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September 7, 2005

Advice No. 3527
(U 904 G)

Public Utilities Commission of the State of California

Subject: Cross-Over Rate for September 2005

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 revises the listed tariff rate schedules showing the Cross-Over Rate for applicable residential and core commercial and industrial customers for September 2005, as authorized by the California Public Utilities Commission's (Commission) approval of SoCalGas' Advice No. (AL) 3188-A on September 4, 2003, by Resolution G-3351. AL 3188-A was filed pursuant to Commission Decision (D.) 02-08-065 issued on August 22, 2002, authorizing SoCalGas to implement revised uniform rules for noncore customers requesting core service, and core customers with an annual consumption over 50,000 therms who elect to switch from a Core Aggregation Transportation (CAT) marketer to utility procurement service.

Background

The Cross-Over Rate, as set forth in Schedule No. G-CP will be the higher of 1) the posted monthly core procurement rate or 2) an Adjusted California Border Price. The Border Price adjustment will reflect the fact that interstate transportation costs are included in the core transportation rate, as opposed to the core procurement rate, and therefore must be removed from the Border Price in order to make for a proper comparison (and to avoid charging cross-over customers twice for interstate transportation). Similarly, the core procurement rate does not include intrastate backbone costs which are also a component of the core transportation rate.

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates.

This Cross-Over Rate will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except the following customers: a) noncore customers who have been served under Schedule No. G-CS since January 1, 2001, or b) noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The Cross-Over Rate will be filed on or before the 9th calendar day of each month, to be effective the 10th calendar day of each month.

Requested Rate Revision

The Cross-Over Rate for September 2005 is **83.988** cents per therm, which is the same as the Core Procurement rate as filed by AL 3526 on August 31, 2005. The workpaper showing the calculation of the Cross-Over Rate is incorporated herein as Attachment C.

Protest

Anyone may protest this Advice Letter to the 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 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 (jjr@cpuc.ca.gov) and Honesto Gatchalian (ijnj@cpuc.ca.gov) of the Energy Division. A copy of the protest should 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@SempraUtilities.com

Effective Date

In compliance with Advice No. 3188-A, approved on September 4, 2003 by Resolution G-3351, the tariff sheets filed herein are to be effective for service on and after September 10, 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

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SOUTHERN CALIFORNIA GAS COMPANY/ U 904 G**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Donna Shepherd

Phone #: (213) 244-3837

E-mail: dmshepherd@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3527

Subject of AL: September 2005 Cross-Over Rate

Keywords (choose from CPUC listing): Preliminary Statement, Procurement

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

G-3351

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: 9/10/05

No. of tariff sheets: 21

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: PS-II, GR, GS, GM, GMB, GSL, GN-10, G-AC, G-EN, G-NGV, G-CP, & TOCs

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: 3520, 3526

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Southern California Gas Company

Attention: Sid Newsom

555 West Fifth Street, ML GT14D6

Los Angeles, CA 90013-4957

snewsom@semprautilities.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3527

(See Attached Service List)

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ATTACHMENT B
Advice No. 3527

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 39557-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 39526-G
Revised 39558-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 39527-G
Revised 39559-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 39528-G
Revised 39560-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 39529-G
Revised 39561-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 39532-G
Revised 39562-G	Schedule No. GS, MULTI-FAMILY SERVICE SUBMETERED, Sheet 3	Revised 39482-G
Revised 39563-G	Schedule No. GM, MULTI-FAMILY SERVICE, Sheet 3	Revised 39483-G
Revised 39564-G	Schedule No. GMB, LARGE MULTI-FAMILY SERVICE, Sheet 3	Revised 39484-G
Revised 39565-G	Schedule No. GSL, SUBMETERED MULTI- FAMILY SERVICE, INCOME-QUALIFIED, Sheet 3	Revised 39485-G
Revised 39566-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 39543-G
Revised 39567-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 39544-G
Revised 39568-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 5	Revised 39545-G
Revised 39569-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 6	Revised 39489-G
Revised 39570-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 39547-G
Revised 39571-G	Schedule No. G-EN, CORE GAS ENGINE	Revised 39549-G

