

A Sempra Energy®utility

J. Steve Rahon **Director Tariffs & Regulatory Accounts** 

8330 Century Park Ct. San Diego, CA 92123-1548 Tel: 858.654.1773 Fax 858.654.1788 srahon@SempraUtilities.com

December 31, 2003

Advice No. 3333 (U 904 G)

Public Utilities Commission of the State of California

#### Subject: December 2003 Buy-Back Rates

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

#### **Purpose**

This routine monthly filing updates the Buy-Back Rates in Schedule No. G-IMB for December 2003.

#### **Background**

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

The Buy-Back Rates will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the imbalance was incurred; or 2) 50% of the applicable Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, during the month such excess imbalance was incurred<sup>1</sup>.

#### Information

During the month of December 2003, 50% of the Adjusted Core Procurement Charge, G-CPA, is lower than the lowest incremental cost of gas. Therefore, the Buy-Back Rates for December 2003 are being set accordingly. The workpaper showing details of the calculation of these rates is incorporated herein as Attachment C.

Pursuant to D.01-12-018, service is no longer offered under the Core Subscription Program. Core subscription rates are no longer applicable and will not be updated effective December 1, 2003. Therefore, the Buy-Back Rate can no longer be calculated using the Core Subscription Procurement Charge. As of December 2003, the Buy-Back Rate will be calculated using the new Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, as approved in Advice No. 3268.

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

Pursuant to Resolution G-3316, the December 2003 Standby Procurement Charges will be filed by separate advice letter at least one day prior to January 25, 2003.

#### **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, 4<sup>th</sup> 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>jnj@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

#### **Effective Date**

It is requested that the tariff sheets filed herein be made effective December 31, 2003 to coincide with SoCalGas' Adjusted Core Procurement Charge filing in Advice No. 3315, dated November 26, 2003.

#### Notice

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

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

# **ATTACHMENT A**

Advice No. 3333

(See Attached Service List)

**ACN Energy Gary Morrow** 

GMorrow@acninc.com

**ACN Energy Tony Cusati** 

tony.cusati@acnenergy.com

ACN Inc. Glenn Kinser

gkinser@acninc.com

**Aglet Consumer Alliance** 

James Weil jweil@aglet.org Alcantar & Kahl Elizabeth Westby egw@a-klaw.com

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

AFRPA/DD McClellan Attn: L. Baustian

3411 Olson Street, Room 105 McClellan, CA 95652-1003

BP Amoco, Reg. Affairs Marianne Jones

501 West Lake Park Blvd. Houston, TX 77079

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

Barkovich & Yap Catherine E. Yap ceyap@earthlink.net Berliner, Camdon & Jimison

John Jimison johnj@bcjlaw.com

**Beta Consulting** John Burkholder burkee@cts.com

**CPUC** 

**CPUC** 

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

**CPUC** 

R. Mark Pocta rmp@cpuc.ca.gov **Energy Rate Design & Econ.** 505 Van Ness Ave., Rm. 4002 San Francisco, CA 94102

**California Energy Market** 

**Lulu Weinzimer** luluw@newsdata.com **Calpine Corp Avis Clark** 

aclark@calpine.com

City of Anaheim Ben Nakayama Public Utilities Dept.

P. O. Box 3222 Anaheim, CA 92803

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

Azusa, CA 91702

Thomas K. Clarke

City of Banning **Paul Toor** P. O. Box 998

Banning, CA 92220

City of Burbank

Fred Fletcher/Ronald Davis 164 West Magnolia Blvd., Box 631

Burbank, CA 91503-0631

City of Colton City of Glendale Larry Silva

650 N. La Cadena Drive Colton, CA 92324

Isilva@ci.glendale.ca.us

City of Lompoc H. Paul Jones

100 Civic Center Plaza Lompoc, CA 93438

City of Long Beach, Gas Dept.

