Imbalances

Utility shall provide Customer with an imbalance service in connection with transportation of gas hereunder pursuant to Tariff Rate Schedule G-IMB and Rule 40, as in effect from time to time (or any successor thereto). Any applicable imbalance charges shall be charged to Account Number: _____

For any Customer utilizing the services of a Contracted Marketer, a summary of transactional activities shall be provided to the following designated account: _____.

Section 7 – Self-Balancing

Customers selecting Self-Balancing Option will be subject to the terms and conditions set forth in the applicable amendment of this document.

Section 8 Transfer of Rights

Subject to Section 9(A), this Agreement and the rights and obligations hereunder shall only be transferred or assigned with the prior written consent of Utility which shall not be withheld unreasonably, provided that any successor first established its "creditworthiness" and assumes such contractual rights and obligations in writing.

Section 9 Miscellaneous

A. Representatives - Customer shall initially utilize the services of the following which can subsequently by notifying the Utility on Form CM3.

- (1) Contracted Marketer: ___ (Y/N)
Authorized to access Customer's meter usage: ___ (Y/N)
Will nominate on Customer's behalf: ___ (Y/N)
Will trade on Customer's behalf: ___ (Y/N)

- (2) Agent: _____ (Y/N)
 Authorized to access Customer's meter usage: ____ (Y/N)
 Will nominate on Customer's behalf: ____ (Y/N)
 Will trade on Customer's behalf: ____ (Y/N)

(3) Use or Pay Aggregator:

Aggregators will automatically be authorized to access Customer's meter usage. To the extent applicable, appropriate authorization by Customer (including the terms and conditions thereof) have been attached to MSC and are incorporated by reference (as supplemented from time to time) in this Agreement.

If Customer designates a Marketer or Agent, any communications made by such Marketer/Agent shall be binding on Customer and shall prevail in any conflict during the period such authorization remains in effect. Such authorization shall remain in effect for the term of this Agreement unless otherwise specified in the initial authorization, or unless terminated pursuant to notification received written by the Utility.

B. Definitions: All definitions set forth in the Tariffs, including without limitation Utility Rule 1, are incorporated herein by reference as if set forth in full.

C. Miscellaneous Legal Provisions: All of the terms and conditions of the MSC are incorporated herein by reference.

D. Special Conditions: The following special conditions of service are applicable hereto:

IN WITNESS WHEREOF, the authorized representatives of the parties have executed two duplicate original copies hereof.

Customer

Name: _____
 By: _____
 Title: _____
 Date: _____

Utility

Name: Southern California Gas Company
 By: _____
 Title: _____
 Date: _____

**MASTER SERVICES CONTRACT
AMENDMENT TO SCHEDULE A**
(Form 6597-9, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R4

ISSUED BY

Lee Schavrien

Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002

EFFECTIVE _____

RESOLUTION NO. _____

AMENDMENT TO
MASTER SERVICES CONTRACT
SCHEDULE A
LOCAL TRANSPORTATION SERVICE

LOCAL TRANSPORTATION ACCOUNT NUMBER _____

This Amendment is entered into by and between Southern California Gas Company (“Utility”) and _____ (“Customer”) as of the ____ day of _____ to amend the Master Services Contract (MSC) Schedule A dated _____.

In the event of any conflict or inconsistency between this Amendment and the MSC Schedule A, terms and conditions hereof shall be deemed to control.

Utility and Customer agree to amend the MSC Schedule A as follows:

Section 1 – Facility Deletions

If no facility deletions are made, state “NONE” _____

Customer hereby elects to delete facility ____ referenced by Facility Name _____ on MSC Schedule A. The deletion of such facility ____ shall be effective on the ____ day of _____.

Section 2 – Billing Schedule Changes

If no billing schedule changes are made, state “NONE” _____.

Customer hereby elects to replace the billing schedule(s) for facility ____ referenced by Facility Name _____ . The following billing schedule(s) shall be effective on the ____ day of _____.

Section 2 – Billing Schedule Changes – continued

Account Number: _____

Sequence 01

BILLING SCHEDULE				
Rate Schedule	Priority	Net Billed	Transmission Rates Tariff/Negotiated	Otherwise Applicable Rate

MONTHLY CONTRACTED QUANTITY (THERMS)			
January		July	
February		August	
March		September	
April		October	
May		November	
June		December	

Annual Quantity _____ Use or Pay Aggregator _____

(Only applies to firm rates under partial requirements)

Customer's regular days for operations under this sequence are:

M ____ T ____ W ____ Th ____ F ____ Sat ____ Sun ____

Section 3 – Additional Changes

The following additional changes shall be made to the MSC:

Any documents attached hereto, if any, are incorporated by reference herein, and made part of this amendment.

Section 4 – Other MSC Schedule A Terms

Except as set forth in the Amendment, the terms and conditions of the MSC Schedule A shall remain in full force and effect.

IN WITNESS WHEREOF, the authorized representatives of Utility and Customer have two (2) duplicate original copies of this Amendment as of the date first listed above.

Southern California Gas Company

By: _____

By: _____

Title: _____

Title: _____

MASTER SERVICES CONTRACT - SCHEDULE K
POOLING SERVICE AGREEMENT
(Form No. 6597-13, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien

Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002

EFFECTIVE _____

RESOLUTION NO. _____

MASTER SERVICES CONTRACT
SCHEDULE K
POOLING SERVICE AGREEMENT

Pool ID No. _____
Account No. _____

This Pooling Service Agreement (“Agreement”) is entered into as of the ____ day of **Month**, **Year**, by and between Southern California Gas Company (“Utility”) and **Customer Name** (“Customer”), and is an independent Agreement incorporating by reference all of the terms and conditions of that certain Master Services Contract (“MSC”) executed by the Parties.

NOW THEREFORE, in consideration of the promises and mutual undertakings set forth below, the parties agree as follows:

Section 1 – Services

This Agreement sets forth the terms and conditions under which Utility will provide end-use customers, customer agents, contracted marketers, core aggregators, SoCalGas Gas Acquisition, and any other legal entity seeking to conduct business on the SoCalGas system pooling service on the SoCalGas system.

Section 3 – Effective Date/Term

- (A) **Effective Date** - This Agreement shall be effective at 6:00 a.m. on the 1st day of **Month**, **Year** and shall continue month to month thereafter until terminated by either party on 30 days prior written notice.
- (B) **Early Termination** - This Agreement may be terminated by Utility immediately under the following circumstances:
 - (1) In the event of a failure by Customer to pay on a timely basis all sums billed by Utility, as provided in Section 7 of this Agreement.
 - (2) In the event that Customer fails to establish Customer’s continued creditworthiness in accordance with Rule No. 39.

Section 4 - Rates

This Agreement shall be subject to Utility's Tariff Rate Schedule **G-POOL** and other applicable Tariff Schedules and Rules, as in effect from time to time, including without limitation Utility's Tariff Schedule G-BR, Rule No. 4, 30 and 39. For purposes of this Agreement the term "consequential damages" referenced in Rule 4 shall include without limitation any loss of business, opportunity, goodwill, profits, ability to discharge third party obligations or other similar losses.

Section 5 – Operations

All nominations, confirmations, and other operating procedures for transportation services shall be subject to Utility's Tariff Rate Schedule **G-POOL** and Tariff Rules, as in effect from time to time.

Section 6 – Notices

For purposes of notice, materials, the following addresses shall be utilized:

CUSTOMER:
Company
Street Address
City, State, Zip
Attn: _____

UTILITY:
Southern California Gas Company
555 W. 5th Street
Los Angeles, CA 90013
Attn: Capacity Products, M.L. 22E1

Section 7 – Billing and Payment

(A) Billing/Payment - During the term hereof, all charges billed by Utility to Customer for pooling service charges and/or any other applicable charges shall be billed by Utility and paid by Customer in accordance with the MSC and Rule No. 9. If full payment has not been so received, Utility may terminate this Agreement as provided in Section 9 of this Agreement.

(B) Disputes - In the event of a billing dispute, the Customer may use the dispute resolution provision available and deposit the amount of the bill with the Public Utilities Commission in accordance with Rule No. 11.

Section 8 – Establishment of Credit

Credit requirements to participate in pooling services are described in Tariff Rate Schedule G-POOL and Rule No. 39.

Section 9 – Termination

Service may be terminated as provided in Tariff Rate Schedule G-POOL, Rule No. 9 and Rule No. 39.

Section 10 – Assignment

This Agreement shall not be assigned by either party.

Section 11 – Regulatory

Tariff Schedules - This Agreement shall be subject to Utility’s Tariff Rate Schedule G-POOL and other applicable Tariff Schedules and Rules as in effect from time to time, including without limitation Tariff Rule No. 1, No. 4 (except for provision F), No. 30 and No. 39.

Section 12 – Miscellaneous Legal Provisions

All of the terms and conditions of the MSC are incorporated herein by reference.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed two (2) duplicate original copies hereof as of the date written above.

“CUSTOMER”
Company

“UTILITY”
Southern California Gas Company

By: _____

By: _____

Title: _____

Title: _____

MASTER SERVICES CONTRACT - SCHEDULE E
GASSELECT AGREEMENT
(Form 6597-5, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R7

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

MASTER SERVICES CONTRACT
SCHEDULE E
GASSELECT AGREEMENT

This Agreement is entered into as of this _____ day of _____, 200____, by and between Southern California Gas Company ("Utility" or "SoCalGas") and _____ ("Customer"), and is an independent Agreement incorporating by reference all of the terms and conditions of that certain Master Services Contract ("MSC") executed by the parties.

NOW THEREFORE, in consideration of the promises and mutual undertakings set forth herein, the parties agree as follows:

Section 1 - Scope

This Agreement sets forth the terms and conditions under which Utility will make available on a non-exclusive basis real time gas services and information online on the Internet at www.gasselect.com, using Utility's proprietary "GasSelect[®]" system. GasSelect[®] facilitates electronic bidding, trading and contracting for gas transactions, and information sharing, in connection with SoCalGas' gas pipeline systems or related services offered by SoCalGas or by third parties. At all times during the term hereof, Utility reserves the right to alter GasSelect[®] access, and any software and/or documentation or other materials used in connection with GasSelect[®]. Utility has made no analysis of what, if any, benefits could accrue to Customer by utilizing GasSelect[®], and Utility does not represent that GasSelect[®] will be operated (a) to meet Customer's needs or purposes, (b) without interruption, or (c) so as to provide information which is free from error.

Section 2 - Access/Services

(a) Access - Customer has requested that Utility provide a Logon ID and a non-exclusive, non-transferable, personal right and license to utilize the computer software necessary to access GasSelect, including transmitting and receiving information related thereto, as well as any documentation or other materials related thereto (collectively "Licensed Materials"). The Licensed Materials are subject to change from time to time. The services offered by Utility in connection with GasSelect will be as specified on GasSelect, in the Licensed Materials or in Utility's Tariff Rate Schedules and Tariff Rules, as each may be in effect from time to time. Customer shall be solely responsible for the security of its Logon ID by its employees, agents or third parties. Customer may request a new Logon ID whenever it believes such security may be affected, e.g., by personnel leaving Customer's employment.

(b) Security - Attached hereto as Exhibit A (and incorporated by reference herein) is an executed copy of Customer's initial GasSelect Subscription Form, pursuant to which Customer has requested its Logon ID and such additional Logon ID's or passcodes (collectively referred to hereafter as "Logon ID") as are needed for the specific applications Customer requests for GasSelect. Customer shall be solely responsible for the security of its Logon ID by its employees, agents or third parties. Customer may request a new Logon ID whenever it believes such security may be affected, e.g., by personnel leaving Customer's employment. Customer agrees to be bound by all electronic records submitted through GasSelect on its behalf by itself, its authorized employees, or its authorized agents or marketers.

(c) Changes - If Customer desires to change or add a type of GasSelect service application (as provided in Tariff Rule No. 33.B) or to change the individuals authorized on its behalf to conduct electronic transactions, Customer shall fax to Utility a new GasSelect Subscription Form, executed by an authorized representative of Customer. Such authorized representative shall be the individual executing this Agreement or the individual named in a Delegation of Authority form (attached hereto as Exhibit "A-1"). The changes or additions shall be effective as soon as reasonably possible after Utility receives the new Exhibit "A", and in any event, not later than the close of Utility's business day if the fax is received at least one hour prior to closing and shall be effective within the first hour of the next business day if received thereafter. Utility may, but is not required to, send written confirmation to Customer of Utility's receipt of the changes or additions. To revoke the authority of an individual to enter into electronic transactions on behalf of Customer, Customer may e-mail Utility with such revocation, which shall be effective upon Customer's receipt of an e-mail confirmation from Utility.

(d) Billing and Payment - Billing and Payment for services hereunder shall be as provided in the MSC and Utility's applicable Tariffs, including, but not limited to, Rule No. 9.

Section 3 - Term

This Agreement shall become effective on the date that Customer is issued a Logon ID ("Effective Date"), and continue thereafter from the Effective Date to the first day of the next following calendar month, and from calendar month to calendar month thereafter until terminated by not less than ten (10) days prior written notice from one party to the other, sent at least ten (10) days prior to the end of any calendar month or unless

terminated earlier for Customer default under this Agreement or in accordance with provisions of Utility's Tariff Rules. No termination shall relieve either party from discharging obligations arising prior to termination, including without limitation obligations to pay monies due, and to adjust prior billings and/or payments to reflect actual transactions.

Section 4 - LIMITED WARRANTY - DISCLAIMER

- (a) LIMITED WARRANTY - Utility provides the limited warranty that it has the exclusive right to provide Customer the right to utilize GasSelect and the Licensed Materials as set forth herein; EXCEPT AS SET FORTH IMMEDIATELY ABOVE, UTILITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, REGARDING GASSELECT OR ANY SERVICE PROVIDED BY UTILITY IN CONNECTION THEREWITH. SPECIFICALLY, UTILITY MAKES NO WARRANTY OR REPRESENTATION REGARDING MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF GASSELECT FOR CUSTOMER OR ANY THIRD PARTIES DEALING WITH CUSTOMER (INCLUDING WITHOUT LIMITATION ANY LICENSED MATERIALS PROVIDED IN CONNECTION THEREWITH OR THE CAPABILITY OF CUSTOMER'S EQUIPMENT TO UTILIZE THE LICENSED MATERIALS), AND NO IMPLIED WARRANTY SHALL BE DEEMED TO APPLY AT ANY TIME AS A RESULT OF ANY COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.
- (b) No Third Party Rights - This Agreement is intended to establish rights and obligations between the Utility and Customer, and shall not be deemed to establish any rights for or obligations to any third party.
- (c) Disclaimer - Customer shall be solely responsible for the selection of services, particular transactions and products to achieve Customer's intended results. Utility disclaims any warranty, representation, or opinion, either express or implied, as to the advisability or enforceability of any arrangement or relationship Customer may enter into with any third party based on GasSelect. Utility also disclaims any responsibility for any loss or injury attributable in whole or in part to its actions or inactions in connection herewith (but any separate contract entered into by Utility and Customer through GasSelect shall be governed by the terms thereof). Such disclaimer by Utility includes without limitation any actions or inactions of Utility related to:
 - (i) the design, and operation of GasSelect, (ii) Customer utilization of GasSelect or the Licensed Materials provided in connection therewith for any purpose, or (iii) any error or malfunction related thereto, including its availability at times desired by Customer.