ATTACHMENT B
Advice No. 3527

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
	SERVICE, FOR WATER PUMPING, Sheet 2	
Revised 39572-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 39550-G
Revised 39573-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 39551-G
Revised 39574-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 39552-G
Revised 39575-G	TABLE OF CONTENTS	Revised 39554-G
Revised 39576-G	TABLE OF CONTENTS	Revised 39555-G
Revised 39577-G	TABLE OF CONTENTS	Revised 39556-G

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 1

RESIDENTIAL CORE SERVICE

Schedule GR (Includes GR, GR-C, GT-R, GRL and GT-RL Rates)

	Baseline <u>Usage</u>	Non-Baseline <u>Usage</u>	Customer Charge <u>per meter, per day</u>
GR ⁽¹⁾	112.412¢	130.670¢	16.438¢
GR-C ⁽²⁾	112.412¢	130.670¢	16.438¢
GT-R	28.005¢	46.263¢	16.438¢
GRL ⁽³⁾	89.929¢	104.536¢	13.151¢
GT-RL ⁽³⁾	22.404¢	37.010¢	13.151¢

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RESIDENTIAL CORE SALES SERVICE (1) (2)

Commodity Charge
(per therm)

Schedules GS & GM

Baseline Usage	112.412¢
Non-Baseline Usage	130.670¢
Cross-Over Rate Baseline Usage.....	112.412¢
Cross-Over Rate Non-Baseline Usage	130.670¢
Customer Charge: 16.438¢/meter/day	

I
I

Schedule GMB

Baseline Usage	105.627¢
Non-Baseline Usage	113.804¢
Cross-Over Rate Baseline Usage.....	105.627¢
Cross-Over Rate Non-Baseline Usage	113.804¢
Customer Charge: \$9.482/meter/day	

I
I

Schedule GSL

Baseline Usage	89.929¢
Non-Baseline Usage	104.536¢
Cross-Over Rate Baseline Usage (GSL only)	89.929¢
Cross-Over Rate Non-Baseline Usage (GSL only)	104.536¢
Customer Charge: 13.151¢/meter/day	

I
I

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 83.988¢/therm which includes the core brokerage fee.
- (2) The residential cross-over rate as set forth in Schedule No. G-CP is 83.988¢/therm which includes the core brokerage fee.
- (3) The CARE rate reflects a 20% discount on all customer, commodity, and transportation charges.

I

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3527
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Sep 7, 2005
 EFFECTIVE Sep 10, 2005
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 2

(Continued)

RESIDENTIAL CORE AGGREGATION SERVICE

Transmission Charge
 (per therm)

Schedules GT-S & GT-M

Baseline Usage	28.005¢
Non-Baseline Usage	46.263¢
Customer Charge: 16.438¢/meter/day	

Schedule GT-MB

Baseline Usage	21.220¢
Non-Baseline Usage	29.397¢
Customer Charge: \$9.299/meter/day	

Schedule GT-SL

Baseline Usage	22.404¢
Non-Baseline Usage	37.010¢
Customer Charge: 13.151¢/meter/day	

NON-RESIDENTIAL CORE SALES SERVICE (1)(2)

Commodity Charge
 (per therm)

Schedule GN-10 (3)

GN-10: Tier I	127.226¢
Tier II	108.656¢
Tier III	95.109¢
GN-10C: Tier I	127.226¢
Tier II	108.656¢
Tier III	95.109¢
GN-10V: Tier I	127.226¢
Tier II	105.029¢
Tier III	95.109¢
GN-10VC: Tier I	127.226¢
Tier II	105.029¢
Tier III	95.109¢

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

- (1) The non-residential core procurement charge as set forth in Schedule No. G-CP is 83.988¢/therm which includes the core brokerage fee.
- (2) The non-residential cross over rate as set forth in Schedule No. G-CP is 83.988¢/therm which includes the core brokerage fee.
- (3) Schedule GL rates are set commensurate with Rate Schedule GN-10.

