

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 15, 2005

Advice No. 3564 (U 904 G)

Public Utilities Commission of the State of California

# Subject: Daily Balancing Standby Rates for December 8-14, 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 filing updates the Daily Balancing Standby Rates for the period of December 8, 2005 through December 14, 2005 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 is revised to state that for the days of December 1-14, 2005 the Utility's total inventory in storage was 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 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 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 15, 2005, which is the date filed, and are to be applicable to the period of December 8, 2005 through December 14, 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. S	OUTHERN CALIFO	RNIA GAS COMPANY/ U 904 G		
Utility type:	Contact Person: Donna Shepherd			
$\Box$ ELC $\boxtimes$ GAS	Phone #: (213) 244-3837			
$\square$ PLC $\square$ HEAT $\square$ WATER		herd@semprautilities.com		
EXPLANATION OF UTILITY T	YPE	(Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas				
PLC = PipelineHEAT = Heat	WATER = Water			
Advice Letter (AL) #: <u>3564</u>				
Subject of AL: <u>Daily Balancing St</u>	andby Rates for De	cember 8-14, 2005		
Keywords (choose from CPUC listing	g): Compliance, No	n-Core, Procurement		
	<b>j 1</b>			
AL filing type: Monthly Quarte	erlv 🗌 Annual 🗌 C	ne-Time 🖂 Other 🛛 Weekly		
	C C	cate relevant Decision/Resolution #:		
D.97-11-070	,,			
	ected AL? If so, ider	ntify the prior AL		
		thdrawn or rejected AL <sup>1</sup> :		
Summarize unterences between the	The and the prior wi			
Resolution Required? $\Box$ Yes $\boxtimes$ No				
Requested effective date: $12/15/0$	5	No. of tariff sheets: <u>4</u>		
Estimated system annual revenue e				
Estimated system annual revenue e				
· 0		L showing average rate effects on customer		
classes (residential, small commerci				
Tariff schedules affected: <u>Schedule G-IMB, and Tables of Contents</u>				
Service affected and changes proposed <sup>1</sup> :				
Pending advice letters that revise the same tariff sheets: <u>3553, 3558, 3562</u>				
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	S	outhern California Gas Company		
Attention: Tariff Unit		ttention: Sid Newsom		
505 Van Ness Avenue		55 West Fifth Street, ML GT14D6		
San Francisco, CA 94102Los Angeles, CA 90013-4957jjr@cpuc.ca.govsnewsom@semprautilities.com		os Angeles, CA 90013-4957 newsom@semprautilities.com		
Ji - cpucica.gov and jije cpucica.gov	31	wyom-semplaumues.com		

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

ATTACHMENT A

Advice No. 3564

(See Attached Service List)

#### Advice Letter Distribution List - Advice 3564

Aglet Consumer Alliance James Weil jweil@aglet.org

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

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

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

Calpine Corp Avis Clark aclark@calpine.com

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

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

City of Riverside Joanne Snowden jsnowden@riversideca.gov

Commerce Energy Glenn Kinser gkinser@commerceenergy.com

Commerce Energy Tony Cusati TCusati@commerceenergy.com Alcantar & Kahl Elizabeth Westby egw@a-klaw.com

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

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

CPUC - ORA Jacqueline Greig jnm@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 Los Angeles City Attorney 200 North Main Street, 800 Los Angeles, CA 90012

City of Vernon Daniel Garcia dgarcia@ci.vernon.ca.us

Commerce Energy Lynelle Lund Ilund@commerceenergy.com

Commerce Energy Pat Darish pdarish@commerceenergy.com Alcantar & Kahl Kari Harteloo klc@a-klaw.com

Beta Consulting John Burkholder burkee@cts.com

CPUC - ORA Galen Dunham gsd@cpuc.ca.gov

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 Pasadena - Water and Power Dept. Robert Sherick rsherick@cityofpasadena.net

Commerce Energy Gary Morrow GMorrow@commerceenergy.com

Commerce Energy Rommel Aganon RAganon@commerceenergy.com

County of Los Angeles Stephen Crouch 1100 N. Eastern Ave., Room 300 Los Angeles, CA 90063