Section 5 - GasSelect Operations

- (a) Authority - Each party shall be entitled to assume that any transmission/communication received using GasSelect is correct, accurate and sent with full authority of the transmitting party when the appropriate Logon ID is utilized.
- (b) Records - In the event of a dispute, 'Utility's electronic records (or a "hard copy" downloaded therefrom) are conclusive evidence of any transaction or data applicable thereto.
- (c) Garbled Transmissions/Communications - If any transmission/communication using GasSelect is received in an unintelligible, electronically unreadable, or garbled form, the receiving party shall promptly notify the originating party (if identifiable from the received transmission) in a reasonable manner.

Section 6 - Notices

For purposes of notice, (except for notices sent pursuant to Section 2 above), the following addresses shall be utilized:

CUSTOMER:

Attn: _____

UTILITY:

Attn: _____

All notices and transmittals shall be sent by prepaid U.S. certified mail or courier service. The addresses and contacts listed above may be changed at any time on seven-(7) days prior written notice.

Section 7 - Legal Responsibilities

- (a) Control - Customer shall utilize all reasonable efforts to control and prevent misuse of Utility's proprietary Licensed Materials. Utility shall be solely responsible for the operation of GasSelect.
- (b) Indemnity - Customer shall indemnify and hold harmless Utility from and against any actions, claims, liabilities,

damages, costs and expenses (including reasonable attorneys' fees and disbursements) arising in connection with its utilization of GasSelect or the Licensed Materials; provided, however, Utility shall be responsible and indemnify and hold harmless Customer from and against any actions, claims, liabilities, damages, costs and expenses (including reasonable attorneys' fees and disbursements) related to Utility's ownership of GasSelect and the Licensed Materials, and Utility's right to enter into this Agreement (subject to Section 8 (a) on restrictions or modifications imposed subsequently by governmental entities).

Section 8 - Miscellaneous

- (a) Tariff Rate Schedules and Tariff Rules - This Agreement shall be subject to Utility's Tariff Rate Schedules and Tariff Rules, as in effect from time to time, including without limitation Utility's Tariff Rule No. 33, No.4 and No. 39. For purposes of this Agreement the term "consequential damages" referenced in Rule 4 shall include without limitation any loss of business, opportunity, goodwill, profits, ability to discharge third party obligations or other similar losses, whether or not Utility has been advised of the possibility of these or any other potential consequential damages.
- (b) Governmental Jurisdiction - This Agreement shall be subject to the continuing jurisdiction of the Public Utilities Commission of the State of California and all rules, regulations, orders or decisions of any governmental entity (including a court having jurisdiction).
- (c) Entire Agreement - This Agreement sets forth the entire understanding of the parties on the subject matter discussed herein, and supersedes and replaces any prior writings, discussions, or communications, whether oral or written. This Agreement shall only be amended or modified by an instrument in writing executed by both parties. In no event shall this Agreement be amended by course of performance, course of dealing or usage of trade. Any waiver of the terms hereof must be in writing.
- (e) Taxes - Customer shall be solely responsible for any taxes imposed or assessed in connection with this Agreement except for taxes on Utility's income.
- (f) No Joint Venture - Nothing in this Agreement shall be deemed as establishing a joint venture, partnership, association or other joint business relationship.
- (g) Technical Support/Electronic Audit - From time to time, at its sole option, Utility may either offer new services, such

as technical support, or establish packages to audit usage of GasSelect. Subject to Section 8(a), which reflects the automatic implementation of additional service conditions or charges, any new services provided to Customer hereunder shall be described in a revised Exhibit A executed by an authorized representative of Customer or an Exhibit A executed by both parties, which shall be attached hereto and incorporated by reference herein.

(h) Special Conditions - The following special conditions shall apply to this Agreement:

_____.

IN WITNESS WHEREOF the authorized representatives of Utility and Customer have executed two (2) duplicate original copies as of the date above.

"CUSTOMER"

"UTILITY"

[FULL NAME]

SOUTHERN CALIFORNIA GAS COMPANY

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT A
Southern California Gas Company
GasSelect Logon Id Request Form

COMPANY NAME (COMPLETE LEGAL NAME)	
ADDRESS	CITY
STATE	ZIP CODE
PHONE NUMBER	FAX NUMBER
CUSTOMER'S AUTHORIZED EMPLOYEE(FULL NAME)	
EMAIL Address:	DATE

Indicate your service selection

Service	Select Data Access Privilege's		
Transaction/Nominations	Execute/Update ()	View Only ()	No Access ()
Imbalance Trading	Execute/Update ()	View Only ()	No Access ()
OFO Chip Trading	Execute/Update ()	View Only ()	No Access ()
Meter Usage	Not Applicable	View Only ()	No Access ()
Storage Administration	Not Applicable	View Only ()	No Access ()
Capacity Rights Trading	Execute/Update ()	View Only ()	No Access ()
Storage Rights Trading	Execute/Update ()	View Only ()	No Access ()

Customer agrees that changes or additions to this GasSelect Subscription form may be made by Customer faxing the Exhibit A executed by an authorized representative of Customer to Utility, who may rely on the fax signature as if it were an original. Such authorized representative shall be the person(s) executing this Agreement or, if Customer wishes to enable other representatives to execute subsequent Exhibit A's on behalf of Customer, Customer shall provide a delegation of authority in the form reasonably acceptable to Utility. All subsequent Exhibit A's shall be incorporated into this Agreement.

New Exhibit A's shall be faxed to Utility: Fax No.: _____, Attn.: _____
 Terminations of authority may be e-mailed to Utility at: _____

"CUSTOMER"

By: _____
 Title: _____

Exhibit A-1

DELEGATION OF AUTHORITY
TO
EXECUTE EXHIBIT "A" CHANGES/ADDITIONS
ON BEHALF OF CUSTOMER

_____ Southern California Gas Company ("Utility") and _____ ("Customer") have entered into that certain GasSelect Agreement as of _____ ("Agreement"). Customer hereby authorizes the individual(s) named below to execute and deliver to Utility Exhibit "A's" adding to or changing the service applications which Customer may enter into electronically and/or adding to or changing the individuals authorized to use GasSelect on Customer's behalf:

Name of Authorized Employee for Customer: _____

Title: _____

Name of Authorized Employee for Customer:

Title:

Utility may rely on this Delegation of Authority until Utility receives notice of its termination in the manner provided in Section 2 (c). The individual(s) signing this Delegation on behalf of Customer represent and warrant to Utility that they are authorized to execute and deliver it on behalf of Customer.

CUSTOMER

By: _____

Title:

Printed Name:

MASTER SERVICES CONTRACT - SCHEDULE L
PACKAGED STORAGE SERVICE AGREEMENT
(Form No. 6597-16, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

MASTER SERVICES CONTRACT

SCHEDULE L

PACKAGED STORAGE SERVICE AGREEMENT

THIS PACKAGED STORAGE SERVICE AGREEMENT ("Agreement") is entered into as of the _____ day of _____, _____, by and between Southern California Gas Company ("Utility") and _____ ("Customer") and sets forth the terms and conditions under which Utility will provide storage services to Customer. This Agreement shall be attached to and incorporated as Schedule L to the Master Services Contract ("MSC") entered into by the parties constituting an independent Agreement.

SECTION 1 - STORAGE SERVICES

(a) For the Time Period for Service indicated below (the "Service Period"), Utility shall provide Customer with the storage services set forth below. This Agreement and the rights established herein shall be subject to the terms and conditions of Utility's Tariff Rate Schedule G-PAC ("G-PAC") and other applicable Tariff Rules and Schedules as amended from time to time (including, without limitation, the definitions in Utility's Tariff Rule No. 1).

<u>Storage Services</u>	<u>Maximum Quantity</u>	<u>Firm</u>	<u>Time Period for Service ("Service Period")</u>
Inventory	_____ (Dth)	<u>Firm</u>	_____
Injection	_____ (Dth/day)	<u>Firm</u>	_____
Withdrawal	_____ (Dth/day)	<u>Firm</u>	_____

(b) When required in G-PAC, Customer's firm withdrawal capacity will depend on its own inventory level and the Utility System Storage inventory level according to the formula provided in G-PAC.

SECTION 2 - RESERVATION AND STORAGE CHARGES

(a) Customer agrees to pay to Utility the following charges:

<u>Storage Services</u>	<u>Quantity (Dth)</u>	<u>Unit Annual Reservation Charges</u>	<u>Variable Storage Charges</u>	
			<u>In-Kind Fuel</u>	<u>O&M Injection or Withdrawal</u>
Inventory	_____ (Dth)	_____/ (Dth)		
Injection	_____ (Dth/day)	* _____	_____ %	_____/ (Dth)
Withdrawal	_____ (Dth/day)	* _____		_____/ (Dth)

*Reservation charges for injection and withdrawal capacity are combined in the annual reservation charge for the inventory capacity.

(b) Reservation and variable storage charges are subject to change and are those specified by G-PAC.

SECTION 3 - TRANSMISSION CHARGES

Customer agrees to pay Utility all applicable transmission charges incurred to move gas to Utility System Storage, including receipt point access fees, if applicable.

SECTION 4 - BILLING AND PAYMENT

(a) All reservation charges shall be billed by Utility and paid by Customer in equal monthly installments over the Service Period of this Agreement. All other charges shall be billed and paid as the applicable services are provided.

(b) All bills shall be timely paid in accordance with the provisions of the MSC and Rule No. 09.

(c) In the event of a billing dispute, the bill must be paid in full by Customer pending resolution of the dispute. Such payment shall not be deemed a waiver of Customer's right to a refund. All bills shall be sent to Customer and paid to Utility at the address specified in the MSC.

SECTION 5 - STORAGE RECEIPT AND DELIVERY POINTS

(a) The Point of Receipt for gas to be injected into storage is the SoCalGas Citygate.

(b) The Points of Delivery for gas withdrawn from storage are the end-use Facilities located inside the Utility's service territory, and the SoCalGas Citygate.

(c) The Point of Receipt and the Points of Delivery may be emended through mutual written consent by the parties.

SECTION 6 - MISCELLANEOUS

(a) Notices - All notices and requests under this Agreement shall be deemed to have been duly given if sent by facsimile (fax) properly addressed, and with confirming original copy thereof being sent by postage prepaid, certified mail properly addressed, as follows:

<u>CUSTOMER</u>	<u>UTILITY</u>
<u>Operating Matters</u>	
Contact Name _____	Contact Name _____
Contact Title _____	Contact Title _____
Telephone _____	Telephone _____
Fax No. _____	Fax No. _____
<u>Billing Matters</u>	
Contact Name _____	Contact Name _____
Contact Title _____	Contact Title _____
Telephone _____	Telephone _____
Fax No. _____	Fax No. _____
<u>Contract Matters</u>	
Contact Name _____	Contact Name _____
Contact Title _____	Contact Title _____
Telephone _____	Telephone _____
Fax No. _____	Fax No. _____

Either party may change its designation set forth above by giving the other party at least seven (7) days prior written notice.

(b) Governing Law - This Agreement shall be construed in accordance with the laws of the State of California and the orders, rules and regulations of the Public Utilities Commission of the State of California in effect from time to time.

(c) Creditworthiness - At all times during this Agreement, Customer shall be subject to the creditworthiness requirements of Rule No. 39.

(d) Limited Storage Liability - Utility shall not be responsible for any loss of gas in storage, including, without limitation, losses due to the inherent qualities of gas (including leakage and migration) or due to physical or legal inability to withdraw gas from storage, unless such loss is caused by failure of Utility to exercise the ordinary care and diligence required by law. In the event of any such loss, the portion of such loss which is attributable to Customer shall be determined based on Customer's pro rata share of the total recoverable working gas inventory in Utility's storage facilities at the time of the loss.

(e) Incorporated Provisions - All provisions of the MSC are incorporated by reference herein as if set forth in full herein.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed two (2) duplicate original copies of this Agreement as of the date first written above.

CUSTOMER

SOUTHERN CALIFORNIA GAS COMPANY

By _____

By _____

Title: _____

Title: _____

MASTER SERVICES CONTRACT - SCHEDULE M
BACKBONE RECEIPT MASTER AGREEMENT
(Form No. 6597-17, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

BACKBONE RECEIPT MASTER AGREEMENT SCHEDULE M

This Backbone Receipt Master Agreement (BRMA) is entered into as of the following date: _____.

The parties to this BRMA are the following:

<p>Southern California Gas Company _____ and _____ 555 West Fifth Street _____ Los Angeles, California 90013-1011 _____ Attn: Capacity Products _____ Phone: _____ Fax: _____</p>	<p>Federal Taxpayer ID: _____ Duns # _____ Master Services Contract # _____ Attn: _____ Phone: _____ Fax: _____ E-mail address _____</p>
---	--

This BRMA incorporates by reference for all purposes all of the terms and conditions for the Master Services Contract dated _____ between Southern California Gas Company ("Utility") and _____ ("Customer"). The parties hereby agree to the following additional General Terms and Conditions:

GENERAL TERMS AND CONDITIONS

SECTION 1. PURPOSE AND PROCEDURES

- 1.1. These General Terms and Conditions to the BRMA are intended to facilitate the purchase of backbone receipt point rights. "Customer" refers to the party purchasing backbone receipt point rights and "Utility" refers to the party selling those rights.
- 1.2. The parties will use the following Backbone Receipt Contract (BRC) procedure. Should the parties come to an agreement regarding a Gas purchase and sale receipt point transaction for a particular Receipt Period, the Utility shall, and Customer may, record that agreement on a BRC and communicate such BRC by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of non-conflicting BRC or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.
- 1.3. If a sending party's BRC is materially different from the receiving party's understanding of the agreement referred to in Section 1.2., such receiving party shall notify the sending party via facsimile by the Confirm Deadline, unless such receiving party has previously sent a BRC to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's BRC. If there are any material differences between timely sent BRCs governing the same transaction, then neither BRC shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the BRCs. The entire agreement between the parties shall be those provisions contained in both the BRMA and any effective BRC. In the event of a conflict among the terms of (i) a BRC, (ii) the BRMA, and (iii) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

SECTION 2. DEFINITIONS

- 2.1. Backbone Receipt Contract" shall mean the document, substantially in the form of Exhibit A, Schedule N, setting forth the terms of a purchase and sale receipt point transaction formed pursuant to Section 1. for a particular Receipt Period.
- 2.2. "Backbone Receipt Master Agreement" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein.
- 2.3. "Business Day" shall mean any day except Saturday, Sunday or Federal Reserve Bank holidays.
- 2.4. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Confirmation is received; provided, if the BRC is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.5. "Confirming Party" shall mean the party that prepares and forwards BRCs to the other party.
- 2.6. "Contract" shall mean the legally-binding relationship established by (i) the BRMA (ii) the provisions contained in any effective BRC (iii) the provisions in any effective amendment to a BRC and (iv) the Master Services Contract.