(Continued)

(TO BE INSERTED BY UTILITY)
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 DECISION NO.

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Lee Schavrien
 Vice President
 Regulatory Affairs

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PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 3

(Continued)

NON-RESIDENTIAL CORE SALES SERVICE (Continued)

Commodity Charge
 (per therm)

Schedule GN-10L

GN-10L: Tier I	101.780¢
Tier II	86.924¢
Tier III	76.087¢

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	95.262¢
G-ACC: rate per therm	95.262¢
G-ACL: rate per therm	76.209¢
Customer Charge:	\$150/month

Schedule G-EN

G-EN: rate per therm	101.559¢
G-ENC: rate per therm	101.559¢
Customer Charge:	\$50/month

Schedule G-NGV

G-NGU: rate per therm	95.595¢
G-NGUC: rate per therm	95.595¢
G-NGU plus G-NGC Compression Surcharge	130.595¢
G-NGUC plus G-NGC Compression Surcharge	130.595¢
P-1 Customer Charge:	\$13/month
P-2A Customer Charge:	\$65/month

NON-RESIDENTIAL CORE AGGREGATION SERVICE

Transmission Charge
 (per therm)

Schedule GT-10

GT-10: Tier I	42.819¢
Tier II	24.249¢
Tier III	10.702¢
GT-10V: Tier I	42.819¢
Tier II	20.622¢
Tier III	10.702¢

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

(Continued)

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 Regulatory Affairs

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PRELIMINARY STATEMENT
PART II
SUMMARY OF RATES AND CHARGES

Sheet 6

(Continued)

WHOLESALE SERVICE (Continued)

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

Transmission Charge	2.438¢
ITCS-VRN.....	0.305¢

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm	83.988¢
Non-Residential Cross-Over Rate, per therm	83.988¢
Residential Core Procurement Charge, per therm	83.988¢
Residential Cross-Over Rate, per therm	83.988¢
Adjusted Core Procurement Charge, per therm	83.787¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

June, 2005	109.589¢
July, 2005	125.564¢
August, 2005	TBD*

Noncore Retail Standby (SP-NR)

June, 2005	109.654¢
July, 2005	125.629¢
August, 2005	TBD*

Wholesale Standby (SP-W)

June, 2005	109.654¢
July, 2005	125.629¢
August, 2005	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

June, 2005	29.443¢
July, 2005	33.031¢
August, 2005	31.538¢

Wholesale (BR-W)

June, 2005	29.344¢
July, 2005	32.921¢
August, 2005	31.433¢

* To be determined (TBD). Pursuant to Resolution G-3316, the August Standby Procurement Charge will be filed by separate advice letter at least one day prior to September 25, 2005.

(Continued)

(TO BE INSERTED BY UTILITY)
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Lee Schavrien
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 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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 RESOLUTION NO. G-3351

Schedule No. GR
RESIDENTIAL SERVICE
 (Includes GR, GR-C, GT-R, GRL and GT-RL Rates)

Sheet 1

APPLICABILITY

The GR rate is applicable to natural gas procurement service to individually metered residential customers.

The GR-C, cross-over rate, is a core procurement option for individually metered residential core transportation customers with annual consumption over 50,000 therms, as set forth in Special Condition 10.

The GT-R rate is applicable to Core Aggregation Transportation (CAT) service to individually metered residential customers, as set forth in Special Condition 11.

The GRL procurement rate and GT-RL (CAT) rates are applicable to income-qualified households that meet the requirements for the California Alternate Rates for Energy (CARE) as set forth in Schedule G-CARE. The CARE discount of 20% is reflected in the GRL and GT-RL rates shown below.

TERRITORY

Applicable throughout the service territory.