Chris Garner

2400 East Spring Street Long Beach, CA 90806-2385 City of Los Angeles **City Attorney** 1700 City Hall East Los Angeles, CA 90012 City of Pasadena Manuel A. Robledo

150 S. Los Robles Ave., #200

Pasadena, CA 91101

City of Riverside Stephen Aronson

saronson@ci.riverside.ca.us

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

**Coral Energy** Walter Cinibulk

wcinibulk@coral-energy.com

**County of Los Angeles Stephen Crouch** 1100 N. Eastern Ave., Room 300

Los Angeles, CA 90063

Tom Beach tomb@crossborderenergy.com

**Crossborder Energy** 

Pat Darish pdarish@acninc.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 Facilities Management (9PM-FT)** 450 Golden Gate Ave. San Francisco, CA 94102-3611

**Jacqueline Greig** jnm@cpuc.ca.gov

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

**LADWP** Nevenka Ubavich nubavi@ladwp.com **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

Goodin, MacBride, Squeri, Ritchie & Day, LLP J. H. Patrick hpatrick@gmssr.com

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

**JBS Energy** Jeff Nahigian jeff@jbsenergy.com

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

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

Goodin, MacBride, Squeri, Ritchie & Day, LLP James D. Squeri jsqueri@gmssr.com

**David Huard** dhuard@manatt.com

Jeffer, Mangels, Butler & Marmaro 2 Embarcaero Center, 5th Floor San Francisco, CA 94111

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

Luce, Forward, Hamilton & Scripps

John Leslie jleslie@luce.com

MRW & Associates Robert Weisenmiller mrw@mrwassoc.com Matthew Brady & Associates Matthew Brady matt@bradylawus.com

National Utility Service, Inc.

Jim Boyle

One Maynard Drive, P. O. Box 712 Park Ridge, NJ 07656-0712 PG&E Anita Smith aws4@pge.com PG&E Sue Shaw sxs9@pge.com

PG&E

Todd Novak tsn2@pge.com

PG&E Sharon Tatai skt2@pge.com PG&E National Energy Group Eric Eisenman

eric.eisenman@neg.pge.com

Pacific Gas & Electric Co.

John Clarke jpc2@pge.com

Praxair Inc Rick Noger

rick\_noger@praxair.com

Questar Southern Trails
Lenard Wright

Lenard.Wright@Questar.com

Ramesh Ramchandani

rxr@cpuc.ca.gov

Regulatory & Cogen Services, Inc. Donald W. Schoenbeck

900 Washington Street, #780

Vancouver, WA 98660

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

William Scott

wms@cpuc.ca.gov

Southern California Edison Co

**Fileroom Supervisor** 

2244 Walnut Grove Ave., Room 290,

GO1

Rosemead, CA 91770

Southern California Edison Co

Karyn Gansecki

601 Van Ness Ave., #2040 San Francisco, CA 94102

Southern California Edison Co.

Colin E. Cushnie cushnice@sce.com

Southern California Edison Co.

John Quinlan

john.quinlan@sce.com

Southern California Edison Co.

Kevin Cini cinikr@sce.com

Southwest Gas Corp.

Edward Zub P. O. Box 98510

Las Vegas, NV 89193-8510

**Suburban Water System** 

**Bob Kelly** 

1211 E. Center Court Drive

Covina, CA 91724

Sutherland, Asbill & Brennan

Keith McCrea

kmccrea@sablaw.com

**TURN** 

Marcel Hawiger marcel@turn.org

TURN Mike Florio

Mike Florio mflorio@turn.org

Transwestern Pipeline Co.

Kelly Allen

kelly.allen@enron.com

Vandenberg AFB Ken Padilla

ken.padilla@vandenberg.af.mil

White & Case Regulatory Affairs

regaffairs@sf.whitecase.com

# ATTACHMENT B Advice No. 3333

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 37307-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 37216-G
Revised 37308-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 37217-G
Revised 37309-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 37112-G
Revised 37310-G	TABLE OF CONTENTS	Revised 37222-G
Revised 37311-G	TABLE OF CONTENTS	Revised 37223-G

Revised CAL. P.U.C. SHEET NO. Revised LOS ANGELES, CALIFORNIA CANCELING CAL. P.U.C. SHEET NO.