- 2.7. "Contract Price" shall mean the amount expressed in U.S. Dollars per Dth or % of Tariff Rate, as evidenced by the Contract Price on the BRC.
- 2.8. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as set forth in the BRC.
- 2.9. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Utility in its Rule No. 1.
- 2.10. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure.
- 2.11. "Gas" shall mean any mixture of hydrocarbons and non-combustible gases in a gaseous state consisting primarily of methane.
- 2.12. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability.
- 2.13. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.14. "Receipt Period" shall be the period during which deliveries are to be made to the Receipt Point(s) as set forth in the BRC.
- 2.15. "Receipt Point" shall mean such point as are mutually agreed upon between Utility and Customer as set forth in the BRC.
- 2.16. "Scheduled Gas" shall mean the quantity of Gas confirmed by Utility for movement, transportation or management.
- 2.17. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Utility or Customer upstream or downstream, respectively, of the Receipt Point pursuant to a particular BRC.

SECTION 3. PERFORMANCE OBLIGATION

- 3.1. Utility agrees to sell and Customer agrees to purchase, the Daily Contract Quantity (DCQ) for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as specified in the BRC.
- 3.2. EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS CONTRACT, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

SECTION 4. TRANSPORTATION AND NOMINATIONS

- 4.1. Customer shall have the sole responsibility for transporting the Gas to the Receipt Point.
- 4.2. The parties shall coordinate their nomination activities as provided for in SoCalGas' Rule No. 30 or its legal successor. Each party shall give the other party timely prior notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered each Day.
- 4.3. Customer shall conform to the operating procedures set forth in all applicable Utility tariffs and rules in effect during the term of this BRMA.

SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Customer shall meet the quality and heat content requirements as provided for in SoCalGas' Rule No. 30 or its legal successor. The unit of quantity measurement for purposes of this Contract shall be one Dth dry.

SECTION 6. BILLING, PAYMENT AND AUDIT

- 6.1. Utility shall invoice Customer in accordance with the rate selected by Customer in the BRC and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas.
- 6.2. Customer shall remit the amount due in accordance with the provisions set forth in the Master Services Contract between Utility and Customer and Utility's Rule No. 9, Discontinuance of Service. If a Customer disputes a Utility bill, the disputed amount will be deposited with the CPUC pending resolution of the dispute under existing Commission procedures. No termination of participation will occur for this dispute while the Commission is hearing the matter.
- 6.3. In the event any payments are due Customer hereunder, payment to Customer shall be made in accordance with Section 6.2. above.

SECTION 7. INDEMNITY

- 7.1. Customer agrees to indemnify Utility in accordance with the provisions of SoCalGas' Rule No. 30, Section A.2 or its legal successor.
- 7.2. Notwithstanding the other provisions of this Section 7., as between Utility and Customer, Customer will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Customer to meet the quality requirements of Section 5.

SECTION 8. NOTICES

8.1. All BRCs, invoices, payments and other communications made pursuant to the BRMA ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

8.2. All Notices required hereunder may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

8.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission, if the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered two Business Days after mailing.

8.4. Customer shall provide prior written notice to Utility of those persons authorized by Customer to submit binding open season bids, make nominations on behalf of Customer, and execute secondary market transactions for BRCs. Customer shall notify Utility at the earliest time practicable when such persons are no longer authorized to conduct these transactions on behalf of Customer. Customer shall further notify SoCalGas at the earliest time practicable whenever any person who has been given a secure log-in ID by SoCalGas for purposes of making nominations on behalf of Customer is no longer authorized by Customer to use such secure log-in ID.

SECTION 9. FINANCIAL RESPONSIBILITY

9.1. In order to receive service from Utility, Customer must meet the credit requirements set forth in SoCalGas' Rule No. 39, Customer Creditworthiness, or its legal successor.

9.2. Each party reserves to itself all rights, set-offs, counterclaims, and other defenses which it is or may be entitled to arising from the Contract.

SECTION 10. FORCE MAJEURE

10.1. Except with regard to a party's obligation to make payment due under Section 6., neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein is defined in SoCalGas' Rule No. 1, as further defined in Section 10.2.

10.2. Force Majeure shall include but not be limited to the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars; and (iv) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, or regulation promulgated by a governmental authority having jurisdiction. Utility and Customer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

10.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (ii) economic hardship.

10.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be entirely within the sole discretion of the party experiencing such disturbance.

10.5. The party whose performance is prevented by Force Majeure must provide notice to the other party. Initial notice may be given orally; however, written notification with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written notification of Force Majeure to the other party, the affected party will be relieved of its obligation to make or accept delivery of Gas as applicable to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

SECTION 11. TERM

This Contract may be terminated on 30 days' written notice, but shall remain in effect until the expiration of the latest Transaction Period of any BRC(s). The rights of either party pursuant to Section 6.4., the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the BRMA or any BRC.

SECTION 12. MISCELLANEOUS

12.1. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such

determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

12.2. There is no third party beneficiary to this Contract.

12.3 Each party hereby confirms that it shall comply with all applicable requirements set forth in the Federal Acquisition Regulations (or successor thereto) in effect on the date of this agreement, including but not limited to the following: 48 C.F.R. Section 52 et seq.; Affirmative Action for Workers with Disabilities; Affirmative Action Compliance; Prohibition of Segregated Facilities; Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era; Utilization of Small Business Concerns; Equal Opportunity; Affirmative Action Programs; Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan and any applicable sections contained in 41 C.F.R. Chapter 60. The terms and conditions thereof shall be controlling over any conflicting terms and conditions set forth in this Contract or any written Amendment hereto.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed this BRMA in two (2) duplicate original copies.

Southern California Gas Company

(Customer)

By _____

By _____

Title _____

Title _____

MASTER SERVICES CONTRACT - SCHEDULE N
BACKBONE RECEIPT CONTRACT
(Form No. 6597-18, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

BACKBONE RECEIPT CONTRACT

SCHEDULE N (for manual use only)

EXHIBIT A



Date: _____, 200__

Backbone Receipt Contract #: _____

This Backbone Receipt Contract (BRC) is subject to the Backbone Receipt Master Agreement (BRMA) between Utility and Customer dated _____. The terms of this BRC are binding unless disputed in writing within two Business Days of receipt unless otherwise specified in the BRMA.

UTILITY: _____ _____ Attn: _____ Phone: _____ Fax: _____ E-mail address: _____	CUSTOMER: _____ _____ Attn: _____ Phone: _____ Fax: _____ BRMA No. _____ E-mail address: _____
--	---

Term: Begin: _____, 200__ End: _____, 200__

Daily Contract Quantity: _____ Dth/day (the rate dictates whether or not the contract is firm or interruptible)

Backhaul (check if applicable)

Receipt Point: (select one)

<input type="checkbox"/> Topock	<input type="checkbox"/> Wheeler Ridge (North)	<input type="checkbox"/> Line 85
<input type="checkbox"/> North Needles	<input type="checkbox"/> Wheeler Ridge (South)	<input type="checkbox"/> North Coastal
<input type="checkbox"/> North Needles Expansion	<input type="checkbox"/> Kramer Junction	<input type="checkbox"/> Other
<input type="checkbox"/> Blythe	<input type="checkbox"/> Hector Road	

Rate: Primary Transaction

G-BRF1
 G-BRF2
 G-BRFS G-BRN: Reservation \$_____/Dth and/or Volumetric \$_____/Dth
 G-BRI: Tariff Rate or Volumetric Rate \$_____/Dth

Secondary Market Transaction

Rate Schedule: (check one) Reservation Rate

<input type="checkbox"/> G-BRF1	\$_____/Dth or % _____ Tariff
<input type="checkbox"/> G-BRF2	\$_____/Dth or % _____ Tariff
<input type="checkbox"/> G-BRFS	\$_____/Dth or % _____ Tariff
<input type="checkbox"/> G-BRFN	\$_____/Dth

Original BRC #: _____

Utility: _____ By: _____ Title: _____ Date: _____	Customer: _____ By: _____ Title: _____ Date: _____
--	---

AMENDMENT TO BACKBONE RECEIPT CONTRACT
(Form No. 6597-19, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien

Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002

EFFECTIVE _____

RESOLUTION NO. _____

**AMENDMENT TO
BACKBONE RECEIPT CONTRACT**

This Amendment is entered into as of the following date: _____.

The parties to this Amendment to the Backbone Receipt Contract (BRC) are the following:

Southern California Gas Company _____ and _____
555 West Fifth Street M.L. _____
Los Angeles, California 90013-1011 _____
Attn: _____ Duns # _____
Phone: _____ Fax: _____ Original Party's BRC # _____
Attn: _____
Phone: _____ Fax: _____
E-mail address: _____
Secondary Party's BRC # _____

This Amendment incorporates by reference for all purposes all of the terms and conditions of the Master Services Contract dated _____ between Southern California Gas Company and _____, the Backbone Receipt Contract Master Agreement dated _____ between Southern California Gas Company and _____ ("BRCMA"), and BRC dated _____ between Southern California Gas Company and _____. The parties hereby agree to the following provisions amending the provisions of said BRC:

SECTION 1. TERM

From _____ To _____.

SECTION 2. DAILY CONTRACT QUANTITY

Customer hereby elects to reduce the Daily Contract Quantity to _____ Dths/day.

SECTION 3. BROKERED RATE

Reservation Rate: \$ _____ per Dth or _____ % of Tariff Rate (if applicable)

IN WITNESS WHEREOF, the authorized representatives of parties have executed this Amendment to the BRC in duplicate.

Southern California Gas Company

"Utility"
By _____
Title _____

"Customer"
By _____
Title _____

NOMINATION AND TRADING AUTHORIZATION FORM
Designation of a Nominating or Trading Agent for Backbone
Receipt Master Agreement (Form No, 9924, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____



Nomination and Trading Authorization Form
(Designation of a Nominating or Trading Agent
for Backbone Receipt Master Agreement)

[Instructions: Use this form to officially notify the Southern California Gas Company of your intent to add a designated nominating or trading agent on your Backbone Receipt Master Agreement (BRMA). Type or print the information requested in the appropriate boxes, sign it, and fax it to: Capacity Products, fax # (213) 244-3897]

CUSTOMER

Customer Name:
BRMA #:

NOMINATION AUTHORIZATION

Customer hereby designates the following agent, with full authority to act on behalf of Customer, to make nominations, pursuant to SoCalGas' Rule No. 30, utilizing Customer's BRCs under the aforementioned BRMA. A Customer is allowed no more than one nominating agent at any one time, thus this authorization supersedes all previous authorizations.

Authorized Nominating Agent:
Effective Beginning: **through** *(end date is optional)*

Nominations placed by Customer and authorized nominating agent in total shall not exceed the Daily Contract Quantity (DCQ) of Customer's BRC on any day this authorization is in effect.

TRADING AUTHORIZATION (if applicable)

Customer hereby designates the following agent, with full authority to act on behalf of Customer, to make trades (buy or sell) of backbone receipt point rights for secondary marketing trading only, pursuant to SoCalGas' Rate Schedule No.G-BR, utilizing any of Customer's BRCs under the aforementioned BRMA. A Customer is allowed no more than one trading agent at any one time, thus this authorization supersedes all previous authorizations.

Authorized Trading Agent:
Effective Beginning: **through** *(end date is optional)*

Acts made by the agent shall be deemed acts of the Customer for all purposes, and Customer shall remain responsible for payment for all services contracted for under the referenced BRMA, and for compliance with all terms, conditions and obligations of the BRMA, applicable rate schedules, and SoCalGas Rules. Customer expressly agrees to indemnify and hold SoCalGas harmless for any damages, losses, judgments or expenses to SoCalGas, or claims against SoCalGas asserted by others, including expenses and attorney's fees in defending or settling such claims, arising out of any acts or omissions by the authorized agent and arising out of this Authorization, directly or indirectly, which violate or are not in compliance with SoCalGas' Rules, applicable rate schedules and contracts, or sound gas industry standards and practices.

Customer Signature:
Name:
Title:
Date:

**TERMINATION OF NOMINATING OR TRADING AGENT
FOR BACKBONE RECEIPT MASTER AGREEMENT**
(Form No. 9927, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____



Termination of Nominating or Trading Agent Form
(Termination of a Nominating or Trading Agent)
for Backbone Receipt Master Agreement)

[Instructions: Customers, use this form to officially notify Southern California Gas Company (“SoCalGas”) of your intent to terminate a designated nominating or trading agent on your Backbone Receipt Master Agreement (BRMA). Type or print the information requested in the appropriate boxes, sign it, and fax it to: Capacity Products, fax # (213) 244-3897]

SoCalGas may give notice of its receipt of this Form to Customer and/or to the Authorized Agent.

CUSTOMER

Customer:
BRMA #:

AUTHORIZED AGENT

This form serves as the notice to terminate the relationship between Customer and Authorized Agent named below.