RATES

	<u>GR</u>	<u>GR-C</u>	<u>GT-R</u>
<u>Customer Charge</u> , per meter per day: ^{1/}	16.438¢	16.438¢	16.438¢
<u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	83.988¢	83.988¢	N/A
<u>Transmission Charge</u> : ^{3/}	<u>28.424¢</u>	<u>28.424¢</u>	<u>28.005¢</u>
Total Baseline Charge:	112.412¢	112.412¢	28.005¢
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	83.988¢	83.988¢	N/A
<u>Transmission Charge</u> : ^{3/}	<u>46.682¢</u>	<u>46.682¢</u>	<u>46.263¢</u>
Total Non-Baseline Charge:	130.670¢	130.670¢	46.263¢

Rates for CARE-Eligible Customers

	<u>GRL</u>	<u>GT-RL</u>
<u>Customer Charge</u> , per meter per day: ^{1/}	13.151¢	13.151¢

^{1/} For "Space Heating Only" customers, a daily Customer Charge of 33.149¢ per day for GR, GR-C and GT-R and 26.519¢ per day for GRL and GT-RL applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, with some exceptions, usage will be accumulated to at least 20 one hundred cubic feet (Ccf) before billing. (Footnotes continue next page.)

(Continued)

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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Sep 7, 2005
 EFFECTIVE Sep 10, 2005
 RESOLUTION NO. G-3351

Schedule No. GS
MULTI-FAMILY SERVICE SUBMETERED

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GS-C (Continued)

Baseline Rate

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

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-S</u>	<u>28.424¢</u>	
Commodity Charge:	GS-C	112.412¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-S</u>	<u>46.682¢</u>	
Commodity Charge:	GS-C	130.670¢	I

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 usage is to be billed at the Baseline rate for each submetered multi-family dwelling unit. Usage in excess of applicable Baseline allowances will be billed at the Non-Baseline rate.

<u>Per Residence</u>	<u>Daily Therm Allowance for Climate Zones*</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Summer	0.473	0.473	0.473
Winter	1.691	1.823	2.950

* Climate Zones are described in the Preliminary Statement.

(Continued)

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 RESOLUTION NO. G-3351

Schedule No. GM
MULTI-FAMILY SERVICE

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GM-EC and GM-CC

These charges will be applicable for only the first 12 months of service for: (1) residential core transportation customers who consumed over 50,000 therms in the last 12 months and who have transferred from procuring their gas commodity from a Energy Service Provider (ESP) to utility procurement unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California; and (2) residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service for up to 90 days while deciding whether to switch to a different ESP. These charges consists of: (1) the monthly procurement charge, as set forth in Schedule No. G-CPRC; (2) the GT-ME and GT-MC transmission charges, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-M; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

GM-EC

Baseline Rate

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

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>28.424¢</u>	
Commodity Charge:	GM-EC	112.412¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>46.682¢</u>	
Commodity Charge:	GM-EC	130.670¢	I

GM-CC

All usage, per therm.

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-MC</u>	<u>46.682¢</u>	
Commodity Charge:	GM-CC	130.670¢	I

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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; (2) the GT-AC transmission charge, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-AC; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

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	83.988¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.274¢</u>
Commodity Charge:	G-AC	95.262¢

G-ACC

This charge will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

This charge consists of: (1) the monthly procurement charge as set forth in Schedule No. G-CPNRC; (2) the GT-AC transmission charge, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-AC; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

Rate, per therm.

Procurement Charge:	G-CPNRC	83.988¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.274¢</u>
Commodity Charge:	G-ACC	95.262¢

(Continued)

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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	83.988¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>17.571¢</u>
Commodity Charge:	G-EN	101.559¢

G-ENC

This charge will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

This charge consists of: (1) the monthly procurement charge as set forth in Schedule No. G-CPNRC; (2) the GT-EN transmission charge, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-EN; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

Procurement Charge:	G-CPNRC	83.988¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>17.571¢</u>
Commodity Charge:	G-ENC	101.559¢

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)
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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	83.988¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>11.607¢</u>
Commodity Charge:	G-NGU	95.595¢

G-NGUC

This charge will be applicable for the first 12 months of service for core transportation customers with qualifying load who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California. This charge consists of: (1) the monthly procurement charge as set forth in Schedule No. G-CPNRC; (2) the GT-NGU transmission charge, as set forth in Schedule No. GT-NGV; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

Rate, uncompressed per therm.

