

J. Steve Rahon Director Tariffs & Regulatory Accounts

8315 Century Park Ct. San Diego, CA 92123-1550 Tel: 858.654.1773 Fax 858.654.1788 srahon@SempraUtilities.com

June 24, 2003

<u>Advice No. 3271</u> U-904-G

Public Utilities Commission of the State of California

Subject: Submission of Long-Term Storage Contract

Southern California Gas Company (SoCalGas) hereby submits for filing with the California Public Utilities Commission (Commission) the attached long-term storage contract SoCalGas has executed with the following customer:

Abelstik Laboratories (renewed)

A customer having a previous long term storage contact that has expired and has signed a new 3 year long-term storage contract with SoCalGas is indicated as a "renewed" contract.

This filing is made in compliance with Section 9.4 and Ordering Paragraph 14 of Decision No. (D.) 93-02-013, dated February 3, 1993 in A.92-03-038/I.87-03-036.

Information

By this filing, SoCalGas submits one long-term storage service contract (Contract) incorporated herein as Attachment C. As demonstrated in this filing, the Contract meets the storage service guidelines adopted by the Commission in D.93-02-013. The Contract is fixed-price with a provision for escalation of the Contracts' reservation charges. The Contract does not contain any special features other than it is fixed-price with a provision for escalation charges.

Accordingly, SoCalGas submits that the Contract should be considered approved by the Commission under the provisions of D.93-02-013 and made effective seven days from the date of this filing (D.93-02-013 at page 34, Resolution No. G-3064 at Ordering Paragraph 5). The provisions of the Contract are summarized as follows:

Contract Term

The Contract shall be in effect for a term of three years. Accordingly, the Contract meets the long-term contract duration guidelines set forth in Finding of Fact No. 44 of D.93-02-013.

Contract Services

All of the annual inventory, firm injection, and firm withdrawal services subscribed under the Contract shall be provided by SoCalGas through existing storage facilities. The specific amounts of storage inventory, injection, and withdrawal services elected by the customer is summarized in Attachment B. The customer has not elected the Drive Gas option under SoCalGas' long-term storage program.

Reservation Charges

In accordance with the provisions of Finding of Fact No. 45 of D.93-02-013, any over- or under-collections resulting from fixed-price contracts shall be the responsibility of SoCalGas' shareholders. The reservation charges under the Contract are initially set equal to the current rates in SoCalGas' Schedule No. G-LTS. The reservation charges are as follows:

Annual Inventory = \$0.214 per decatherm

Firm Withdrawal = \$11.584 per decatherm per day

Firm Injection = \$0.09425 per decatherm per day (every day of the month reserved)

Beginning on April 1, 2004, and for each April 1 thereafter, the injection, withdrawal, and inventory reservation charges for the Contract Year shall be adjusted based on the percentage difference between the Consumer Price Index - All Urban Consumers (CPI) for September, as published by the Bureau of Labor Statistics in December of the calendar year immediately preceding such April, and the September CPI published in December for the previous calendar year.

Effective Date of Contract

As demonstrated in this filing, the Contract filed hereunder meets the guidelines for storage service as authorized by the Commission in D.93-02-013. Accordingly, pursuant to Section 9.4 of D.93-02-013, the Contract should be considered approved and made effective on and after July 1, 2003, which is at least seven days from the date of this filing.

This advice letter will not increase any rate or charge, conflict with any rate schedules or rules, nor cause the withdrawal of any service.

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: snewsom@SempraUtilities.com

<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. Copies of the Agreement referenced herein have been provided to the Commission Staff. Other parties may request a copy of this Agreement by contacting (213) 244-4298.

J. STEVE RAHON Director Tariffs and Regulatory Accounts

Attachments

ATTACHMENT A

Advice No. 3271

(See Attached Service List)

ACN Energy Hans Herzog hans.herzog@acnenergy.com

Aglet Consumer Alliance James Weil jweil@aglet.org

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

BP EnergyCo. J. M. Zaiontz Zaiontj@bp.com

Beta Consulting John Burkholder burkee@cts.com

CPUC R. Mark Pocta rmp@cpuc.ca.gov

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

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

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

City of Pasadena Manuel A. Robledo 150 S. Los Robles Ave., #200 Pasadena, CA 91101 ACN Energy Mark Warno mark.warno@acnenergy.com

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

AFRPA/DD McClellan Attn: L. Baustian 3411 Olson Street, Room 105 McClellan, CA 95652-1003

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

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

California Energy Market Lulu Weinzimer Iuluw@newsdata.com

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

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

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

City of Riverside Stephen Aronson saronson@ci.riverside.ca.us ACN Energy Tony Cusati tony.cusati@acnenergy.com

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

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

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

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

Calpine Corp Avis Clark aclark@calpine.com

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

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

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

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

Advice Letter Distribution List - Advice 3271

Coral Energy Walter Cinibulk wcinibulk@coral-energy.com

Davis Wright Tremaine, LLP Christopher Hilen chrishilen@dwt.com

Dept. of General Services Celia Torres celia.torres@dgs.ca.gov

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

Deniese Earley deniese.earley@dgs.ca.gov

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

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

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

David Huard dhuard@manatt.com

JBS Energy Jeff Nahigian jeff@jbsenergy.com County of Los Angeles Stephen Crouch 1100 N. Eastern Ave., Room 300 Los Angeles, CA 90063

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

Dan Douglass douglass@energyattorney.com

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

Edson & Modisette 1015 K Street,, #200 Sacramento, CA 95814

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

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

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

Louise Huen lou@cpuc.ca.gov

Jeffer, Mangels, Butler & Marmaro 2 Embarcaero Center, 5th Floor San Francisco, CA 94111 Crossborder Energy Tom Beach tomb@crossborderenergy.com

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

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

Dynegy Joseph M. Paul jmpa@dynegy.com

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

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

William Gibson weg@cpuc.ca.gov

Hanna & Morton Norman A. Pedersen, Esq. npedersen@hanmor.com

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

LADWP Nevenka Ubavich nubavi@ladwp.com LADWP Randy Howard P. O. Box 51111, Rm. 956 Los Angeles, CA 90051-0100

MRW & Associates Robert Weisenmiller mrw@mrwassoc.com

PG&E National Energy Group Eric Eisenman eric.eisenman@neg.pge.com

Questar Southern Trails Lenard Wright lenardw@questar.com

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

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

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

TURN Marcel Hawiger marcel@turn.org

Vandenberg AFB Ken Padilla ken.padilla@vandenberg.af.mil Law Offices of William H. Booth William Booth wbooth@booth-law.com

Matthew Brady & Associates Matthew Brady matt@bradylawus.com

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

Ramesh Ramchandani rxr@cpuc.ca.gov

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

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

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

TURN Mike Florio mflorio@turn.org

White & Case Regulatory Affairs regaffairs@sf.whitecase.com Luce, Forward, Hamilton & Scripps John Leslie jleslie@luce.com

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

Praxair Inc Rick Noger rick_noger@praxair.com

Regulatory & Cogen Services, Inc. Donald W. Schoenbeck 900 Washington Street, #780 Vancouver, WA 98660

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

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

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

Transwestern Pipeline Co. Kelly Allen kelly.allen@enron.com

ATTACHMENT B

Advice No. 3271

SUMMARY OF STORAGE SERVICE

Abelstik Laboratories

Inventory	Withdrawal	Injection
<u>(dth)</u>	<u>(dth/day)</u>	(dth/day) (Month)
1,200	400	40 April

ATTACHMENT C

Advice No. 3271

LONG-TERM STORAGE CONTRACT

Abelstik Laboratories