

J. Steve Rahon Director Tariffs & Regulatory Accounts

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April 22, 2005

Advice No. 3492 (U 904 G)

Public Utilities Commission of the State of California

## Subject: March 2005 Standby Procurement Charges

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

## <u>Purpose</u>

This routine monthly filing updates the Standby Procurement Charges in Schedule No. G-IMB for March 2005.

### **Background**

Resolution G-3316, dated May 24, 2001, revised the Schedule No. G-IMB Standby Procurement Charge for negative monthly transportation imbalances that exceed the 10% tolerance band. The Standby Procurement Charges are:

- Calculated at 150% of the highest daily border price index at the Southern California border for the period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.201¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index - Southern California Border Average" and "Gas Daily's Daily Price Survey - SoCal gas, large pkgs Midpoint."
- 2. Calculated for a period that begins from the first day of the "flow month" (the month that the imbalance is incurred) and ends five days prior to the start of the imbalance trading period.
- 3. Posted at least one day in advance of the imbalance trading period.

## Information

For the "flow month" of March 2005 (covering the period March 1, 2005 to April 20, 2005), the highest daily border price index at the Southern California border is \$0.71475 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth

above, are \$1.07479 per therm for noncore retail service and all wholesale service, and \$1.07414 per therm for core retail service. The workpaper showing details of 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 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:

CPUC Energy Division Attention: Tariff Unit 505 Van Ness Avenue 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 Honesto Gatchalian (<u>jnj@cpuc.ca.gov</u>) 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: <u>snewsom@semprautilities.com</u>

### Effective Date

SoCalGas believes this filing is subject to Energy Division disposition and therefore respectfully requests that the tariff sheets filed herein be made effective April 22, 2005, the date filed, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is April 25, 2005.

### **Notice**

A copy of this advice letter is being sent to the parties listed on Attachment A.

J. STEVE RAHON Director Tariffs and Regulatory Accounts

# CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY

	ENERGY UT	
MUST BE COMPLI	eted by utility (At	tach additional pages as needed)
Company name/CPUC Utility No. S	OUTHERN CALIFO	RNIA GAS COMPANY/ U 904 G
Utility type:	Contact Person: <u>Nena Maralit</u>	
$\Box$ ELC $\Box$ GAS	Phone #: (213) 2	44-2822
PLC HEAT WATER	E-mail: nmaralit@	semprautilities.com
EXPLANATION OF UTILITY T	•	(Date Filed/ Received Stamp by CPUC)
ELC = ElectricGAS = GasPLC = PipelineHEAT = Heat	WATER = Water	
Advice Letter (AL) #: <u>3492</u>		
Subject of AL: March 2005 Standby	Procurement Char	ges
· · · · · · · · · · · · · · · · · · ·		
Keywords (choose from CPUC listing	g): <u>Preliminary Stat</u>	ement, Procurement
AL filing type: 🛛 Monthly 🗌 Quarte	erly 🗌 Annual 🗌 C	Dne-Time 🗌 Other
• • • •	-	cate relevant Decision/Resolution #:
G-3316		
	ected AL? If so. ider	ntify the prior AL
I O		ithdrawn or rejected AL <sup>1</sup> :
Resolution Required?  Yes  No		
Requested effective date: <u>4/22/05</u>		No. of tariff sheets: <u>4</u>
Estimated system annual revenue e	ffect: (%): N/A	
Estimated system average rate effect		
	ide attachment in A	L showing average rate effects on customer ıltural, lighting).
Tariff schedules affected: Prelimina	ry Statement Part I	I, Schedule G-IMB, and Tables of Contents
Service affected and changes propos	sed <sup>1</sup> :	
Pending advice letters that revise th		:: None
0		
Protests and all other correspondence this filing, unless otherwise authoriz		are due no later than 20 days after the date of on, and shall be sent to:
CPUC, Energy Division		outhern California Gas Company
Attention: Tariff Unit		ttention: Sid Newsom
505 Van Ness Avenue San Francisco, CA 94102		55 West Fifth Street, ML GT14D6
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov		os Angeles, CA 90013-4957 newsom@semprautilities.com
W- opucicuisor and Juje opucicuisor	31	

 $<sup>^{\</sup>scriptscriptstyle 1}$  Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3492

(See Attached Service List)

#### Advice Letter Distribution List - Advice 3492

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#### Advice Letter Distribution List - Advice 3492

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## ATTACHMENT B Advice No. 3492

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 39159-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 38952-G
Revised 39160-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 38953-G
Revised 39161-G	TABLE OF CONTENTS	Revised 38998-G
Revised 39162-G	TABLE OF CONTENTS	Revised 38908-G