Procurement Charge:	G-CPNRC	83.988¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>11.607¢</u>
Commodity Charge:	G-NGUC	95.595¢

Utility-Funded Fueling Station

G-NGC Compression Surcharge per therm 35.000¢

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

G-NGU plus G-NGC, compressed per therm	130.595¢
G-NGUC plus G-NGC, compressed per therm	130.595¢

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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	83.787¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	83.988¢

G-CPNRC

This is the non-residential Cross-Over Rate authorized in D.02-08-065. This charge will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The monthly gas procurement charge is comprised of: (1) the higher of the Cost of Gas in the G-CPNR rate above, less authorized franchise fees and uncollectible expenses, or the Adjusted Border Price; (2) authorized franchise fees and uncollectible expenses; and (3) authorized core brokerage fee.

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates.

Cost of Gas, (1) and (2) above, per therm	83.787¢	I
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	83.988¢	I

G-CPR

This charge is for residential service. 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).

(Continued)

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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 3

(Continued)

RATES (Continued)

G-CPR (Continued)

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) authorized franchise fees and uncollectible expenses; (3) authorized core brokerage fee; (4) any adjustments for over- or under- collection imbalance in the Core Purchased Gas Account (CPGA) imbalance band as defined and approved in D.98-07-068; and (5) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

Cost of Gas, per therm	83.787¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	83.988¢

G-CPRC

This is the residential Cross-Over Rate authorized in D.02-08-065. This charge will be applicable for the first 12 months for: (1) residential core transportation customers who consumed over 50,000 therms in the last 12 months and who transfer to utility procurement, or (2) residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The monthly gas procurement charge is comprised of: (1) the higher of the Cost of Gas in the G-CPR rate above, less authorized franchise fees and uncollectible expenses, or the Adjusted Border Price; (2) authorized franchise fees and uncollectible expenses; and (3) authorized core brokerage fee.

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates.

Cost of Gas, (1) and (2) above, per therm	83.787¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	83.988¢

The Border Price will be posted on the Utility's Internet web site at <http://www.socalgas.com>.

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Schedule No. GMB
LARGE MULTI-FAMILY SERVICE

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GM-BEC and GM-BCC

These charges will be applicable for only the first 12 months of service for: (1) residential core transportation customers who consumed over 50,000 therms in the last 12 months and who have transferred from procuring their gas commodity from a Energy Service Provider (ESP) to utility procurement unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California; and (2) residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service for up to 90 days while deciding whether to switch to a different ESP. These charges consists of: (1) the monthly procurement charge, as set forth in Schedule No. G-CPRC; (2) the GT-MBE and GT-MBC transmission charges, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-MB; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

GM-BEC

Baseline Rate

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

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>21.639¢</u>	
Commodity Charge:	GM-BEC	105.627¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>29.816¢</u>	
Commodity Charge:	GM-BEC	113.804¢	I

GM-BCC

All usage, per therm.

Procurement Charge:	G-CPRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-MBC</u>	<u>29.816¢</u>	
Commodity Charge:	GM-BCC	113.804¢	I

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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	83.988¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.668¢</u>
Commodity Charge:	GN-10	108.656¢

Tier III Rate, per therm, for all usage above 4167 therms per month.

Procurement Charge:	G-CPNR	83.988¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>11.121¢</u>
Commodity Charge:	GN-10	95.109¢

GN-10C

These charges will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

These charges consist of: (1) the monthly procurement charge as set forth in Schedule No. G-CPNRC; (2) the GT-10 transmission charges, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-10; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

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-CPNRC	83.988¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>43.238¢</u>
Commodity Charge:	GN-10C	127.226¢

(Continued)

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Schedule No. GN-10

Sheet 4

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GN-10C (Continued)

Tier II Rate, per therm, for usage above Tier I quantities and up to 4167 therms per month.

