

J. Steve Rahon Director Tariffs & Regulatory Accounts

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December 17, 2002

Advice No. 3216 (U 904 G)

Public Utilities Commission of the State of California

Subject: Daily Balancing Standby Rates for December 10-16, 2002

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

Purpose

This routine filing updates the Daily Balancing Standby Rates for the period of December 10, 2002 through December 16, 2002 in Schedule No. G-IMB, Transportation Imbalance Service, as authorized by the Commission's approval of SoCalGas' Advice Nos. 2651, 2651-A and 2651-B on December 26, 1997, which were filed in compliance with Decision (D.) 97-11-070, dated November 19, 1997, which modified Capacity Brokering Decision D.90-09-089 by adopting modifications to SoCalGas' balancing rules.

Background

As authorized in Schedule No. G-IMB, customers will be subject to balancing rules during the winter operating period. From November through March, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 50% of burn over a five day period. As the Utility's total inventory in storage declines to the peak day minimum + 20 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 70% of burn daily. As the Utility's total inventory in storage declines to the peak day minimum + 5 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage declines to the peak day minimum + 5 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 90% of burn daily. Volumes not in compliance with the minimum delivery requirements will be purchased at the daily balancing standby rates described below. Imbalance trading and as-available withdrawal may not be used to offset the minimum delivery requirements. A complete description of the winter minimum delivery requirements is specified in Rule No. 30, Transportation of Customer-Owned Gas.

The Daily Balancing Standby Rates are calculated as follows:

- During November through March customers are required to deliver (flowing supply and firm storage withdrawal) at a minimum of 50% of burn during a five-day period. Volumes not in compliance with the 50% five-day minimum delivery requirement are purchased at the daily balancing standby rate. The daily balancing standby rate is calculated as 150% of the highest Southern California Border price during the fiveday period as published in "NGI's *Daily* Gas Price Index" including authorized franchise fees and, for retail customers, uncollectible expenses (F&U), and an authorized brokerage fee.
- 2. When the Utility's total inventory in storage declines to the "peak day minimum + 20 Bcf trigger", the minimum daily delivery requirement increases to 70%. The five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily* Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 70% delivery requirement.
- 3. When the Utility's total inventory in storage declines to the "peak day minimum + 5 Bcf trigger", the minimum delivery requirement increases to 90% daily. Similar to the 70% regime, the five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily* Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 90% delivery requirement.

As further authorized in Schedule No. G-IMB, by the Commission's approval of SoCalGas' Advice No. 3018 on June 6, 2001, the Daily Balancing Standby Rates may be filed weekly to become effective immediately. In any event, the Daily Balancing Standby Rates shall be filed on or before the fifth business day of each month.

Requested Rate Revision

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets. The note at the end of the Daily Balancing Standby Rates section continues to state that during December 2002 the Utility's total inventory in storage continued above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies. The workpaper showing the calculation of these rates is incorporated herein as Attachment C.

Protest

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date 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 (<u>jir@cpuc.ca.gov</u>) and to Honesto Gatchalian (<u>inj@cpuc.ca.gov</u>) of the Energy Division. A copy of the protest should also be sent via both e-mail <u>and</u> 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: <u>snewsom@SempraUtilities.com</u>

Effective Date

As authorized in Schedule No. G-IMB, the tariff sheets filed herein are to be effective for service on and after December 17, 2002, which is the date filed, and are to be applicable to the period of December 10, 2002 through December 16, 2002.

<u>Notice</u>

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

J. STEVE RAHON Director Tariffs and Regulatory Accounts

Attachments

ATTACHMENT A

Advice No. 3216

(See Attached Service List)

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ATTACHMENT B Advice No. 3216

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 36092-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 4	Revised 36088-G
Revised 36093-G	TABLE OF CONTENTS	Revised 36090-G*
Revised 36094-G	TABLE OF CONTENTS	Revised 36091-G*

LOS ANGELES, CALIFORNIA CANCELING

Revised CAL. P.U.C. SHEET NO. 36092-G Revised CAL. P.U.C. SHEET NO. 36088-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 4

(Continued)