# PRELIMINARY STATEMENT **PART II SUMMARY OF RATES AND CHARGES**

Sheet 6

37307-G

37216-G

(Continued)

PROCUREMENT CHARGE (Continued)	
Schedule GW-LB, GW-SD, GW-SWG and GW-VRN  Core Subscription Procurement Charge, per therm	42.797¢
CORE SUBSCRIPTION RESERVATION CHARGE	

# 

Schedule G-CS, GW-LB, GW-SD, GW-SWG and GW-VRN

# **IMBALANCE SERVICE**

# Standby Procurement Charge

Core Retail Standby (SP-CR)	D
October, 2003	
November, 2003	•
December, 2003 TBD	* T
Noncore Retail Standby (SP-NR)	D
October, 2003	5
November, 2003	5
December, 2003 TBD	
Wholesale Standby (SP-W)	D
October, 2003	5
November, 2003	5
December, 2003 TBD	
Buy-Back Rate	
Core and Noncore Retail (BR-R)	D

Core and Noncore Retail (BR-R) October, 2003 November, 2003	
December, 2003	22.905¢

Vholesale (BR-W)	
October, 2003	21.215¢
November, 2003	21.266¢
December, 2003	
,	

<sup>\*</sup> To be determined (TBD). Pursuant to Resolution G-3316, the December 2003 Standby Procurement Charge will be filed by separate advice letter at least one day prior to January 25, 2004.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3333 DECISION NO. 89-11-060 & 90-09-089, et al. 6H7

ISSUED BY Lee Schavrien Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Dec 31, 2003 DATE FILED Dec 31, 2003 **EFFECTIVE** RESOLUTION NO.

Ι

D

Ι

T

T

Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

37308-G 37217-G

# Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

D

Τ

D

T

D

T

T

Т

(Continued)

## **RATES** (Continued)

#### Standby Procurement Charge

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

#### Core Retail Service:

SP-CR Standby Rate, per therm	
October, 2003	64¢
November, 2003	)26¢
December, 2003 T	BD*
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
October, 2003	′29¢
November, 2003	
December, 2003 T	BD*
Wholesale Service:	
SP-W Standby Rate per therm	
October, 2003	′29¢
November, 2003	91¢
December, 2003 T	BD*

\* To be determined (TBD). Pursuant to Resolution G-3316, the December 2003 Standby Procurement Charge will be filed by separate advice letter at least one day prior to January 25, 2004.

#### **Buy-Back Rate**

This rate is applied to customer's cumulative positive transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Buy-Back Rate is established effective the last day of each month and will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the excess imbalance was incurred; or 2) 50% of the applicable Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, during the month such excess imbalance was incurred.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3333 DECISION NO. 89-11-060 & 90-09-089, et al.

ISSUED BY
Lee Schavrien
Vice President

Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & Dec \ 31, \ 2003 \\ \text{EFFECTIVE} & Dec \ 31, \ 2003 \\ \text{RESOLUTION NO.} \end{array}$ 

Revised Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

37309-G 37112-G

# Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 3

D

D

Ι

(Continued)

RATES (Continued)

**Buy-Back Rate** (Continued)

Retail Service:

вк-к виу-васк	Rate, per therm	
October, 2003		21.319¢
November, 20	003	21.370¢
December 20	03	22 905¢

Wholesale Service:

BR-W Buy-Back Rate, per therm	
October, 2003	21.215¢
November, 2003	21.266¢
December, 2003	22.793¢

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

#### Daily Balancing Standby Rates

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

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

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

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3333 DECISION NO. 89-11-060 & 90-09-089, et al.

ISSUED BY
Lee Schavrien
Vice President

Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & \underline{Dec~31,2003} \\ \text{EFFECTIVE} & \underline{Dec~31,2003} \\ \text{RESOLUTION NO.} \end{array}$ 