[] Nominating Agent or [] Trading Agent

Month/Year

Requested Effective start date:

Customer Name:

Signature: Date:

Name:

Title:

ASSIGNMENT OF FIRM BACKBONE RECEIPT POINT RIGHTS
(Form No. 9926, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien

Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002

EFFECTIVE _____

RESOLUTION NO. _____



**Assignment of Firm Backbone Receipt Point Rights
(To be used to assign part or all of BRC rights)**

Assignor Information:

Date Requested: _____ (mm/dd/yy)
 Customer Name: _____
 BRC #: _____
 Rate Schedule: G-BRF1 G-BRF2 G-BRFS G-BRFN
 Receipt Point: Topock Hector Road Wheeler Ridge (North)
 Blythe Kramer Junction Wheeler Ridge (North)
 North Needles Line 85 North Coastal
 North Needles (expansion)

Firm Receipt Point Rights To Be Assigned:

Daily Contract Quantity (DCQ) _____ Dekatherms/day
 Term: Starting: _____ (mm/dd/yy) Ending: _____ (mm/dd/yy)
 Reservation Rate: _____ % of Tariff or \$ _____ /Dth
 Assignor to Retain Secondary Responsibility for payment: Yes No

Signed: _____
 Name: _____
 Title: _____

Assignee Information:

Customer Name: _____
 BRMA #: _____
 Signed: _____
 Name: _____
 Title: _____
 Dated: _____

SoCalGas Action:

Date: _____ (mm/dd/yy)

Approved: _____ (Y/N)

Reason Not Approved: _____

Assignee BRC #: _____

NOTICE BY CONTRACTED MARKETER
TO ADD OR DROP CUSTOMERS
(CM Form 2, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____



CM FORM 2 · Notice by Contracted Marketer to Add or Drop Customers

(Instructions: *Contracted Marketers*, use this form to officially notify the Southern California Gas Company (SoCalGas) of your intent to add or drop SoCalGas customers from your contracted marketer account. Type or print the information requested in the boxes, sign it, attach (on your company's letterhead) your list of customers you are adding or dropping, showing the customers legal name and Order Control Code (OCC), then fax both this CM Form 2 and your accompanying list of customer changes to SoCalGas Capacity Products **no later than 5 business days** before the Effective Date of your Agreement or the first of the following month (for changes thereafter).

Fax to: Capacity Products
(213) 244-3897

SoCalGas may give notice of its receipt of this Form to Contracted Marketer

Contracted Marketer:

Marketer Code:

Contracted marketer hereby notifies Southern California Gas Company ("Utility") of its intent to act as "Contracted Marketer" on behalf of the end-use Customers on the attached list.

Month/Yr

Requested Effective start date: the first day of

By signing this form, the Contracted Marketer understands that its authority to act on behalf of the end-use customer is at all times subject to the applicable terms and conditions of Utility's Tariff Rate Schedules and its contracts with Utility, including, without limitation, Contracted Marketer's ongoing obligation to establish its creditworthiness to act on behalf of parties, including customer, and the obligation of customer to send written notice to the Utility confirming this designation.

Contracted Marketer and customer have agreed that this designation may be terminated, by either Contracted Marketer or customer in its sole discretion, by providing official written notice of termination to Utility.

Customer:

Signature:

Date:

Name:

NOTICE BY CUSTOMER TO ADD OR CHANGE
AGENT OR CONTRACTED MARKETER
(CM Form 3, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____



CM FORM 3 • Notice by Customer to Add or Change Agent or Contracted Marketer

[Instructions: *Customers*, use this form to officially notify Southern California Gas Company (“SoCalGas”) of your intent to add or change a designated Agent or Contracted Marketer. Type or print the information requested in the appropriate boxes, sign it, then fax it to SoCalGas Capacity Products]

Fax to: Capacity Products
(213) 244-3897

Tell us what role your gas supplier will have by checking one of the following boxes.

Agent or **Contracted Marketer**

SoCalGas may give notice of its receipt of this Form to Customer.

Customer:

Customer OCC:

Agent or Contracted Marketer:

Customer hereby authorizes the above named Agent or Contracted Marketer to act on behalf of Customer pursuant to SoCalGas ("Utility") Tariff Rate Schedules and Rules, and contracts with Customer and Contracted Marketer. Customer understands that, if this notification is for a Contracted Marketer, notification must also be submitted by the Contracted Marketer (of Customer’s being one of Contracted Marketer’s account customers) in order to become effective.

Requested Effective start date: the first day of month/yr

Agent or Contracted Marketer and Customer have agreed that this designation may be terminated, by either Agent/Contracted Marketer or Customer in its sole discretion, by providing official written notice of termination to SoCalGas via CM Form 4 or by designating a new Contracted Marketer or Agent via Utility’s CM Form 3. In the case that Customer terminates a Contracted Marketer, we understand that the termination shall be effective on the first day of the month following the month of notice, if the notice is received by SoCalGas not less than five business days before the end of a calendar month

Such designation shall be subject to Agent or Contracted Marketer complying with applicable tariff and contractual provisions. Agent or Contracted Marketer shall have only those rights through *GasSelect* or manual transactions as marked with an X below: view meter data
 nominations
 imbalance trading

Customer Name:

Signature:

Name: Date:

Title:

NOTICE TO TERMINATE A CONTRACTED
MARKETER OR AGENT
(CM Form 4, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____



CM FORM 4 • Notice by Customer to Terminate A Contracted Marketer or Agent

[Instructions: *Customers*, use this form to officially notify Southern California Gas Company (“SoCalGas”) of your intent to terminate a Contracted Marketer or Agent and Utility customer relationship. Type or print the information requested in the appropriate boxes, sign at the bottom, then fax it to SoCalGas Capacity Products.]

Fax to: Capacity Products
(213) 244-3897

SoCalGas may give notice of its receipt of this Form to Customer and/or to the Contracted Marketer or Agent.

This form serves as the notice to terminate the relationship between Contracted Marketer or Agent and Customer named below.

[] Contracted Marketer or [] Agent

Customer:

Customer OCC:

We understand that the termination shall be effective as of the first day of the month following the month of this notice, if the notice is received by SoCalGas not less than five business days before the end of a calendar month.

Month/Year

Requested Effective start date: the first day of

Customer Name:

Signature:

Date:

Name:

Title:

ATTACHMENT A - CORE FIRM STORAGE DECLARATIONS
FOR RELIABILITY/BALANCING
(Form 6536-AA, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R6

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

ATTACHMENT A

CORE FIRM STORAGE DECLARATIONS FOR RELIABILITY/BALANCING

ALLOCATION, ACCEPTANCE AND ASSIGNMENT OF STORAGE FOR ESP

Energy Service Provider _____ **OCC Number** _____

This Attachment to the Energy Service Provider Agreement for Core Aggregation Service (ESP Agreement) executed by SoCalGas and Energy Service Provider (ESP)(also known as Core Transport Agents or CTAs) is made subject to its terms and provisions and is a legally binding contract as initialed and as executed.

This Attachment specifies the core firm storage capacity rights (Assigned Storage) to be utilized and paid for by ESP pursuant to rate Schedules G-CGS. The amount of Assigned Storage is based upon an Initial Storage Allocation, or if applicable, a Intra-Year Storage Allocation. For each adjustment or change in the amounts of Assigned Storage under Schedule G-CGS, a superseding Attachment A shall be executed and be in effect.

TERM

This Attachment A is effective from the first day of _____ (Month, Year) until the earlier of the last day of March _____ (Year) or the date a new Attachment A is effective.

CURRENT ALLOCATION CALCULATION

On this date, _____ (Date), the forecasted Winter Season throughput for the core customers who have contracted for procurement service from the ESP, as of _____(Date), is estimated to be _____decatherms

SoCalGas's forecasted total core Winter Season throughput is _____decatherms

The Allocation Factor (AF) for the Group is the ratio of the above two numbers = _____

ALLOCATION AND ASSIGNMENT

Initial Storage Allocation and Assignment

Row	Quantity	Allocation Factor	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
1	Total Authorized Reliability Rights		35,560,000	2,377,440	19,659,600
2	Initial Storage Allocation				

_____ SoCalGas initial _____ date _____ ESP initial _____ date

ATTACHMENT A (Continued)

Intra-Year Storage Allocation and Assignment

Row	Quantity	Allocation Factor	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
3	Intra-Year Storage Allocation				
4	Difference from Initial Storage Allocation ⁽²⁻³⁾				
5	Additional Capacity ¹				

ESP is required to accept additional capacity since inventory in line 4² > 10,000 Dth ___ Y/N

No update to initial capacity will be required since inventory in line 4 < 10,000 Dth ___ Y/N

_____ SoCalGas initial _____ date _____ ESP initial _____ date

Acknowledgment, Calculations, and Intra-Year Assignment (SoCalGas Use Only)

Row	Quantities	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
6	Additional Intra-Year Storage Allocation ⁽⁵⁾			
7	Resultant Assigned Storage ⁽²⁺⁵⁾			

_____ SoCalGas initial _____ date

¹ If additional capacity is negative and the amount is greater than 10,000 dths, the amounts listed represent amounts that are required to be returned to SoCalGas's Core Acquisition Department, as described in Schedule G-CGS.

² Please note that to determine if intra-year storage allocation is greater than the 10,000 dths threshold, must include both reliability and non-reliability storage (see form 6536-AB, for Non-reliability allocated amount).

SUMMARY

Parties agree that the following are the amounts of Assigned Reliability Storage rights for the term of this Attachment A.

Referenced Row	Quantities	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
8	Total Assigned Storage			

Energy Service Provider

Southern California Gas Company

(ESP Name)

(Authorized Representative)

(Authorized Representative)

(Title)

(Title)

(Signature)

(Signature)

(Date)

(Date)

ATTACHMENT B - CORE FIRM STORAGE
DECLARATIONS FOR NON-RELIABILITY/BALANCING
(Form 6536-AB, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien

Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002

EFFECTIVE _____

RESOLUTION NO. _____

ATTACHMENT B

CORE FIRM STORAGE DECLARATIONS FOR NON-RELIABILITY/BALANCING

ALLOCATION, ACCEPTANCE, ASSIGNMENT AND REJECTION OF STORAGE FOR ESP

Energy Service Provider _____ **OCC Number** _____

This Attachment to the Energy Service Provider Agreement for Core Aggregation Service (ESP Agreement) executed by SoCalGas and Energy Service Provider (ESP)(also known as Core Transport Agents or CTAs) is made subject to its terms and provisions and is a legally binding contract as initialed and as executed.

This Attachment specifies the core firm storage capacity rights (Assigned Storage) to be utilized and paid for by ESP pursuant to rate Schedules G-CGS. The amount of Assigned Storage is based upon an Initial Storage Allocation, or if applicable, a Intra-Year Storage Allocation. Acceptance or Rejections must be for the full storage reservation amount. For each adjustment or change in the amounts of Assigned Storage under Schedule G-CGS, a superseding Attachment B shall be executed and be in effect.

TERM

This Attachment B is effective from the first day of _____ (Month, Year) until the earlier of the last day of March _____ (Year) or the date a new Attachment B is effective.

CURRENT ALLOCATION CALCULATION

On this date, _____ (Date), the forecasted Winter Season throughput for the core customers who have contracted for procurement service from the ESP, as of _____(Date), is estimated to be _____decatherms

SoCalGas's forecasted total core Winter Season throughput is _____decatherms

The Allocation Factor (AF) for the Group is the ratio of the above two numbers = _____

ALLOCATION AND ASSIGNMENT

Initial Storage Allocation and Assignment (SoCalGas Use Only)

Row	Quantity	Allocation Factor	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
1	Total Authorized Non-Reliability Rights		35,560,000	944,880	0
2	Initial Storage Allocation				

_____ SoCalGas initial _____ date

ATTACHMENT B (Continued)

Initial Acceptance and Rejection (ESP Use Only)

Row	ESP Accepted Percentage (100%)	Rejected Percentage (100%)	Total
3			100%

_____ ESP initial ____ date

Acknowledgment, Calculations, and Initial Assignment (SoCalGas Use Only)

Row	Quantity	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
4	Resultant Assigned Storage (2X3)			
5	Resultant Rejected Capacity (2-4)			

_____ SoCalGas initial ____ date

Intra-Year Storage Allocation and Assignment (SoCalGas Use Only)

Row	Quantity	Allocation Factor	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
6	Intra-Year Storage Allocation				
7	Difference from Initial Storage Allocation				
8	Offered Additional Capacity ¹				

ESP required to accept additional capacity since inventory in line 7² > 10,000? ___ Y/N _____ SoCalGas initial ____ date

Intra-Year Acceptance and Rejection (ESP Use³)

Row	ESP Accepted Percentage (100%)	Rejected Percentage (100%)	Total
9			100%

_____ ESP/SoCalGas initial ____ date

¹ If offered additional capacity is negative, the amounts listed will not change from the initial allocation amount, in accordance with Schedule G-CGS.

² Please note that to determine if intra-year storage allocation is greater than the 10,000 dths threshold, must include both non-reliability and reliability storage (see form 6536-AA, for reliability allocated amount).

ATTACHMENT B (Continued)

Acknowledgment, Calculations, and Intra-Year Assignment (SoCalGas Use Only)

Row	Quantities	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
10	Intra-Year Storage Allocation Accepted (_____ %) (8x9)			
11	Resultant Assigned Storage (3+9)			
12	Resultant Rejected Capacity (5+8-11)			

_____ SoCalGas initial _____ date

RELEASE AND INDEMNITY

For any and all rejected SoCalGas storage allocations, the ESP releases SoCalGas from any and all liability arising out of or associated with the ESP's rejection thereof and with the associated inventory and withdrawal capacity not available for the ESP's use.

SUMMARY

Parties agree to the above terms and to the terms of SoCalGas's gas tariffs and agree that the following are the amounts of Assigned Storage and Rejected Storage for the term of this Attachment B.

Referenced Row	Quantities	Inventory (Dth)	Injection (Dth/day)	Withdrawal (Dth/day)
13	Total Assigned Storage			
14	Total Rejected Capacity			

Energy Service Provider

Southern California Gas Company

(ESP Name)

(Authorized Representative)

(Title)

(Signature)

(Date)

(Authorized Representative)

(Title)

(Signature)

(Date)

ATTACHMENT C - ENERGY SERVICE PROVIDER
BILLING AGREEMENT
(Form 6536-AC, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien

Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

ATTACHMENT C ENERGY SERVICE PROVIDER BILLING AGREEMENT

This Energy Service Provider (ESP) Billing Agreement ("Agreement") is made and entered into as of this _____ day of _____, 20____, by and between _____ ("Energy Service Provider" or "ESP") a _____, _____ organized and existing under the laws of the state of _____, and Southern California Gas Company ("SoCalGas"), a corporation organized and existing under the laws of the state of California. ESP and SoCalGas may be individually referred to herein as "Party" and collectively as the "Parties." This Agreement constitutes Attachment C to the Energy Service Provider Agreement for Gas Aggregation Service (Form No. 6536-A).