#### Advice Letter Distribution List - Advice 3564

Crossborder Energy Tom Beach tomb@crossborderenergy.com

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

Douglass & Liddell Donald C. Liddell liddell@energyattorney.com

Duke Energy North America Melanie Gillette mlgillette@duke-energy.com

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

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

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

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

Luce, Forward, Hamilton & Scripps John Leslie jleslie@luce.com

Manatt Phelps Phillips Randy Keen rkeen@manatt.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 Ann Trowbridge atrowbridge@downeybrand.com

Dynegy Joseph M. Paul jmpa@dynegy.com

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

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

Kern River Gas Transmission Company Janie Nielsen Janie.Nielsen@KernRiverGas.com

Law Offices of Diane I. Fellman Diane Fellman diane\_fellman@fpl.com

MRW & Associates Robert Weisenmiller mrw@mrwassoc.com

Manatt, Phelps & Phillips, LLP David Huard dhuard@manatt.com Davis Wright Tremaine, LLP Edward W. O'Neill One Embarcadero Center, #600 San Francisco, CA 94111-3834

Douglass & Liddell Dan Douglass douglass@energyattorney.com

Downey, Brand, Seymour & Rohwer Dan Carroll dcarroll@downeybrand.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

JBS Energy Jeff Nahigian jeff@jbsenergy.com

LADWP Nevenka Ubavich nevenka.ubavich@ladwp.com

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

Manatt Phelps Phillips Margaret Snow Msnow@manatt.com

March Joint Powers Authority Lori Stone PO Box 7480, Moreno Valley, CA 92552

#### Advice Letter Distribution List - Advice 3564

Matthew Brady & Associates Matthew Brady matt@bradylawus.com

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. 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

Trans Canada John Roscher john\_roscher@transcanada.com National Utility Service, Inc. Jim Boyle One Maynard Drive, P. O. Box 712 Park Ridge, NJ 07656-0712

Questar Southern Trails Lenard Wright Lenard.Wright@Questar.com

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

Southern California Edison Co. Colin E. Cushnie Colin.Cushnie@SCE.com

Southern California Edison Company Michael Alexander Michael.Alexander@sce.com

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

The Mehle Law Firm PLLC Colette B. Mehle cmehle@mehlelaw.com

Western Manufactured Housing Communities Assoc. Sheila Day sheila@wma.org Pacific Gas & Electric Co. John Clarke jpc2@pge.com

R. W. Beck, Inc. Catherine Elder celder@rwbeck.com

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

Southern California Edison Co. Kevin Cini Kevin.Cini@SCE.com

Southwest Gas Corp. John Hester P. O. Box 98510 Las Vegas, NV 89193-8510

TURN Marcel Hawiger marcel@turn.org

Trans Canada Ben Johnson Ben\_Johnson@transcanada.com

### ATTACHMENT B Advice No. 3564

_	Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
	Revised 39960-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 4	Revised 39954-G
	Revised 39961-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 39955-G
	Revised 39962-G	TABLE OF CONTENTS	Revised 39956-G
	Revised 39963-G	TABLE OF CONTENTS	Revised 39957-G

LOS ANGELES, CALIFORNIA CANCELING Revised

Revised CAL. P.U.C. SHEET NO. 39960-G Revised CAL. P.U.C. SHEET NO. 39954-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 2005 <u>Day</u>	Core Retail <u>DB-CR</u>	Noncore Retail <u>DB-NR</u>	Wholesale <u>DB-W</u>
1	\$1.58430	\$1.58495	\$1.57966
2	\$1.66379	\$1.66444	\$1.65889
3	\$1.66379	\$1.66444	\$1.65889
4	\$1.66379	\$1.66444	\$1.65889
5	\$1.64086	\$1.64151	\$1.63603
Period 1 High	\$1.66379	\$1.66444	\$1.65889
6	\$1.88241	\$1.88306	\$1.87677
7	\$1.83960	\$1.84025	\$1.83411
8	\$1.95426	\$1.95491	\$1.94838
9	\$2.05669	\$2.05734	\$2.05047
10	\$2.05669	\$2.05734	\$2.05047
Period 2 High	\$2.05669	\$2.05734	\$2.05047
11	\$2.05669	\$2.05734	\$2.05047
12	\$2.10103	\$2.10168	\$2.09466
13	\$2.04446	\$2.04511	\$2.03828
14	\$2.13007	\$2.13072	\$2.12361
15	N/A	N/A	N/A
Period 3 High	N/A	N/A	N/A
16	N/A	N/A	N/A
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. 3564	Lee Schavrien	DATE FILED Dec 15, 2005
DECISION NO. 97-11-070	Vice President	EFFECTIVE Dec 15, 2005
4H9	Regulatory Affairs	RESOLUTION NO.