# 37222-G

## TABLE OF CONTENTS

# (Continued)

GT-SD	Intrastate Transmission Service
GT-PS	Peaking Service
	36219-G,36220-G,35955-G,35956-G,35957-G
GW-LB	Wholesale Natural Gas Service 37062-G,35885-G,36731-G,32678-G,32679-G
	32680-G,35958-G
GW-SD	Wholesale Natural Gas Service
	32685-G,35959-G
GW-SWG	Wholesale Natural Gas Service
	32690-G,35960-G
GW-VRN	Wholesale Natural Gas Service
	32695-G,32696-G,35961-G
G-IMB	Transportation Imbalance Service
	37221-G,36313-G,33498-G
G-ITC	Interconnect Access Service
G-BSS	Basic Storage Service
	32704-G,32705-G,32706-G,32707-G
G-AUC	Auction Storage Service
	32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service
	32720-G,32721-G,32722-G,32723-G
G-TBS	Transaction Based Storage Service
	31929-G,36315-G,27378-G
G-CBS	UDC Consolidated Billing Service
G-PPPS	Tax Surcharge to Fund Public Purpose Programs
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 Safety
	Inspection and Enforcement Program
G-MSUR	Transported Gas Municipal Surcharge
GIT	Interruptible Interutility Transportation
GLT	Long-Term Transportation of Customer-Owned
	Natural Gas
GLT-1	Transportation of Customer-Owned Natural Gas 24572-G,24573-G,24574-G
	24575-G,24576-G,24577-G
GLT-2	Transportation of Customer-Owned Natural Gas 24578-G,24579-G,24580-G
	24581-G,24582-G,24583-G
G-LOAN	Hub Loaning
G-PRK	Hub Parking
G-WHL	Hub Service
G-FIG	Fiber Optic Cable in Gas Pipelines
	37009-G,37010-G37011-G,37012-G,37013-G

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3333 89-11-060 & 90-09-089, DECISION NO. et al. 3H7

ISSUED BY Lee Schavrien Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Dec 31, 2003 DATE FILED Dec 31, 2003 **EFFECTIVE** RESOLUTION NO.

 $\mathbf{T}$ 

Revised Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

37311-G 37223-G

T

T

T

#### **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.
Title Page Table of ContentsGeneral and Preliminary Statement Table of ContentsService Area Maps and Descriptions Table of ContentsRate Schedules Table of ContentsList of Cities and Communities Served Table of ContentsList of Contracts and Deviations Table of ContentsRules	37314-G,36176-G 
Table of ContentsSample Forms	
PRELIMINARY STATEMENT	
Part I General Service Information	333-G,24334-G,24749-G
Part II Summary of Rates and Charges 37160-G,37161-G,37162-G,366 32491-G,32492-G,36109-G,37119-G,37	
Part III Cost Allocation and Revenue Requirement 27024-G,27025-G,270	026-G,27027-G,36122-G
Part IV Income Tax Component of Contributions and Advances	36614-G,24354-G
Part V Description of Regulatory Accounts-Balancing	
Part VI Description of Regulatory Accounts-Memorandum	286-G,34683-G,34684-G
Part VII Description of Regulatory Accounts-Tracking	
Part VIII Gas Cost Incentive Mechanism (GCIM)	877-G,35878-G,36869-G 36870-G,35881-G
Part IX Hazardous Substances Mechanism (HSM)	199-G,26200-G,26201-G
Part X Global Settlement	531-G,32532-G,32533-G

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3333 DECISION NO. 89-11-060 & 90-09-089, et al.

ISSUED BY
Lee Schavrien
Vice President

Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & \underline{Dec~31,~2003} \\ \text{EFFECTIVE} & \underline{Dec~31,~2003} \\ \text{RESOLUTION NO.} \end{array}$ 

#### ATTACHMENT C

#### **ADVICE NO. 3333**

# RATE CALCULATION WORKPAPER BASED ON ADVICE NO. 3315 ADJUSTED CORE PROCUREMENT CHARGE FILING EFFECTIVE DECEMBER 1, 2003

# **Adjusted Core Procurement Charge:**

**Retail G-CPA**: **45.809¢** per therm (WACOG: 44.910¢ + Franchise and Uncollectibles: 0.899¢ or [2.0012% \* 44.910¢])

Wholesale G-CPA: 45.586¢ per therm (WACOG: 44.910¢ + Franchise: 0.676¢ or [1.5051% \* 44.910¢])

## **G-IMB Buy-Back Rates:**

**BR-R** = 50% of Retail G-CPA: 50% \* 45.809 cents/therm = **22.905** cents/therm

**BR-W** = 50% of Wholesale G-CPA: 50% \* 45.586 cents/therm = **22.793** cents/therm