WHEREAS, the Parties desire to revise the current structure for ESP-consolidated billing services by having SoCalGas no longer send end-users served by ESP-consolidated billing an information-only bill; and

WHEREAS, the Parties agree that in lieu of SoCalGas sending an information-only bill, that the ESP shall be responsible for providing each end-user with the requisite billing and customer protection information.

NOW THEREFORE, the Parties, intending to be legally bound agree as follows:

Section 1. General Description of Agreement

- 1.1 This Agreement is a legally binding contract. The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference. This Agreement shall govern the business relationship between the Parties by which ESP shall offer ESP-consolidated billing to its customers. Each Party, by agreeing to undertake specific activities and responsibilities for or on behalf of customers, acknowledges that each Party shall relieve and discharge the other Party of the responsibility for said activities and responsibilities with respect to those customers. Except where explicitly defined herein, the definitions controlling this Agreement are contained in SoCalGas' applicable rules.
- 1.2 The form of this Agreement has been developed as part of the regulatory process of the California Public Utilities Commission (CPUC), was filed and approved by the CPUC for use between SoCalGas and ESP's and may not be waived, altered, amended or modified, except as provided herein or in the relevant SoCalGas tariff rules, or as may otherwise be authorized by the CPUC.

Section 2. Representations

- 2.1 Each Party represents that it is and shall remain in compliance with all applicable laws and tariffs, including applicable CPUC requirements.
- 2.2 Each person executing this Agreement for the respective Parties expressly represents and warrants that he or she has authority to bind the entity on whose behalf this Agreement is executed.
- 2.3 Each Party represents that (a) it has the full power and authority to execute and deliver this Agreement and to perform its terms and conditions; (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or

other action by such Party; and (c) this Agreement constitutes such Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.

- 2.4 Each Party shall (a) exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement; and (b) carry out its duties in accordance with applicable recognized professional standards in accordance with the requirements of this Agreement.

Section 3. Term of Agreement

- 3.1 Unless otherwise agreed to by the Parties in writing, the term of this Agreement shall commence on the date of execution by both Parties hereto (the "Effective Date") and shall terminate on the earlier of (a) the date the ESP informs SoCalGas that it is no longer operating as a ESP in SoCalGas' service territory; (b) the date of termination pursuant to an Event of Default as described in Section 4 of this Agreement; (c) the date of termination if and as ordered by the CPUC (see Section 16.2).

Section 4. Events of Default and Remedy for Default

- 4.1 An Event of Default under this Agreement shall include either Party's material breach of any provision of this Agreement, including those incorporated by reference herein, and failure to cure such breach within thirty (30) calendar days of receipt of written notice thereof from the non-defaulting Party or such other period as may be provided by this Agreement or SoCalGas' applicable tariffs.
- 4.2 If an Event of Default occurs, the non-defaulting Party shall be entitled (a) to exercise any and all remedies available under SoCalGas' applicable tariffs; (b) to the extent not inconsistent with SoCalGas' applicable tariffs, to exercise any and all remedies provided for by law or in equity; and (c) in the event of a material Event of Default, to terminate this Agreement upon written notice to the other Party, which shall be effective upon the receipt thereof.
- 4.3 Breach by any Party hereto of any provision of SoCalGas' applicable tariffs shall be governed by applicable provisions contained therein and each Party will retain all rights granted there under.

Section 5. Credits, Billing and Customer Protection Information

- 5.1 SoCalGas shall provide gas-billing credits to the ESP or the end-user, as appropriate, under the terms of SoCalGas' Gas Tariff G-CBC. SoCalGas shall provide such credits for the period during which SoCalGas no longer sends an information-only bill to the end-user served by ESP-Consolidated billing.
- 5.2 The ESP shall present the SoCalGas-provided charges, required legal and safety notices, bill inserts, and customer protection information in each end-user bill. The requisite information is set forth in Exhibit A. SoCalGas shall provide the requisite bill inserts and customer protection information to the ESP in the conventional paper format or any other format as defined by the utility on or before the date the insert begins running in SoCalGas delivered bills. If the ESP does not receive this information as scheduled, the ESP shall promptly notify SoCalGas. Any dispute arising between the Parties relating to the Parties' obligations under Section 5.2 shall be reduced to writing and referred to the Parties' representatives as set forth in Section 13.2.
- 5.3 At a minimum, the ESP shall provide the SoCalGas customer billing information to end-users as set forth in Exhibit A, as well as any new SoCalGas billing charges as changes

occur which are necessary to allow the customer to readily recalculate their SoCalGas charges. As set forth in Exhibit A, the ESP shall also provide a statement of SoCalGas' core procurement gas price in each end-user bill. SoCalGas shall provide its core procurement gas price to ESPs with the end-users monthly billing information. SoCalGas will provide the end-users monthly billing information consistent with its normal billing cycle schedule in the conventional paper format or any other format as defined by SoCalGas. Any dispute arising between the Parties relating to the Parties' obligations under Section 5.3 shall be reduced to writing and referred to the Parties' representatives as set forth in Section 13.2.

- 5.4 Within fifteen (15) calendar days of the execution of this Agreement, the ESP shall provide to SoCalGas a copy of a proposed written notification to each end-user receiving ESP-consolidated billing. That notification will explain that SoCalGas shall no longer be providing an information-only bill to that end-user. Within thirty- (30) calendar days of the execution of this Agreement, the ESP shall provide such written notice to end-users. Any dispute arising between the Parties relating to the Parties' obligations under Section 5.4 shall be reduced to writing and referred to the Parties' representatives as set forth in Section 13.2.
- 5.5 ESP shall be liable for all damages (whether direct, indirect, consequential or incidental) to SoCalGas associated with or arising from its modification of or failure to provide a customer with any utility-provided bill insert. ESP further agrees to assume all liability (whether direct, indirect, consequential or incidental) associated with or arising from its modification of or failure to provide a customer with any utility-provided bill insert. Accordingly, pursuant to Section 8, the ESP shall indemnify SoCalGas for all liability, including direct and consequential damages that may result if the ESP modifies or fails to provide any customer with any information provided by SoCalGas to the ESP pursuant to this Section. Any disputes concerning the content of SoCalGas-provided information shall be resolved pursuant to Section 13.

Section 6. Compliance Requirements - Billing Information to be Provided by ESP

- 6.1 Within fifteen (15) calendar days of execution of this Agreement, the ESP shall provide SoCalGas a sample of the billing information that the ESP shall provide to its end-users served by ESP-consolidated billing. This billing information shall include the information set forth in Exhibit A. The ESP shall present the provided billing information to its end-users for the duration of this Agreement.
- 6.2 No less than two times a year during the term of this Agreement, the ESP shall provide SoCalGas with representative samples of bills actually presented to end-users under ESP-consolidated billing. The bills shall establish that the requisite customer information has been presented by the ESP to the end-user. Unless otherwise agreed upon by the Parties, the ESP shall provide SoCalGas with representative samples on or about March 1 and September 1, of each calendar year.

Section 7. Limitation of Liability

- 7.1 Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorneys' fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred, except as provided in Section 5.5 and Section 8. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability, except in the event of an action covered by the Indemnification provisions of Section 8 of this Agreement, in which event this Section 7 shall not be applicable.

Section 8. Indemnification

- 8.1 To the fullest extent permitted by law, each Party (the “Indemnifying Party”) shall indemnify and hold harmless the other Party, and its current and future direct and indirect parent companies, affiliates and their shareholders, officers, directors, employees, agents, servants, and assigns (collectively, the “Indemnified Party”) and at the Indemnified Party’s option, the Indemnifying Party shall defend the Indemnified Party from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including, but not limited to, the Indemnified Party’s employees and its affiliates’ employees, subcontractors and subcontractors’ employees, or any other liability incurred by the Indemnified Party, including reasonable expenses, legal and otherwise, which shall include reasonable attorneys’ fees, caused wholly or in part by any negligent, grossly negligent, or willful act or omission by the Indemnifying Party, its officers, directors, employees, agents, or assigns arising out of this Agreement, except to the extent caused wholly or in part by any negligent, grossly negligent, or willful act or omission of the Indemnified Party.
- 8.2 If any claim covered by Section 8.1 is brought against the Indemnified Party, then the Indemnifying Party shall be entitled to participate in, and unless in the opinion of counsel for the Indemnified Party a conflict of interest between the Parties may exist with respect to such claim, assume the defense of such claim, with counsel reasonably acceptable to the Indemnified Party. If the Indemnifying Party does not assume the defense of the Indemnified Party, or if a conflict precludes the Indemnifying Party from assuming the defense, then the Indemnifying Party shall reimburse the Indemnified Party on a monthly basis for the Indemnified Party’s defense through separate counsel of the Indemnified Party’s choice. Even if the Indemnifying Party assumes the defense of the Indemnified Party with acceptable counsel, the Indemnified Party, at its sole option, may participate in the defense, at its own expense, with counsel of its own choice without relieving the Indemnifying Party of any of its obligations hereunder.
- 8.3 The Indemnifying Party’s obligation to indemnify under this Section 8 shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Indemnifying Party under any statutory scheme, including, without limitation, under any Worker’s Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

Section 9. Entire Agreement

- 9.1 Except as provided in Section 16, this Agreement supersedes all other agreements or understandings, written or oral, between the Parties concerning the specific subject matter hereof. This Agreement may be modified from time to time only by an instrument in writing, signed by both Parties.

Section 10. Nondisclosure

- 10.1 Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including affiliates of such Party, without the express prior written consent of the other Party. As used herein, the term “Confidential Information” shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, customers of either or both Parties, suppliers for either Party, personnel of either Party, any trade secrets, and other information of a similar nature, whether written or in intangible form that is marked proprietary or confidential with the appropriate owner’s name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information

obtained by a Party from a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a party who was under an obligation of confidentiality to the other Party to this Agreement or information developed by either Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own confidential information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

- 10.2 Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling, or order, provided that (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosure, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

Section 11. Notices

- 11.1 Except as otherwise provided in this Agreement, any notices under this Agreement shall be in writing and shall be effective upon delivery if delivered by (a) hand; (b) U.S. Mail, first class postage pre-paid; or (c) facsimile, with confirmation of receipt to the Parties as follows:

If the notice is to the ESP:

Contact Name: _____
Business Address: _____

Facsimile: _____

If the notice is to SoCalGas:

Contact Name: Customer Choice Manager
Business Address: Southern California Gas Company
Mail Code GT15F4
555 W. Fifth Street
Los Angeles, CA 90013-1010

- 11.2 Each Party shall be entitled to specify as its proper address any other address upon written notice to the other Party.
- 11.3 The Parties' representatives identified on Exhibit B shall be contacted with respect to specific operational matters relating to core aggregation service. Each Party shall be entitled to specify any change to such person(s) upon written notice to the other Party.

Section 12. Time is of the Essence

- 12.1 The Parties expressly agree that time is of the essence for all portions of this Agreement.

Section 13. Dispute Resolution

- 13.1 The form of this Agreement has been filed with and approved by the CPUC as part of SoCalGas' applicable tariffs. Except as provided in Section 13.2 and 13.3, any dispute arising between the Parties relating to interpretation of the provisions of this Agreement or to the performance of SoCalGas' obligations hereunder shall be reduced to writing and referred to the Parties' representatives identified on Exhibit B for resolution. Should such a dispute arise, the Parties shall be required to meet and confer in an effort to resolve their dispute. Pending resolution, the Parties shall proceed diligently with the performance of their respective obligations under this Agreement, except if this Agreement has been terminated under Section 4.2. If the Parties fail to reach an agreement within a reasonable period of time, the matter shall, upon demand of either Party, be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes.
- 13.2 Any dispute arising between the Parties relating to the Parties obligations under Sections 5.2, 5.3, and 5.4 of this Agreement shall be reduced to writing and referred to the Parties' representatives identified on Exhibit B for resolution. Should such a dispute arise, the Parties shall be required to meet and confer before the Energy Division of the CPUC in an effort to resolve their dispute. If the Parties are unable to resolve their dispute, the matter shall be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes. Pending resolution, the Parties shall proceed diligently with the performance of their respective obligations under this Agreement, except if this Agreement has been terminated under Section 4.2.
- 13.3 If the dispute involves a request for damages, parties are notified that the Commission has no authority to award damages. To resolve such issues, the parties may mutually agree to pursue mediation or arbitration to resolve such issues, or if no agreement is reached, to pursue other legal remedies that are available to the parties.

Section 14. Not a Joint Venture

- 14.1 Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture, or to impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be liable, individually and severally, for its own obligations under this Agreement.

Section 15. Conflicts Between this Agreement and SoCalGas' Applicable Tariffs

- 15.1 Should a conflict exist or develop between the provisions of this Agreement and SoCalGas' applicable tariffs, as approved by the CPUC, the provisions of SoCalGas' applicable tariffs shall prevail.

Section 16. Amendments or Modifications

- 16.1 Except as provided in Section 16.2, no amendment or modification shall be made to this Agreement, in whole or in part, except by an instrument in writing executed by authorized representatives of the Parties, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.
- 16.2 This Agreement may be subject to termination by, or to such changes or modifications as, the CPUC may from time to time direct or necessitate in the exercise of its jurisdiction, and the Parties may amend the Agreement to conform to changes directed or necessitated by the CPUC. In the event the Parties are unable to agree on the required

changes or modifications to this Agreement, their dispute shall be resolved in accordance with the provisions of Section 13 hereof or, in the alternative, the ESP or SoCalGas may elect to terminate this Agreement upon written notice to the other party, which shall be effective upon the receipt thereof. SoCalGas retains the right to unilaterally file with the CPUC, pursuant to the CPUC's rules and regulations, an application for a change in SoCalGas' rates, charges, classification, service or rules, or any agreement relating thereto.