LOS ANGELES, CALIFORNIA CANCELING

### Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 5

#### (Continued)

### <u>RATES</u> (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm (Continued)

December 2005 <u>Day</u>	Core Retail <u>DB-CR</u>	Noncore Retail <u>DB-NR</u>	Wholesale <u>DB-W</u>
21	N/A	N/A	N/A
22	N/A	N/A	N/A
23	N/A	N/A	N/A
24	N/A	N/A	N/A
25	N/A	N/A	N/A
Period 5 High	N/A	N/A	N/A
26	N/A	N/A	N/A
27	N/A	N/A	N/A
28	N/A	N/A	N/A
29	N/A	N/A	N/A
30	N/A	N/A	N/A
31	N/A	N/A	N/A
Period 6 High	N/A	N/A	N/A

Note: For the days of December 1-14, 2005 the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies.

#### **Revision of Rates**

The Standby Procurement Charge and the Buy-Back Rate shall be established effective the last day of each month. The Daily Balancing Standby Rate shall be established on NGI's *Daily* Gas Price Index. Utility may file the Daily Balancing Standby Rate weekly to become effective immediately. In any event, the Daily Balancing Standby Rate shall be filed on or before the fifth business day of each month.

### SPECIAL CONDITIONS

1. Definitions of the principal terms used in this rate schedule are contained in Rule No. 1.

(Continued) ISSUED BY Lee Schavrien Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)			
DATE FILED	Dec 15, 2005		
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	37951-G
GW-SWG	Wholesale Natural Gas Service
GW-VRN	Wholesale Natural Gas Service
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G-PPPS	Public Purpose Programs Surcharge
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
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G-PRK	Hub Parking
G-WHL	Hub Wheeling
G-FIG	Fiber Optic Cable in Gas Pipelines
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ISSUED BY Lee Schavrien Vice President Regulatory Affairs (TO BE INSERTED BY CAL. PUC) DATE FILED <u>Dec 15, 2005</u> EFFECTIVE <u>Dec 15, 2005</u> RESOLUTION NO.

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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.

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	,52551 0,52552-0,5255 <b>5-</b> 0

(Continued) ISSUED BY Lee Schavrien Vice President

**Regulatory Affairs** 

(TO BE INSERTED BY CAL. PUC)			
DATE FILED	Dec 15, 2005		
EFFECTIVE Dec 15, 2005			
RESOLUTION NO.			

Т

# ATTACHMENT C ADVICE NO. 3564 RATE CALCULATION WORKPAPER DAILY BALANCING STANDBY RATE FILING EFFECTIVE DECEMBER 1-14, 2005

Daily Balancing Standby Rate = 150% x (NGI's Price Index + F&U Charge) + Brokerage Fee F&U Charge is 1.9187% of NGI's Price Index for Retail and 1.5779% 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	\$1.03500	\$1.58430	\$1.58495	\$1.57966
2	\$1.08700	\$1.66379	\$1.66444	\$1.65889
3	\$1.08700	\$1.66379	\$1.66444	\$1.65889
4	\$1.08700	\$1.66379	\$1.66444	\$1.65889
5	\$1.07200	\$1.64086	\$1.64151	\$1.63603
6	\$1.23000	\$1.88241	\$1.88306	\$1.87677
7	\$1.20200	\$1.83960	\$1.84025	\$1.83411
8	\$1.27700	\$1.95426	\$1.95491	\$1.94838
9	\$1.34400	\$2.05669	\$2.05734	\$2.05047
10	\$1.34400	\$2.05669	\$2.05734	\$2.05047
11	\$1.34400	\$2.05669	\$2.05734	\$2.05047
12	\$1.37300	\$2.10103	\$2.10168	\$2.09466
13	\$1.33600	\$2.04446	\$2.04511	\$2.03828
14	\$1.39200	\$2.13007	\$2.13072	\$2.12361

(All rates are per therm)