Procurement Charge:	G-CPNRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.668¢</u>	I
Commodity Charge:	GN-10C	108.656¢	

Tier III Rate, per therm, for all usage above 4167 therms per month.

Procurement Charge:	G-CPNRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>11.121¢</u>	I
Commodity Charge:	GN-10C	95.109¢	I

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; (2) the GT-10V transmission charges, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-10; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge. 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	83.988¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>43.238¢</u>
Commodity Charge:	GN-10V	127.226¢

Tier II Rate, per therm, for usage above Tier I quantities and up to 4167 therms per month.

Procurement Charge:	G-CPNR	83.988¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>21.041¢</u>
Commodity Charge:	GN-10V	105.029¢

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Schedule No. GN-10

Sheet 5

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	83.988¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>11.121¢</u>
Commodity Charge:	GN-10V	95.109¢

GN-10VC

These charges will be applicable for the first 12 months of service for those customers who are located in the City of Vernon, as defined in Special Condition 6 and are: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The charges consist of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CPNRC; (2) the GT-10V transmission charges, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-10; (3) the San Juan Lateral interstate demand charge; and (4) the procurement carrying cost of storage inventory charge.

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-CPNRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>43.238¢</u>	I
Commodity Charge:	GN-10VC	127.226¢	I

Tier II Rate, per therm, for usage above Tier I quantities and up to 4167 therms per month.

Procurement Charge:	G-CPNRC	83.988¢	I
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>21.041¢</u>	I
Commodity Charge:	GN-10VC	105.029¢	I

(Continued)

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 ADVICE LETTER NO. 3527
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 Regulatory Affairs

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Schedule No. GN-10

Sheet 6

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GN-10VC (Continued)

Tier III Rate, per therm, for all usage above 4167 therms per month.

Procurement Charge:	G-CPNRC	83.988¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>11.121¢</u>
Commodity Charge:	GN-10VC	95.109¢

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. Those customers who have a signed commitment to this schedule must fulfill their obligation to that commitment prior to being reclassified as noncore.
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 or GN-10VC 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.

(Continued)

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Lee Schavrien
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Schedule No. GSL
SUBMETERED MULTI-FAMILY SERVICE, INCOME-QUALIFIED

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GSL-C

These charges will be applicable for only the first 12 months of service for: (1) residential core transportation customers who consumed over 50,000 therms in the last 12 months and who have transferred from procuring their gas commodity from a Energy Service Provider (ESP) to utility procurement unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California; and (2) residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service for up to 90 days while deciding whether to switch to a different ESP. These charges consists of: (1) the discounted monthly procurement charge, as set forth in Schedule No. G-CPRC; (2) the GT-SL transmission charges, excluding the discounted El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-SL; (3) the discounted San Juan Lateral interstate demand charge; and (4) the discounted procurement carrying cost of storage inventory charge. 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-CPRCL	67.190¢	I
<u>Transmission Charge:</u>	<u>GPT-SL</u>	<u>22.739¢</u>	
Commodity Charge:	GSL-C	89.929¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRCL	67.190¢	I
<u>Transmission Charge:</u>	<u>GPT-SL</u>	<u>37.346¢</u>	
Commodity Charge:	GSL-C	104.536¢	I

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.

(Continued)