<u>RATES</u> (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm

December 2002 <u>Day</u>	Core Retail <u>DB-CR</u>	Noncore Retail <u>DB-NR</u>	Wholesale <u>DB-W</u>
1	\$0.62014	\$0.62079	\$0.61778
2	\$0.62014	\$0.62079	\$0.61778
3	\$0.61861	\$0.61926	\$0.61626
4	\$0.62626	\$0.62691	\$0.62387
4 5	\$0.62014	\$0.62079	\$0.61778
5	\$0.02014	\$0.02079	\$0.01778
Period 1 High	\$0.62626	\$0.62691	\$0.62387
6	\$0.63391	\$0.63456	\$0.63148
7	\$0.62932	\$0.62997	\$0.62692
8	\$0.62932	\$0.62997	\$0.62692
9	\$0.62932	\$0.62997	\$0.62692
10	\$0.63544	\$0.63609	\$0.63301
Period 2 High	\$0.63544	\$0.63609	\$0.63301
11	\$0.64156	\$0.64221	\$0.63910
12	\$0.67369	\$0.67434	\$0.67107
13	\$0.68746	\$0.68811	\$0.68477
14	\$0.69817	\$0.69882	\$0.69543
15	\$0.69817	\$0.69882	\$0.69543
Period 3 High	\$0.69817	\$0.69882	\$0.69543
16	\$0.69817	\$0.69882	\$0.69543
17	N/A	N/A	N/A
18	N/A	N/A	N/A
19	N/A	N/A	N/A
20	N/A	N/A	N/A
Period 4 High	N/A	N/A	N/A

	(Continued)	
(TO BE INSERTED BY UTILITY)	ISSUED BY	(TO BE INSERTED BY CAL. PUC)
ADVICE LETTER NO. 3216	Lee Schavrien	DATE FILED Dec 17, 2002
DECISION NO. 97-11-070	Vice President	EFFECTIVE Dec 17, 2002
4H6	Regulatory Affairs	RESOLUTION NO.

С

С

С

TABLE OF CONTENTS

(Continued)

GT-SD	Intrastate Transmission Service	
GT-RLS GW-LB	Residual Load Service	
GW-LD	wholesale Natural Gas Service 500/1-G	,55885-G,52077-G,52078-G,52079-G 32680-G,32681-G
GW-SD	Wholesale Natural Gas Service	
011-50	wholesale ivatural Gas Service	32685-G,32686-G
GW-SWG	Wholesale Natural Gas Service	
011 511 0		32690-G,32691-G
GW-VRN	Wholesale Natural Gas Service	
		32695-G,32696-G,32697-G
G-IMB	Transportation Imbalance Service	29614-G,36042-G,36043-G,36092-G
	•	36089-G,33497-G,33498-G
G-ITC	Interconnect Access Service	
G-BSS	Basic Storage Service	32700-G,32701-G,32702-G,32703-G
		32704-G,32705-G,32706-G,32707-G
G-AUC	Auction Storage Service	32708-G,32709-G,32710-G,32711-G
		32712-G,32713-G,32714-G,32715-G
G-LTS	Long-Term Storage Service	32716-G,32717-G,32718-G,32719-G
		32720-G,32721-G,32722-G,32723-G
G-TBS	Transaction Based Storage Service	32724-G,32725-G,27374-G,27375-G
		31929-G,27377-G,27378-G
G-CBS		34071-G,34072-G,34073-G,33095-G
G-PPPS	Tax Surcharge to Fund Public Purpose Program	s 34261-G,34262-G
G-SRF	Surcharge to Fund Public Utilities Commission	
	Utilities Reimbursement Account	
G-MHPS	Surcharge to Fund Public Utilities Commission	
	Master Metered Mobile Home Park Gas Safe	
G-MSUR	Inspection and Enforcement Program Transported Gas Municipal Surcharge	
GIT	Interruptible Interutility Transportation	
GLT	Long-Term Transportation of Customer-Owned	
ULI	Natural Gas	
GLT-1	Transportation of Customer-Owned Natural Gas	
OL1-1	Transportation of Customer-Owned Natural Gas	24575-G,24576-G,24577-G
GLT-2	Transportation of Customer-Owned Natural Gas	
0212		24581-G,24582-G,24583-G
G-LOAN	Hub Loaning	
G-PRK	Hub Parking	
G-WHL	Hub Service	

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3216 DECISION NO. 97-11-070 3H6 (Continued)

ISSUED BY Lee Schavrien Vice President Regulatory Affairs

TABLE OF CONTENTS

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

GENERAL

Cal. P.U.C. Sheet No.