Section 17. Audits

- 17.1 SoCalGas and the ESP shall each retain such specific records as may be required to substantiate the fulfillment of the Parties' obligations under this Agreement.
- 17.2 If the Energy Division reasonably believes that an error related to the ESP's obligations under Sections 5.2, 5.3, 6.1 and 6.2 of this Agreement may have occurred, the Energy Division may request from the ESP the production of such documents as may be required to substantiate the fulfillment of the ESP's obligations under this Agreement. The ESP shall provide such documents to the Energy Division within ten (10) business days of such request. In the event the Energy Division, upon review of such documents, determines that the ESP's duty under the Agreement has been breached, the Energy Division shall send a letter to both SoCalGas and the ESP notify the Parties that a breach has occurred.
- 17.3 When either Party reasonably believes that an error related to the Parties' obligations under this Agreement may have occurred except with respect to the Parties' obligations under Sections 5.2, 5.3, 6.1 and 6.2, a Party may request the production of such documents as may be required to substantiate the fulfillment of the Parties' obligations under this Agreement. Such documents shall be provided within ten (10) business days of such request. In the event the requesting Party, upon review of such documents, continues to believe that the other Party's duty under the Agreement has been breached, the requesting Party may direct that an audit be conducted. SoCalGas and the ESP shall designate their own employee representative or their contracted representative to audit the other Party's records. Nothing in Section 17.3 implies the right or obligation of SoCalGas to audit or enforce the ESP's obligations under Sections 5.2, 5.3, 6.1 and 6.2 of this Agreement.
- 17.4 Any such audit shall be undertaken by SoCalGas, the ESP, the Energy Division or their contracted representative at reasonable times without interference with the audited Party's business operations, and in compliance with the audited Party's security procedures. SoCalGas and the ESP agree to cooperate fully with any such audit.
- 17.5 Except as described in Section 17.2, the auditing party will notify the audited party in writing of any exception taken as a result of an audit. The audited Party shall refund the amount of any undisputed exception to the auditing party within thirty (30) calendar days. If the audited Party fails to make such payment, the audited Party agrees to pay interest, accruing monthly, at a rate of 1/12th of the interest rate on Commercial Paper (prime, three month), published the prior month in the Federal Reserve Statistical Release, G.13., or its successor publication, in effect from time to time, but not to exceed the maximum contract rate permitted by the applicable usury laws of the State of California. Interest will be computed from the date of written notification of exceptions to the date the audited Party reimburses the auditing party for any exception.
- 17.6 This right to audit shall extend for a period of three (3) years following the date of termination of this Agreement. Each party and each subcontractor shall retain all necessary records and documentation for the entire length of this audit period.

Section 18: Miscellaneous

- 18.1 Unless otherwise stated in this Agreement (a) any reference in this Agreement to a section, subsection, exhibit or similar term refers to the provisions of this Agreement; (b) a reference to a section includes that section and all its subsections; and (c) the words "include," "includes," and "including" when used in this Agreement shall be deemed in each case to be followed by the words "without limitation." The Parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement.
- 18.2 The provisions of this Agreement are for the benefit of the Parties and not for any other person or third party beneficiary. The provisions of this Agreement shall not impart rights enforceable by any person, firm or organization other than a Party or a successor or assignee of a Party to this Agreement.
- 18.3 The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and shall in no way define, modify or restrict any of the terms and provisions thereof.
- 18.4 Each Party shall be responsible for paying its own attorneys' fees and other costs associated with this Agreement, except as provided in Sections 7 and 8 hereof. If a dispute exists hereunder, the prevailing Party, as determined by the CPUC, or as may otherwise be determined by the dispute resolution procedure contained in Section 13 hereof, if used, or by a court of law, shall be entitled to reasonable attorneys' fees and costs.
- 18.5 To the extent that the CPUC has a right under then-current law to audit either Party's compliance with this Agreement or other legal or regulatory requirements, that Party shall cooperate with such audits. Nothing in this Section shall be construed as an admission by either Party with respect to the right of the CPUC to conduct such audits or the scope thereof.
- 18.6 Except as otherwise provided in this Agreement, all rights of termination, cancellation or other remedies in this Agreement are cumulative. Use of any remedy shall not preclude any other remedy in this Agreement.

The Parties have executed this Agreement on the dates indicated below, to be effective upon the later date.

On Behalf of ESP

By: _____
Name: _____
Title: _____
Date: _____

On Behalf of SoCalGas

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
REQUISITE BILL INFORMATION

1. Summary of SoCalGas charges:
 - a. Transportation charge
 - b. Other charges and credits
 - c. Billing credit

2. Gas Account Detail:
 - a. SoCalGas Account Number
 - b. Gas meter number
 - c. From/to service dates
 - d. Billing days
 - e. Prior/current meter reads*
 - f. Meter read difference or volumes
 - g. Multiplier
 - h. Usage

3. Core procurement gas price

4. Mandated SoCalGas bill messages

5. SoCalGas toll-free telephone number

6. Bill dispute information

7. Rates and rules

*For electronic measurement devices, not applicable.

**Exhibit A
Requisite Billing Information
Sample - Residential**

SUMMARY OF SOCALGAS CHARGES

Customer Charge	\$XX.XX
SoCalGas Gas Transportation	\$XX.XX
State Regulatory Fee	\$XX.XX
Municipal Trans Surcharge	\$XX.XX
Public Purpose Surcharge	\$XX.XX
Municipal Trans Tax	\$XX.XX
Los Angeles City Users Tax	\$XX.XX
Billing Credit	\$ - .78

GAS ACCOUNT DETAIL

SoCalGas Account Number: XXX XXX XXXX X	Gas Meter Number: 99999999			
Service: From XX/XX/XX	To XX/XX/XX	Billing Days: XX		
<u>Prior Meter Read</u> XXXX	<u>Current Meter Read</u> XXXX	<u>Difference</u> XX	<u>Multiplier</u> X.XXX	<u>Usage</u> XXXX

GAS PROCUREMENT PRICE

SoCalGas' current gas procurement charge is \$X.XXXXX/Therm.

MANDATED SOCALGAS BILL MESSAGES

Send in your CARE application now. If you qualify for our California Alternative Rates for Energy (CARE) Program, you will reduce your service establishment charge and also get the lower CARE rate on your monthly bill.

DISPUTED BILLS

SoCalGas 1-800-427-2200 (Residential)
1-800-427-2000 (Non-Residential)

"Should you question the amount of this bill, please request an explanation from SoCalGas. If you thereafter believe you have been billed incorrectly, the amount of the bill should be deposited with the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, e-mail: consumer-affairs@cpuc.ca.gov, to avoid discontinuance of service. Make remittance payable to the California Public Utilities Commission, and attach the bill and the statement supporting your belief that the bill is not correct. The Commission will review the basis of the billed amount and make disbursement in accordance with its findings. However, the Commission will not accept the deposits when it appears that the dispute is over matters such as quality of service, level of rates, pending applications for rate increase, etc., which do not relate directly to the question of the accuracy of the bill."

If you do not make such a deposit with the Commission within 15 days after The Gas Company notifies you of your right to do so, The Gas Company may discontinue your service for non-payment.

RATES AND RULES

SoCalGas's rate schedules and rules, on file and approved by the CPUC, are available on the Internet at www.socalgas.com. Copies of applicable tariffs may also be obtained by calling 1-800-427-2200 or visiting any company bill payment office.

EXHIBIT B

A. Definitions:

ESP-Consolidated Billing - The process by which the ESP prepares a consolidated bill and presents the bill to an end-use customer. The bill shall include the customer's ESP charges and SoCalGas charges.

Information-Only Bill - The bill required by SoCalGas to be provided to end-use customers served under ESP-consolidated billing, pursuant to CPUC Decision 95-07-048.

ESP Charges - Charges for services to an end-use customer provided by the ESP.

SoCalGas Charges - Charges (a) for services provided by SoCalGas; or (b) which are energy-related and which are approved by the CPUC or the Federal Energy Regulatory Commission. This term may also include any applicable credits due to the end-use customer or Energy Service Provider.

B. Parties' Representatives:

SoCalGas Representative:

Customer Choice Manager
Southern California Gas Company
Mail Code GT15F4
555. W. Fifth Street
Los Angeles, CA 90013-1010

ESP Representative: _____

Contact Name _____

Business Address _____

MASTER SERVICES CONTRACT - SCHEDULE B
CONTRACTED MARKETER AGREEMENT
(Form No. 6597-2, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

MASTER SERVICE CONTRACT
SCHEDULE B
CONTRACTED MARKETER AGREEMENT

Billing Account Number: _____

Contract Number (Default Balancing): _____

Contract Number (Self-Balancing): _____

This Contracted Marketer Agreement (“Agreement”) is entered into as of the ____ day of _____, 20____, by and between Southern California Gas Company (“Utility”) and _____, (“Customer”) and is an independent Agreement incorporating by reference all of the terms and conditions of that certain Master Services Contract (“MSC”) executed between the parties.

NOW THEREFORE, in consideration of the promises and mutual undertakings set forth below, the parties agree as follows:

Section 1 - Status

(B) Customer - Customer wishes to participate in Utility’s Contracted Marketer Program (Rule No. 35, Contracted Marketer Program) as a Contractor. Customer has met the creditworthiness requirements of Rule Nos. 35, Contracted Marketer Program, and Rule No. 39, Customer Creditworthiness, as of the date hereof. Customer understands that its continued participation in the Program is subject to its continuing to meet the creditworthiness requirements.

(C) End User - Customer shall, upon request, provide Utility a written list of the end-users it represents, and shall update the list periodically as requested by Utility.

Section 2 - Services

Utility shall provide Customer those services set forth in Utility’s Tariff Rule No. 35, Contracted Marketer Program, and other Tariff Rate Schedules and Rules applicable to a Contractor under Utility’s Contracted Marketer Program.

Section 3 - Term

(A) Effective Date - This Agreement shall be effective at 6:00 a.m. on _____.

(B) Termination Date - Unless terminated early pursuant to the provisions of Section 3(C), this Agreement shall continue for one complete calendar month from the Effective Date and shall continue month to month thereafter until terminated by either party on 30 days prior written notice.

(C) Early Termination - This Agreement may be terminated by Utility prior to the end of the term in accordance with the provisions specified in Rule No. 35, Contracted Marketer Program, and Rule No. 39, Customer Creditworthiness.

Section 4 - Rates

(A) Customer Charges - Customers shall pay the rates and charges (including any franchise fee or other rate component) and any applicable taxes, utility users' tax or similar assessments which become applicable to this Agreement.

Section 5 - Billing and Payment

Billing and payment terms and conditions will be in accordance with Utility's Rule No. 09, Discontinuance of Service, and the MSC.

Section 6 - Notices

Notices - All notices shall be sent by facsimile on a business day and during business hours for the receiving party, with a confirming copy thereof being sent by U.S. Mail, first class postage prepaid, to the following locations:

<u>Utility</u>	<u>Customer</u>
Southern California Gas Co. 555 W. 5th Street Los Angeles, CA Attn: <u>Capacity Products</u> (for contract matters)	Customer Name _____ Street Address _____ City, State, Zip _____ Attn: _____ (for contract matters)
Attn: <u>Gas Scheduling</u> (for operating matters)	Attn: _____ (for operating matters)

The parties' **telefax** numbers are:

<u>Utility</u>	<u>Customer</u>
<u>(213) 244-3897</u> (contract)	_____ (contract)
<u>(213) 244-8281</u> (operating)	_____ (operating)

24-hour operating contacts for the parties are:

<u>Utility</u>	<u>Customer</u>
Title: <u>Gas Scheduling</u>	Title: _____
Phone: (213) 244-3900	Phone: _____

Notices shall be deemed to be received after the facsimile has been sent and as of the day of mailing the confirming copy if the confirming copy is mailed on a business day during business hours of the receiving party; if not, such notice shall be deemed received as of the following business day. The designated contacts, addresses and telefax numbers may be changed from time to time, by the party affected, after seven (7) days written notice.

Section 7 - Tariffs/Government

(A) Tariff Schedules - This Agreement shall be subject to Utility's Tariff Rate Schedules and Tariff Rules as in effect from time to time, including without limitation, Tariff Rule No. 35, Contracted Marketer Program, and Rule No. 39, Customer Creditworthiness.

(B) Continuing CPUC Jurisdiction - This Agreement shall be subject to the continuing jurisdiction of the CPUC (including, without limitation to such changes or modifications as the CPUC may direct from time to time), and all rules, laws, orders, regulations or decisions by any governmental entity (including a court) having jurisdiction.

Section 8 - MSC

This Agreement is included as a Schedule to a Master Services Contract ("MSC") between the parties and incorporates by reference all of its terms and conditions.

Section 9 - Special Conditions

The following special conditions shall apply to this Agreement:

IN WITNESS WHEREOF, the authorized representatives of the parties have executed two (2) duplicate copies hereof as of the date written above.

"CUSTOMER"

"UTILITY"

Southern California Gas Company

By: _____

By: _____

Title: _____

Title: _____

MASTER SERVICES CONTRACT - SCHEDULE I
TRANSACTION BASED STORAGE SERVICE AGREEMENT
(Form No. 6597-11, 5/02)

Sheet 1

(See Attached Form)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
DECISION NO. 01-12-018

1R5

ISSUED BY

Lee Schavrien

Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 1, 2002
EFFECTIVE _____
RESOLUTION NO. _____

MASTER SERVICES CONTRACT

SCHEDULE I

TRANSACTION BASED STORAGE SERVICE AGREEMENT

THIS TRANSACTION BASED STORAGE SERVICE AGREEMENT ("Agreement") is entered into as of the ____ day of _____, _____, by and between Southern California Gas Company ("Utility") and _____ ("Customer") and sets forth the terms and conditions under which Utility will provide storage services to Customer. This Agreement shall be attached to and incorporated as Schedule I to the Master Services Contract ("MSC") entered into by the parties, constituting an independent Agreement.

SECTION 1 - STORAGE SERVICES

(a) For the Time Period for Service indicated below (the "Service Period"), Utility shall provide Customer with the storage services set forth below. This Agreement and the rights established herein shall be subject to the terms and conditions of Utility's Tariff Rate Schedule G-TBS ("G-TBS") and other applicable Tariff Rules and Schedules as amended from time to time (including, without limitation, the definitions in Utility's Tariff Rule No. 1).

<u>Storage Services</u>	<u>Maximum Quantity</u>	<u>Firm or Interruptible</u>	<u>Time Period for Service ("Service Period")</u>
Inventory	_____ (Dth)	_____	_____
Injection	_____ (Dth/day)	_____	_____
Withdrawal	_____ (Dth/day)	_____	_____

(b) Other: _____.

SECTION 2 - RESERVATION AND STORAGE CHARGES

(a) Customer agrees to pay to Utility the following charges:

<u>Storage Services</u>	<u>Quantity (Dth)</u>	<u>Unit Reservation Charges</u>	<u>Variable Storage Charges</u>	
			<u>In-Kind Fuel</u>	<u>O&M Injection or Withdrawal</u>
Inventory	_____ (Dth)	_____ \$(/Dth)		
Injection	_____ (Dth/day)	_____ \$(/Dth/day)	_____ %	_____ \$(/Dth)
Withdrawal	_____ (Dth/day)	_____ \$(/Dth/day)		_____ \$(/Dth)

(b) Other charges: _____.