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GS	Multi-Family Service Submetered	32567-G,39534-G,39562-G,36641-G 38332-G
GT-S	Core Aggregation Transportation for Multi-Family Submetered Service	32570-G,39067-G,37643-G,38333-G,31179-G
GM	Multi-Family Service	30832-G,39535-G,39563-G,37644-G 37645-G,38334-G,36648-G
GT-M	Core Aggregation Transportation for Multi-Family Service	31180-G,39070-G,37646-G,38335-G 36800-G,31184-G
GMB	Large Multi-Family Service	39071-G,39536-G,39564-G,39074-G 37648-G,38336-G,36655-G
GT-MB	Core Aggregation Transportation for Large Multi-Family Service	39075-G,39076-G,37649-G,35659-G 38337-G,36657-G
GSL	Submetered Multi-Family Service, Income Qualified	33684-G,39537-G,39565-G,37653-G 39223-G,39224-G,36663-G
GT-SL	Core Aggregation Transportation Submetered Multi-Family Service, Income Qualified	33687-G,39081-G,37654-G,39225-G 36804-G,36805-G
G-CARE	California Alternate Rates for Energy (CARE) Program	39257-G,39258-G 39259-G,39260-G,39261-G,39262-G
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GTO-SSA	Transportation-Only Summer Saver Optional Rate for Owners of Existing Gas Equipment	38243-G,39083-G,37657-G,36806-G,31258-G
GO-SSB	SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	38566-G,39539-G,37658-G,37659-G,31263-G
GTO-SSB	Transportation-Only SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	38568-G,39085-G,37661-G,31583-G,31268-G
GO-AC	Optional Rate for Customers Purchasing New Gas Air Conditioning Equipment	38570-G,39540-G,37662-G,37663-G,31277-G
GTO-AC	Transportation-Only Optional Rate for Customers Purchasing New Gas Air Conditioning Equipment	38572-G,39087-G,37664-G,37665-G,31282-G

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GN-10L	Core Commercial and Industrial Service, Income Qualified	33690-G,33691-G,39546-G,32627-G,39226-G 32629-G,32630-G,39227-G,32632-G	
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G-AC	Core Air Conditioning Service for Commercial and Industrial	36674-G,39570-G,39548-G,36677-G,37928-G,36679-G 39230-G,38158-G	T
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GO-IR	Incremental Rate for Existing Equipment for Core Commercial and Industrial	30206-G,32062-G,30208-G	
GTO-IR	Transportation-Only Incremental Rate for Existing Equipment for Core Commercial and Industrial	30209-G,30210-G,30211-G	
G-CP	Core Procurement Service	37140-G, 39573-G, 39574-G,39553-G,37933-G	T
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Part IV Income Tax Component of Contributions and Advances	36614-G,24354-G
Part V Description of Regulatory Accounts-Balancing	38681-G,34820-G,37156-G 37004-G,34822-G,36082-G,36083-G,36084-G,36085-G,36086-G 38682-G,38683-G,35874-G,38684-G,38685-G,38686-G,38687-G
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ATTACHMENT C

ADVICE NO. 3527

**G-CPNRC & G-CPRC RATE CALCULATION WORKPAPER
SCHEDULE NO. G-CP CROSS-OVER RATE FILING
EFFECTIVE SEPTEMBER 10, 2005**

Border Price Index (BPI)

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence (NGI) and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week (NGW)

September 2005 NGI's Price Index (NGIPI) = \$0.82800 per therm

September 2005 NGW's Price Index (NGWPI) = \$0.83300 per therm

**Border Price Index (BPI) = (NGIPI + NGWPI) / 2
BPI = \$0.83050 per therm**

Adjusted Border Price Index (ABPI)

**Remove Core Pipeline Demand Costs from BPI
ABPI = \$0.83050 - \$0.03738 = \$0.79312 per therm**

Core Procurement Cost of Gas (CPC)

9/1/05 G-CPNR & G-CPR Cost of Gas (without Brokerage Fee) = \$0.83787

Adjusted Core Procurement Cost of Gas (ACPC)

**Remove 1.9187% Franchise Fee and Uncollectibles (FF&U)
ACPC = \$0.83787 / 1.019187 = \$0.82210 per therm**

G-CPNRC & G-CPRC Cross-Over Rate Calculation:

Higher of ACPC or ABPI = ACPC = \$0.82210

**Include 1.9187% Franchise Fee and Uncollectibles (FF&U)
G-CPNRC & G-CPRC Cost of Gas = \$0.82210 * 1.019187 = \$0.83787 per therm**