Т

Т

Title Page 21888-G
Table of ContentsGeneral and Preliminary Statement36094-G,35594-G
Table of ContentsService Area Maps and Descriptions 28516-G
Table of ContentsRate Schedules35999-G,36076-G,36093-G
Table of ContentsList of Cities and Communities Served 33771-G
Table of ContentsList of Contracts and Deviations 33771-G
Table of ContentsRules36014-G,33305-G
Table of ContentsSample Forms 35712-G,35713-G,35714-G,35715-G,35716-G
PRELIMINARY STATEMENT
Part I General Service Information 24331-G,24332-G,24333-G,24334-G,24749-G
Dent II Summers of Detector and Changes 26046 C 26047 C 25520 C 25540 C 26048 C 26041 C
Part II Summary of Rates and Charges 36046-G,36047-G,35539-G,35540-G,36048-G,36041-G
32491-G,32492-G,34203-G,36049-G,36050-G,35544-G,35545-G
Part III Cost Allocation and Revenue Requirement 27024-G,27025-G,27026-G,27027-G,34370-G
Part IV Income Tax Component of Contributions and Advances
Part V Description of Regulatory Accounts-Balancing 35874-G,34820-G,34371-G
34821-G,34822-G,34823-G,34824-G,34825-G,34826-G,34827-G,34682-G,35770-G,35874-G
54821-0,54822-0,54825-0,54824-0,54825-0,54820-0,54827-0,548827-0,54882-0,557770-0,55874-0
Part VI Description of Descriptory Associate Memory Aug
Part VI Description of Regulatory Accounts-Memorandum
34281-G,34282-G,34283-G,34284-G,34285-G,34286-G,34683-G
34684-G,34289-G,34290-G,34291-G,34829-G,34830-G,34831-G,35358-G,35359-G
Part VII Description of Regulatory Accounts-Tracking
34375-G,34376-G,34377-G,34378-G,34379-G
Part VIII Gas Cost Incentive Mechanism (GCIM)
35880-G,35881-G
Part IX Hazardous Substances Mechanism (HSM)
Part X Global Settlement 32530-G,32531-G,32532-G,32533-G

(Continued)

ISSUED BY Lee Schavrien Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)			
DATE FILED	Dec 17, 2002		
EFFECTIVE	Dec 17, 2002		
RESOLUTION NO.			

ATTACHMENT C ADVICE NO. 3216 RATE CALCULATION WORKPAPER DAILY BALANCING STANDBY RATE FILING EFFECTIVE DECEMBER 1-16, 2002

Daily Balancing Standby Rate = 150% x (NGI's Price Index + F&U Charge) + Brokerage Fee F&U Charge is 2.0012% of NGI's Price Index for Retail and 1.5051% for Wholesale Brokerage Fee is 0.201 cents for Core Retail; 0.266 cents for Noncore Retail/Wholesale

December	NGI's	Daily Balancing Standby Rates		
Day	Price Index	Core Retail	Noncore Retail	<u>Wholesale</u>
1	\$0.40400	\$0.62014	\$0.62079	\$0.61778
2	\$0.40400	\$0.62014	\$0.62079	\$0.61778
3	\$0.40300	\$0.61861	\$0.61926	\$0.61626
4	\$0.40800	\$0.62626	\$0.62691	\$0.62387
5	\$0.40400	\$0.62014	\$0.62079	\$0.61778
6	\$0.41300	\$0.63391	\$0.63456	\$0.63148
7	\$0.41000	\$0.62932	\$0.62997	\$0.62692
8	\$0.41000	\$0.62932	\$0.62997	\$0.62692
9	\$0.41000	\$0.62932	\$0.62997	\$0.62692
10	\$0.41400	\$0.63544	\$0.63609	\$0.63301
11	\$0.41800	\$0.64156	\$0.64221	\$0.63910
12	\$0.43900	\$0.67369	\$0.67434	\$0.67107
13	\$0.44800	\$0.68746	\$0.68811	\$0.68477
14	\$0.45500	\$0.69817	\$0.69882	\$0.69543
15	\$0.45500	\$0.69817	\$0.69882	\$0.69543
16	\$0.45500	\$0.69817	\$0.69882	\$0.69543

(All rates are per therm)