SECTION 3 - TRANSMISSION CHARGES

(a) Customer agrees to pay Utility all applicable transportation charges incurred to move gas to Utility system, including receipt point access fees, if applicable.

(b) Other transportation charges and conditions: _____.

SECTION 4 - BILLING AND PAYMENT

(a) All reservation charges shall be billed by Utility and paid by Customer in equal monthly installments over the Service Period of this Agreement. All other charges shall be billed and paid as the applicable services are provided.

(b) All bills shall be timely paid in accordance with the provisions of the MSC and Rule No. 09.

(c) In the event of a billing dispute, the bill must be paid in full by Customer pending resolution of the dispute. Such payment shall not be deemed a waiver of Customer's right to a refund. All bills shall be sent to Customer and paid to Utility at the address specified in the MSC.

SECTION 5 – STORAGE RECEIPT AND DELIVERY POINTS

(a) The Point of Receipt for gas to be injected into storage is the SoCalGas Citygate.

(b) The Points of Delivery for gas withdrawn from storage are the end-use Facilities located inside Utility's service territory, and the SoCalGas Citygate.

(c) Other: _____.

SECTION 6 - MISCELLANEOUS

(a) Notices - All notices and requests under this Agreement shall be deemed to have been duly given if sent by facsimile (fax) properly addressed, and with confirming original copy thereof being sent by postage prepaid, certified mail properly addressed, as follows:

<u>CUSTOMER</u>	<u>UTILITY</u>
<u>Operating Matters</u>	
Contact Name _____	Contact Name _____
Contact Title _____	Contact Title _____
Telephone _____	Telephone _____
Fax No. _____	Fax No. _____
<u>Billing Matters</u>	
Contact Name _____	Contact Name _____
Contact Title _____	Contact Title _____
Telephone _____	Telephone _____
Fax No. _____	Fax No. _____
<u>Contract Matters</u>	
Contact Name _____	Contact Name _____
Contact Title _____	Contact Title _____
Telephone _____	Telephone _____
Fax No. _____	Fax No. _____

Either party may change its designation set forth above by giving the other party at least seven (7) days prior written notice.

(b) Governing Law - This Agreement shall be construed in accordance with the laws of the State of California and the orders, rules and regulations of the Public Utilities Commission of the State of California in effect from time to time.

(c) Creditworthiness - At all times during this Agreement, Customer shall be subject to the creditworthiness requirements of Rule No. 39.

(d) Limited Storage Liability - Utility shall not be responsible for any loss of gas in storage, including, without limitation, losses due to the inherent qualities of gas (including leakage and migration) or due to physical or legal inability to withdraw gas from storage, unless such loss is caused by failure of Utility to exercise the ordinary care and diligence required by law. In the event of any such loss, the portion of such loss which is attributable to Customer shall be determined based on Customer's pro rata share of the total recoverable working gas inventory in Utility's storage facilities at the time of the loss.

(e) Incorporated Provisions - All provisions of the MSC are incorporated by reference herein as if set forth in full herein.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed two (2) duplicate original copies of this Agreement as of the date first written above.

CUSTOMER

SOUTHERN CALIFORNIA GAS COMPANY

By _____

By _____

Title: _____

Title: _____

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 1, 2002
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G-EN	Core Gas Engine Service for Agricultural Water Pumping	35127-G,35128-G,31027-G	T
GT-EN	Core Transportation-only Gas Engine Service for Agricultural Water Pumping	35129-G,35130-G,35131-G	T
G-NGV	Natural Gas Service for Motor Vehicles	35132-G,35133-G,31028-G	T
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GO-ET	Emerging Technologies Optional Rate for Core Commercial and Industrial	30200-G,35138-G,30202-G	T
GTO-ET	Transportation-Only Emerging Technologies Optional Rate for Core Commercial and Industrial	35139-G,35140-G,30205-G	T
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GTO-IR	Transportation-Only Incremental Rate for Existing Equipment for Core Commercial and Industrial	35142-G,35143-G,30211-G	T
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(TO BE INSERTED BY UTILITY)
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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3146
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Lee Schavrien
 Vice President
 Regulatory Affairs

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(TO BE INSERTED BY UTILITY)
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Lee Schavrien
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(Continued)

(TO BE INSERTED BY UTILITY)
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ISSUED BY
Lee Schavrien
 Vice President
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38	Commercial/Industrial Equipment Incentive Program	32745-G, 32746-G, 32747-G, 32748-G, 32749-G
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(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3146
 DECISION NO. 01-12-018

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

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DATE FILED May 1, 2002
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ATTACHMENT C

Advice No. 3146

Summary of Revenue Changes

and

Summary of Present and Proposed Rates

Plus

Additional Tables

ATTACHMENT C-1

Advice No. 3146

SUMMARY OF TRANSPORTATION REVENUE CHANGES 1/

SOUTHERN CALIFORNIA GAS COMPANY

GIR Implementation: Revenues Reflecting All GIR Provisions

	PROPOSED RATES REFLECTING STORAGE UNBUNDLING (M\$) (A)	PROPOSED RATES REFLECTING ALL GIR PROVISIONS (M\$) (B)	INCREASE (DECREASE) (M\$) (C=B-A)	CHANGE (%) (D=C/A)
CORE PROCUREMENT:				
RESIDENTIAL	972,693	911,664	(61,029)	(6.274)
LARGE MASTER METERED	7,375	6,453	(922)	(12.501)
CORE COMMERCIAL & INDUSTRIAL	173,194	159,945	(13,249)	(7.650)
GAS A/C	112	101	(11)	(9.396)
GAS ENGINE	2,479	2,108	(370)	(14.938)
TOTAL CORE PROCUREMENT	1,155,852	1,080,272	(75,580)	(6.539)
CORE TRANSPORTATION:				
RESIDENTIAL	9,825	9,209	(616)	(6.274)
LARGE MASTER METERED	74	65	(9)	(12.501)
CORE COMMERCIAL & INDUSTRIAL	31,378	28,844	(2,535)	(8.078)
GAS A/C	15	13	(1)	(9.398)
GAS ENGINE	130	111	(19)	(14.938)
TOTAL CORE TRANSPORTATION	41,423	38,241	(3,181)	(7.680)
TOTAL CORE	1,197,275	1,118,513	(78,762)	(6.578)
NONCORE:				
COMMERCIAL & INDUSTRIAL	63,820	51,726	(12,093)	(18.949)
ELECTRIC GENERATION 2/	61,937	36,889	(25,047)	(40.440)
NONCORE SUBTOTAL	125,756	88,616	(37,141)	(29.534)
WHOLESALE				
LONG BEACH	1,273	586	(687)	(53.964)
SAN DIEGO GAS & ELECTRIC	18,094	5,620	(12,474)	(68.940)
SOUTHWEST	1,408	606	(802)	(56.992)
VERNON	725	286	(440)	(60.606)
TOTAL WHOLESALE	21,500	7,097	(14,403)	(66.991)
INTERNATIONAL				
DGN	542	230	(311)	(57.196)
UNBUNDLED STORAGE	21,381	21,381	-	-
	0	0	-	N/A
NET CARE REVENUES	2,050	2,050	-	-
SYSTEM TOTAL	1,368,505	1,237,888	(130,617)	(9.545)
TOTAL ALLOCATED PPP REVENUES	124,160	124,160	-	-
UNALLOCATED PPP REVENUES	32	32	-	-
EOB REVENUES	22,777	18,729	(4,049)	(17.775)

1/ Column A revenues contain core seasonal storage and system backbone costs. Column B revenues does not contain such charges.

2/ Includes Common EG Adjustment Change of \$084M.

ATTACHMENT C-2

Advice No. 3146

**SOUTHERN CALIFORNIA GAS COMPANY
SUMMARY OF PRESENT AND PROPOSED RATES 1_\
GIR Implementation: Rates Reflecting All GIR Provisions**

Class of Service		Proposed	Proposed	Increase/Decrease	
		Rates Reflecting Storage Unbundling	Rates Reflecting All GIR Provisions	Rate	%
		(a)	(b)	(c)=(b)-(a)	(d)=(c)/(a)
CORE - TRANSPORTATION COMPONENT					
Residential					
Average Residential					
Customer Charge	\$/month	\$5.00	\$5.00	-	0.00%
Baseline	¢/th	22.522	20.106	(2.416)	-10.73%
Non-Baseline	¢/th	40.473	37.936	(2.537)	-6.27%
Average Residential Rate	¢/th	39.158	36.701	(2.457)	-6.27%
Non-Residential					
Core Commercial & Industrial					
Customer Charge	\$/month	<u>Combined C/I</u> \$10.00/15.00	<u>Combined C/I</u> \$10.00/15.00	N/A	N/A
Tier I (0-100 S, 250 W)	¢/th	36.886	35.165	(1.721)	-4.67%
Tier II (Tier I-4167)	¢/th	19.996	18.013	(1.984)	-9.92%
Tier III (>4167)	¢/th	7.358	5.588	(1.770)	-24.06%
Gas Air Conditioning					
Customer Charge	\$/month	\$150.00	\$150.00	-	0.00%
Volumetric Rate	¢/th	7.857	6.865	(0.992)	-12.62%
Gas Engine					
Customer Charge	\$/month	\$50.00	\$50.00	-	0.00%
Volumetric Rate	¢/th	13.653	11.224	(2.430)	-17.80%
NONCORE - Average Transmission Rate					
Retail					
Industrial	¢/th	4.381	3.551	(0.830)	-18.95%
Electric Generation 2_/	¢/th	2.104	1.253	(0.851)	-40.44%
Wholesale					
Long Beach	¢/th	1.636	0.753	(0.883)	-53.96%
SDG&E	¢/th	1.252	0.389	(0.863)	-68.94%
Vernon	¢/th	1.405	0.553	(0.852)	-60.63%
Southwest Gas	¢/th	1.536	0.661	(0.875)	-56.99%
UNBUNDLED STORAGE					
Annual Reservation					
Injection	\$/Dthd	41.265	41.265	-	0.00%
Withdrawal	\$/Dthd	5.909	5.909	-	0.00%
Inventory	\$/Dth	0.217	0.217	-	0.00%
Variable Charges					
Injection	\$/Dth	0.0123	0.0123	-	0.00%
Withdrawal	\$/Dth	0.0172	0.0172	-	0.00%
BROKERAGE FEES					
Core	¢/th	0.20100	0.20100	-	0.00%
Noncore	¢/th	0.26600	0.26600	-	0.00%

1./ Column A rates contain core seasonal storage and system backbone costs. Column B revenues does not contain such charges.
2./ Includes Common EG Adjustment Change of 0.003 ¢/therm.

ATTACHMENT C-3

Advice No. 3146

**SUMMARY OF REVENUE CHANGES FOR GIR IMPLEMENTATION:
UNBUNDLING OF BACKBONE TRANSMISSION & NON RELIABILITY STORAGE**

<u>ACTION</u>	<u>DESCRIPTION</u>	<u>Change from AL 3123-A</u> (M \$)
1. REMOVE	Embedded Transmission From Base Margin	(146,014)
2. REMOVE	Company Use Gas: Transmission From Base Margin	(10,632)
3. REMOVE	Total Base Margin Changes	(156,646)
4. ADD	Embedded Local Transmission Revenue Requirement	67,994
5. REMOVE	Company Use Gas: Storage From Other Operating Costs	(4,458)
6. REMOVE	Core Seasonal Storage Charges (Fixed & Variable)	(41,635)
7. ADD	Net Increase to Other Operating Costs	21,900
8. UPDATE	EPMC Balancing Account Reductions of FF&U Due To Net Increase Allocation to Wholesale Customers	(4)
9. REMOVE	Unbundled Backbone Transmission Costs From EOR Credit to Base Margin	(4,049)
10. UPDATE	Sempra-Wide Common EG Rate Adjustment	84
11. REMOVE	Total Revenue Changes	(130,617)

Notes:

1. AL 3123-A is previous GIR Implementation filing reflecting the use of the embedded cost of storage in transportation rates.
2. Company Use Gas: Transmission assessed as a 0.39% in-kind charge.
3. Company Use Gas: Storage assessed as a 2.44% in-kind charge.
4. All values shown include FF&U.

ATTACHMENT C-4

Advice No. 3146

SUMMARY OF REVENUE CHANGES FOR GIR IMPLEMENTATION: TOTAL GIR CHANGES COMPARED TO PRE-GIR TRANSPORTATION RATES

ACTION	DESCRIPTION	Change from 1/1/02 Rates (M \$)
1. REMOVE	Embedded Storage Fixed Charges From Base Margin	(75,753)
2. REMOVE	Embedded Storage Variable Charges From Base Margin	(3,478)
3. REMOVE	Miscellaneous Oil Revenue Credits From Base Margin	2,576
4. REMOVE	Aliso Expansion From Embedded Storage	2,130
5. REMOVE	Embedded Transmission From Base Margin	(146,014)
6. REMOVE	Company Use Gas: Transmission From Base Margin	(10,632)
7. REMOVE	Total Base Margin Changes	(231,171)
8. ADD	Embedded Local Transmission Revenue Requirement	67,994
9. ADD	Unbundled Storage Revenues	21,381
10. ADD	Embedded Load Balancing Costs	13,638
11. ADD	GIR Implementation Costs	2,038
12. REMOVE	Company Use Gas: Storage From Other Operating Costs	(5,317)
13. ADD	Net Increase to Other Operating Costs	99,735
14. ADD	Core ITCS	1,661
15. UPDATE	EPMC Balancing Account Reductions of FF&U Due To Net Increase Allocation to Wholesale Customers	(4)
16. REMOVE	Core Pipeline Demand Charges	(121,225)
17. REMOVE	Unbundled Backbone Transmission Costs From EOR Credit to Base Margin	(4,048)
18. REMOVE	Core CCSI & SJ Lateral Costs to Core Procurement Charge	(9,201)
19. UPDATE	Sempra-Wide Common EG Rate Adjustment	1,633
20. REMOVE	Total Revenue Changes	(254,524)

Notes:

1. Incorporates changes per compliance filings AL 3104, AL 3105, AL 3123-A and proposed changes pursuant to this filing.
2. Unbundled Storage Revenues quantified as total available capacity minus core (including CAT) and noncore load balancing reservations times embedded unit cost prices. Value does not take into account rejected CAT non-reliability storage.
3. Company Use Gas: Transmission assessed as a 0.39% in-kind charge.
4. Company Use Gas: Storage assessed as a 2.44% in-kind charge.
5. All values shown include FF&U.