SOUTHERN CALIFORNIA GAS COMPANY Revised

LOS ANGELES, CALIFORNIA CANCELING Revised

CAL. P.U.C. SHEET NO. 39159-G

CANCELING Revised CAL. P.U.C. SHEET NO. 38952-G

DDE	I IMINADV STATEMENT	Sheet 6
PRELIMINARY STATEMENT PART II		Sheet o
SUMMAI	RY OF RATES AND CHARGES	
	(Continued)	
	(())	
IMBALANCE SERVICE		
Standby Procurement Charge		
Core Retail Standby (SP-CR)		
•		
	102.651¢	
March, 2005	107.414¢	
Noncore Retail Standby (SP-NR)		
•	102.716¢	
-		
Wholesale Standby (SP-W)		
January, 2005	90.866¢	
February, 2005	102.716¢	
March, 2005		
Buy-Back Rate		
Compared Newsons Detail (DD D)		
Core and Noncore Retail (BR-R)	20.0674	
•		
Widicii, 2003		
Wholesale (BR-W)		
•		
	(Continued)	
(TO BE INSERTED BY UTILITY)	ISSUED BY (TO BE IN	ISERTED BY CAL. PUC)

ISSUED BY Lee Schavrien Vice President Regulatory Affairs

(TO BE I	NSERTED BY CAL. PUC)
DATE FILED	Apr 22, 2005
EFFECTIVE	Apr 22, 2005
RESOLUTION N	NO. G-3316

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LOS ANGELES, CALIFORNIA CANCELING

39160-G 38953-G CAL. P.U.C. SHEET NO.

## Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

Ι

Ι

Ι

D

(Continued)

#### RATES (Continued)

#### Standby Procurement Charge

This charge is applied to customer's cumulative negative transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Standby Procurement Charge is posted at least one day in advance of each corresponding imbalance trading period for noncore/wholesale and core transport agents (CTAs). It is calculated at 150% of the highest daily border price index at the Southern California border beginning on the first day of the month that the imbalance is created to five days prior to the start of each corresponding imbalance trading period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and  $0.201 \not\in$  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:	
Core Retail Standby (SP-CR)	
January, 2005	
February, 2005	
March, 2005	
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
January, 2005	90.866¢
February, 2005	
March, 2005	
Wholesale Service:	
SP-W Standby Rate per therm	
January, 2005	
February, 2005	
March, 2005	
	1

#### 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.

(TO BE INSERTED BY UTILITY) 3492 ADVICE LETTER NO. DECISION NO. 2H7

(Continued)

ISSUED BY Lee Schavrien Vice President **Regulatory Affairs** 

(TO BE INSERTED BY CAL. PUC) DATE FILED Apr 22, 2005 Apr 22, 2005 EFFECTIVE RESOLUTION NO. G-3316

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		24575-G,24576-G,24577-G
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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3492 DECISION NO. 3H8 (Continued)

ISSUED BY Lee Schavrien Vice President Regulatory Affairs (TO BE INSERTED BY CAL. PUC) DATE FILED <u>Apr 22, 2005</u> EFFECTIVE <u>Apr 22, 2005</u> RESOLUTION NO. <u>G-3316</u>

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(Continued) ISSUED BY Lee Schavrien Vice President Regulatory Affairs

(TO BE I	NSERTED BY CAL. PUC)	
DATE FILED	Apr 22, 2005	
EFFECTIVE	Apr 22, 2005	
RESOLUTION N	NO. G-3316	

# ATTACHMENT C

## **ADVICE NO. 3492**

# RATE CALCULATION WORKPAPER SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING EFFECTIVE MARCH 2005

# **G-IMB Standby Procurement Charge Calculation**

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."

The highest daily border price index for the period was on April 5, 2005.

4/5/05 NGI's Daily Gas Price Index (NDGPI) = \$0.7150 per therm

4/5/05 Gas Daily's Daily Price Survey (GDDPS) = \$0.7145 per therm

Highest Daily Border Price Index (HDBPI) = (NDGPI + GDDPS) / 2

HDBPI = \$0.71475 per therm

SP-CR (Core Retail) = 150% x HDBPI + Core Brokerage Fee

**SP-CR** = 150% x \$ 0.71475 + \$ 0.00201 = **\$ 1.07414** 

SP-NR (Noncore Retail) = 150% x HDBPI + Noncore Brokerage Fee

**SP-NR** = 150% x \$ 0.71475 + \$ 0.00266 = **\$ 1.07479** 

SP-W (Wholesale) = 150% x HDBPI + Noncore Brokerage Fee

**SP-W** = 150% x \$ 0.71475 + \$ 0.00266 = **\$ 1.07479**