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December 22, 2005

Advice No. 3569 U-904-G

Public Utilities Commission of the State of California

#### **Subject: Submission of Long-Term Storage Contracts**

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

Hilton Hotels Corp dba Hilton Anaheim (renewed)
Ducommun AeroStructures Inc. (renewed)
Goodrich Corp. (renewed)
Walt Disney Pictures and Television (renewed)

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

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

#### Information

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

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

#### **Contract Term**

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

### **Contract Services**

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

#### **Reservation Charges**

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

Annual Inventory = \$0.214 per decatherm

Firm Withdrawal = \$11.584 per decatherm per day

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

Beginning on April 1, 2006, and for each April 1 thereafter, the injection, withdrawal, and inventory reservation charges for the Contract Year shall be adjusted based on the percentage difference between the Consumer Price Index - All Urban Consumers (CPI) for September, as published by the Bureau of Labor Statistics in December of the calendar year immediately preceding such April, and the September CPI published in December for the previous calendar year.

#### **Effective Date of Contract**

As demonstrated in this filing, the Contracts filed hereunder meet the guidelines for storage service as authorized by the Commission in D.93-02-013. Accordingly, pursuant to Section 9.4 of D.93-02-013, the Contracts should be considered approved and made effective on and after January 1, 2006, which is at least seven days from the date of this filing.

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

#### **Protest**

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date this Advice Letter. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division Attn: 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 (<a href="mailto:ijr@cpuc.ca.gov">ijr@cpuc.ca.gov</a>) and to Honesto Gatchalian (<a href="mailto:ini@cpuc.ca.gov">ini@cpuc.ca.gov</a>) of the Energy Division. A copy of the protest should also be sent via both e-mail <a href="mailto:and">and</a> 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: <a href="mailto:snewsom@SempraUtilities.com">snewsom@SempraUtilities.com</a>

#### **Notice**

A copy of this advice letter is being sent to the parties listed on Attachment A. Copies of the Agreement referenced herein have been provided to the Commission Staff. Other parties may request a copy of this Agreement by contacting (213) 244-4298.

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

# 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. <b>S</b> 0	OUTHERN CALIFO	RNIA GAS COMPANY/ U 904 G	
Utility type:	Contact Person: _	Donna Shepherd	
☐ ELC ☐ GAS	Phone #: (213) 2	244-3837	
☐ PLC ☐ HEAT ☐ WATER	E-mail: dmshepherd@semprautilities.com		
EXPLANATION OF UTILITY T	EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat	WATER = Water		
Advice Letter (AL) #: 3569			
Subject of AL: Submission of Long	Term Storage Conti	racts	
Keywords (choose from CPUC listing	g): <u>Contracts, Stor</u>	age, Non-Core	
AL filing type: $\square$ Monthly $\square$ Quarte	erly 🗌 Annual 🛛 C	One-Time 🗌 Other	
If AL filed in compliance with a Com	mission order, indi	cate relevant Decision/Resolution #:	
Decision No. 93-02-013			
Does AL replace a withdrawn or reje	ected AL? If so, ide	ntify the prior AL <u>No</u>	
Summarize differences between the	AL and the prior w	ithdrawn or rejected AL¹:N/A	
Resolution Required? $\square$ Yes $\boxtimes$ No			
Requested effective date: 1/1/06		No. of tariff sheets: <u>None</u>	
Estimated system annual revenue e	ffect: (%): <u>N/A</u>		
Estimated system average rate effec	t (%): <u>N/A</u>		
		AL showing average rate effects on customer	
classes (residential, small commerci	al, large C/I, agricu	ultural, lighting).	
Tariff schedules affected: None			
Service affected and changes proposed <sup>1</sup> : None			
Pending advice letters that revise th	e same tariff sheets	s: <u>N/A</u>	
Protects and all other services 1		and due no leten them 90 describes detailed	
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 San Francisco, CA 94102		55 West Fifth Street, ML GT14D6 os Angeles, CA 90013-4957	
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov		newsom@semprautilities.com	

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

# **ATTACHMENT A**

Advice No. 3569

(See Attached Service List)

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

Daniel Garcia dgarcia@ci.vernon.ca.us

City of Vernon

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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

GMorrow@commerceenergy.com

Commerce Energy

**Commerce Energy** 

**Gary Morrow** 

Rommel Aganon RAganon@commerceenergy.com

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

Los Angeles, CA 90063

**Manatt Phelps Phillips** 

rkeen@manatt.com

Randy Keen

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Manatt, Phelps & Phillips, LLP

**David Huard** 

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**March Joint Powers Authority** 

Moreno Valley, CA 92552

**Lori Stone** 

PO Box 7480,

**Matthew Brady & Associates** 

Matthew Brady

**Praxair Inc** 

**Rick Noger** 

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National Utility Service, Inc.

Jim Boyle

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Catherine Elder

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**Western Manufactured Housing** 

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Sheila Day

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### **ATTACHMENT B**

### Advice No. 3569 SUMMARY OF STORAGE SERVICE

# Hilton Hotels Corp dba Hilton Anaheim

Inventory	Withdrawal	Injection	
(dth)	<u>(dth/day)</u>	(dth/day)	(Month)
870	290	0	na

# **Ducommun AeroStructures Inc.**

Inventory	Withdrawal	Injection	
(dth)	<u>(dth/day)</u>	(dth/day)	(Month)
750	250	25	June

# Goodrich Corp.

Inventory	Withdrawal	Injection	
<u>(dth)</u>	<u>(dth/day)</u>	(dth/day)	(Month)
1,211	404	0	na

# **Walt Disney Pictures & Television**

Inventory	Withdrawal	Injection	
(dth)	(dth/day)	(dth/day)	(Month)
1,134	162	37	January

## **ATTACHMENT C**

### Advice No. 3569

### LONG-TERM STORAGE CONTRACTS

Hilton Hotels Corp. dba Hilton Anaheim

**Ducommun AeroStructures Inc.** 

Goodrich Corp.

**Walt Disney Pictures and Television**