ATTACHMENT C-5

Advice No. 3146

FOR ILLUSTRATIVE PURPOSES ONLY

**ILLUSTRATIVE SUMMARY OF THE NET EFFECT OF IMPLEMENTATING ALL GIR RATE PROVISIONS
REVENUE REQUIREMENTS BY CUSTOMER CLASS**

Customer Class	ILLUSTRATIVE -----		ILLUSTRATIVE - Now Included in Core Procurement Charge - ILLUSTRATIVE -----		ILLUSTRATIVE -----		Pre-GIR Revenues	Difference				
	Bundled Transportation Revenues	Core Pipeline Demand	Core CCSI	SJ/Lateral Pipeline Demand	Backbone Transmission	Reliability Storage			Non-Reliability Storage	Variable Storage	GIR Implemented Class Revenues	
1. Residential	927,390	94,167	1,290	5,875	22,940	21,437	8,932	As Incurred	See Note	1,082,032	1,087,806	(5,775)
2. Core C&I	188,789	26,147	358	1,631	6,370	5,952	2,480	As Incurred	See Note	231,728	236,244	(4,515)
3. Gas AC	115	40	1	2	10	9	4	As Incurred	See Note	180	171	9
4. Gas Engine	2,219	569	8	36	139	130	54	As Incurred	See Note	3,154	3,245	(91)
NONCORE REVENUES DO NOT INCLUDE BACKBONE TRANSMISSION ACQUIRED IN OPEN SEASON / MARKET												
5. Noncore C&I	51,726									51,726	59,003	(7,276)
6. EG	26,636									26,636	46,897	(20,260)
7. Long Beach	586									586	1,140	(554)
8. SDG&E	5,620									5,620	12,100	(6,480)
9. SW Gas	606									606	1,170	(565)
10. Vernon	286									286	522	(236)
11. DGN	230									230	433	(203)

100% Reservation Rate = 7.609 ¢/dth 50/50 Rate: 8.032 ¢/dth Reservation: 4.016 ¢/dth Volumetric: 4.016 ¢/dth	Unbundled Storage Rate Schedule: Storage Package: \$0.7060 / dth Inventory = \$0.217 / dth Injection = \$5.909 / dth / d Withdrawal = \$41.265 / dth / d Variable Charges: Injection = \$0.012 / dth / d Withdrawal = \$0.017 / dth / d
---	--

Notes: Noncore revenues do not include backbone transmission costs previously incorporated in bundled gas transportation rates. In order to create an equitable comparison, it is necessary to add such incurred expenses to bundled transportation revenues. Values for services now included in the core procurement charge are estimates of November 2001 annualized revenues. Variable storage charges are now assessed on an as incurred basis. The SoCalGas Gas Acquisition Department will adjust the Core Procurement Charge as necessary to reflect such variable charges based on monthly storage activity. Difference shown does not take into account any such adjustments for company use gas or variable storage charges. Company Use Gas charges are 0.39% in-kind for transmission and 2.44% in-kind for storage. The SoCalGas Gas Acquisition Department will modify the Core Procurement Charge as necessary to reflect such CU Gas costs. Unbundled Backbone Transmission and Storage rates shown adjusted to 2002 prices using authorized PBR escalation factors. Rates will be updated for January 1, 2003. Pre-GIR revenues shown for January 1, 2002.

ATTACHMENT C-6
Advice No. 3146

SUMMARY OF 2002 CORE SEASONAL STORAGE CAPACITY RESERVATIONS AND REVENUE CHARGES

	REVENUE REQUIREMENTS			CORE			
	Total	CAT	Core Less	RESIDEN-	G10	G20	COM/IND
	Core	Marketer	CAT Reduction	TIAL	NonRes A/C	Gas Engine	
A. RELIABILITY STORAGE--MOVED TO CORE PROCUREMENT CHARGE (2002 EMBEDDED UNIT COSTS)							
INVENTORY:							
1. INVENTORY RESERVATION (MMCF)	35,000	482					
2. EMBEDDED INVENTORY COST	0.2209	0.2209					
3. EMBEDDED INVENTORY COST REVENUE	7,731	107	7,625	5,937	1,580	68	2
36							
INJECTION CAPACITY:							
4. INJECTION RESERVATION (MMCF)	234	3					
5. EMBEDDED INJECTION COST	41,9252	41,9252					
6. EMBEDDED INJECTION CAPACITY COST REVENUE	9,815	135	9,680	7,538	2,006	87	3
46							
WITHDRAWAL CAPACITY:							
7. WITHDRAWAL RESERVATION (MMCF)	1,935	27					
8. EMBEDDED WITHDRAWAL COST	6,0036	6,0036					
9. EMBEDDED WITHDRAWAL CAP. COST REVENUE	11,617	160	11,457	8,922	2,375	103	4
54							
10. SUBTOTAL - RELIABILITY STORAGE	29,163	402	28,761	22,397	5,961	258	9
135							
11. LESS MISC. OIL REVENUE CREDITS	1,250	17	1,233	960	256	11	0
6							
12. TOTAL - RELIABILITY STORAGE	27,913	385	27,528	21,437	5,706	247	9
130							
13. CORE RELIABILITY STORAGE RATE (¢/th)			0.850	0.850	0.850	0.850	0.850
0.850							
B. NON-RELIABILITY STORAGE--MOVED TO CORE PROCUREMENT CHARGE (2002 EMBEDDED UNIT COSTS)							
INVENTORY:							
1. INVENTORY RESERVATION (MMCF)	35,000	482					
2. EMBEDDED INVENTORY COST	0.2209	0.2209					
3. EMBEDDED INVENTORY COST REVENUE	7,731	107	7,625	5,937	1,580	68	2
36							
INJECTION CAPACITY:							
4. INJECTION RESERVATION (MMCF)	93	1					
5. EMBEDDED INJECTION COST	41,9252	41,9252					
6. EMBEDDED INJECTION CAPACITY COST REVENUE	3,899	54	3,845	2,994	797	34	1
18							
WITHDRAWAL CAPACITY:							
7. WITHDRAWAL RESERVATION (MMCF)	0	0					
8. EMBEDDED WITHDRAWAL COST	6,0036	6,0036					
9. EMBEDDED WITHDRAWAL CAP. COST REVENUE	0	0	0	0	0	0	0
54							
10. SUBTOTAL - NON-RELIABILITY STORAGE	11,630	160	11,470	8,932	2,377	103	4
54							
11. CORE NON-RELIABILITY STORAGE RATE (¢/th)			0.354	0.354	0.354	0.354	0.354
0.354							
C. AVERAGE YEAR SALES (MTH)			323,780	252,138	67,110	2,901	106
1,524							

Notes: Costs shown above included within Core Procurement Charge beginning November 1, 2002.
Core Seasonal Storage reservation and division of capacity between reliability / non-reliability provided by GIR Decision D.01-12-018.
Core Seasonal Storage costs allocated between customer classes using average year sales. This treatment creates a price to customers on an equal cents per therm basis.

ATTACHMENT C-7 PAGE 1

Advice No. 3146

SUMMARY OF 2002 NONCORE LOAD BALANCING RESERVATIONS AND REVENUE CHARGES

	RESIDEN- TIAL	CORE COM/IND				Gas Engine	Total Core
		G10	G20	NonRes A/C			
A. LOAD BALANCING EMBEDDED COST ALLOCATION							
<u>INJECTION</u>							
<u>FIXED COSTS</u>							
A. Other Operating Costs and Revenues	0	0	0	0	0	0	0
B. Embedded Load Balancing Costs	0	0	0	0	0	0	0
C. Carrying Cost Storage Inv.: Load Balancing	0	0	0	0	0	0	0
C. Migration Losses: Load Balancing	0	0	0	0	0	0	0
1. CAPACITY RESERVATION, MMCFD	0.0	0.0	0.0	0.0	0.00	0.00	0.0
2. UNIT COST, \$/MCFD	41.9252	41.9252	41.9252	41.9252	41.9252	41.9252	0
3. EMBEDDED FIXED COST REVENUES, M\$	0	0	0	0	0	0	0
<u>VARIABLE COSTS</u>							
4. INJECTIONS, MDth	0	0	0	0	0	0	0
5. UNIT COST, \$/Dth	0.01232	0.01232	0.01232	0.01232	0.01232	0.01232	0.01232
6. EMBEDDED VARIABLE COST REVENUES, M\$	0	0	0	0	0	0	0
<u>WITHDRAWAL</u>							
<u>FIXED COSTS</u>							
7. CAPACITY RESERVATION, MMCFD	0	0	0	0	0	0	0
8. UNIT COST, \$/MCFD	6.0036	6.0036	6.0036	6.0036	6.0036	6.0036	0
9. EMBEDDED COST REVENUES	0	0	0	0	0	0	0
<u>VARIABLE COSTS</u>							
10. WITHDRAWALS, MDth	0	0	0	0	0	0	0
11. UNIT COST, \$/Dth	0.01716	0.01716	0.01716	0.01716	0.01716	0.01716	0.01716
12. EMBEDDED VARIABLE COST REVENUES, M\$	0	0	0	0	0	0	0
<u>INVENTORY</u>							
13. CAPACITY RESERVATION, MMCF	0	0	0	0	0	0	0
14. UNIT COST, \$/MCF	0.2209	0.2209	0.2209	0.2209	0.2209	0.2209	0
15. EMBEDDED COST REVENUES, M\$	0	0	0	0	0	0	0
TOTAL LOAD BALANCING							
16. EMBEDDED COST REVENUES, M\$	0	0	0	0	0	0	0

Notes: Noncore Load Balancing capacity reservations provided by GIR Decision D.01-12-018.

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SUMMARY OF 2002 NONCORE LOAD BALANCING RESERVATIONS AND REVENUE CHARGES

	NONCORE TOTAL	NONCORE RETAIL				Total N/C Retail
		COM/IND G30	COGEN G50	UFG G60	EOR G40	
<u>Other Operating Costs and Revenues</u>						
A. Embedded Load Balancing Costs	13,638	3,016	1,713	4,383	999	10,112
B. Carrying Cost Storage Inv.: Load Balancing	88	21	12	31	0	63
C. Migration Losses: Load Balancing	8	2	1	3	0	6
<u>A. LOAD BALANCING EMBEDDED COST ALLOCATION</u>						
<u>INJECTION</u>						
<u>FIXED COSTS</u>						
1. CAPACITY RESERVATION, MMCFD	250.0					
2. UNIT COST, \$/MCFD	41,925.2					
3. EMBEDDED FIXED COST REVENUES, M\$	10,481	2,318	1,316	3,368	768	7,771
<u>VARIABLE COSTS</u>						
4. INJECTIONS, MDth	16,244					
5. UNIT COST, \$/Dth	0.01232					
6. EMBEDDED VARIABLE COST REVENUES, M\$	200	44	25	64	15	148
<u>WITHDRAWAL</u>						
<u>FIXED COSTS</u>						
7. CAPACITY RESERVATION, MMCFD	250					
8. UNIT COST, \$/MCFD	6,003.6					
9. EMBEDDED COST REVENUES	1,501	332	189	482	110	1,113
<u>VARIABLE COSTS</u>						
10. WITHDRAWALS, MDth	16,244					
11. UNIT COST, \$/Dth	0.01716					
12. EMBEDDED VARIABLE COST REVENUES, M\$	279	62	35	90	20	207
<u>INVENTORY</u>						
13. CAPACITY RESERVATION, MMCF	5,329					
14. UNIT COST, \$/MCF	0.2209					
15. EMBEDDED COST REVENUES, M\$	1,177	260	148	378	86	873
<u>TOTAL LOAD BALANCING</u>						
16. EMBEDDED COST REVENUES, M\$	13,638	3,016	1,713	4,383	999	10,112
17. AVERAGE YEAR THROUGHPUT (MTH)	6,586,934	1,456,757	827,347	2,116,910	482,707	4,883,721

Notes: Variable costs assume inventory cycled three times.
 Noncore Load Balancing capacity reservations provided by GIR Decision D.01-12-018.
 All Noncore Load Balancing charges allocated between classes on an equal cents per therm (ECPT) basis. CCSI and Migration Losses: Load Balancing allocated ECPT not including EOR.

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SUMMARY OF 2002 NONCORE LOAD BALANCING RESERVATIONS AND REVENUE CHARGES

	NONCORE TOTAL	Long Beach	SDG&E	Southwest Gas	Vernon	INTNL DGN
<u>Other Operating Costs and Revenues</u>						
A. Embedded Load Balancing Costs	13,638	161	2,993	190	107	75
B. Carrying Cost Storage Inv.: Load Balancing	88	1	21	1	1	1
C. Migration Losses: Load Balancing	8	0	2	0	0	0
A. LOAD BALANCING EMBEDDED COST ALLOCATION						
<u>INJECTION</u>						
<u>FIXED COSTS</u>						
1. CAPACITY RESERVATION, MMCFD	250.0					
2. UNIT COST, \$/MCFD	41,9252					
3. EMBEDDED FIXED COST REVENUES, M\$	10,481	124	2,300	146	82	58
<u>VARIABLE COSTS</u>						
4. INJECTIONS, MDth	16,244					
5. UNIT COST, \$/Dth	0.01232					
6. EMBEDDED VARIABLE COST REVENUES, M\$	200	2	44	3	2	1
<u>WITHDRAWAL</u>						
<u>FIXED COSTS</u>						
7. CAPACITY RESERVATION, MMCFD	250					
8. UNIT COST, \$/MCFD	6,0036					
9. EMBEDDED COST REVENUES	1,501	18	329	21	12	8
<u>VARIABLE COSTS</u>						
10. WITHDRAWALS, MDth	16,244					
11. UNIT COST, \$/Dth	0.01716					
12. EMBEDDED VARIABLE COST REVENUES, M\$	279	3	61	4	2	2
<u>INVENTORY</u>						
13. CAPACITY RESERVATION, MMCF	5,329					
14. UNIT COST, \$/MCF	0,2209					
15. EMBEDDED COST REVENUES, M\$	1,177	14	258	16	9	7
<u>TOTAL LOAD BALANCING</u>						
16. EMBEDDED COST REVENUES, M\$	13,638	161	2,993	190	107	75
17. AVERAGE YEAR THROUGHPUT (MTH)	6,586,934	77,821	1,445,680	91,672	51,620	36,419

Notes: Variable costs assume inventory cycled three times.
 Noncore Load Balancing capacity reservations provided by GIR Decision D.01-12-018.
 All Noncore Load Balancing charges allocated between classes on an equal cents per therm (ECPT) basis. CCSI and Migration Losses: Load Balancing allocated ECPT not including EOR.

ATTACHMENT D

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Bidding Rights Form

