



**J. Steve Rahon**  
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December 30, 2005

Advice No. 3574  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: January 2006 Core Procurement Charge Update Including CARE Discount for Winter Hedging and Storage Cushion Gas Withdrawal**

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 filing is made in compliance with Ordering Paragraphs 2 and 3 of Decision No. (D.) 98-07-068, dated July 23, 1998 and revises the listed tariff rate schedules by updating the Core Procurement Charge for residential and core commercial and industrial customers for January 2006.

The CARE Discount for Winter Hedging and Storage Cushion Gas Withdrawal updated in this filing complies with D.05-10-043 and D.05-11-027, and provides reduced rates during the winter months of December 2005 through March 2006 to reflect benefits on behalf of CARE customers from 1) hedging related to natural gas purchases and 2) withdrawal of storage cushion gas.

**Background**

D.98-07-068 authorizes SoCalGas to 1) change the calculation of its forecasted portfolio weighted average cost of gas using best estimates of the weighted volumes and prices of flowing supplies from the different supply basins delivered to the California/Arizona border for the purposes of calculating its Core Procurement Charge, 2) file the Core Procurement Charge tariffs on the last business day of each month to become effective on the first calendar day of the following month, and 3) establish a Core Purchased Gas Account (CPGA) imbalance band of  $\pm 1\%$  of the actual annual commodity gas purchases for the preceding 12-month period ending March 31 of each year, wherein adjustments would be made to the Core Procurement Charge only if the CPGA imbalance falls outside of such band.

D.05-10-043 approved the SoCalGas and SDG&E winter hedging plans and directed that all the costs and benefits of the expanded hedging plans and the gas hedging that has already taken place for the 2005-2006 winter be allocated directly to their core gas customers. Additionally, the hedging on behalf of CARE customers should take place as part of the utilities' overall emergency hedging plans.

D.05-11-027 approved SoCalGas' storage cushion gas withdrawal plans and authorized SoCalGas to flow through into CARE rates the estimated cushion gas benefit that will result from the rework, reclassification, and transfer the benefit to CARE customers over the four-month period of December 2005 through March 2006.

### **Requested Rate Revision**

For residential and core commercial and industrial customers the January 2006 Core Procurement Charge is **93.253¢** per therm, an increase of **7.206¢** per therm from last month. The Adjusted Core Procurement Charge (G-CPA) reported in Schedule No. G-CP, which is used as an equivalent to the previously reported Core Subscription Procurement Charge, for January 2006 is **93.591¢** per therm, an increase of **3.136¢** per therm from last month.

The CARE Discount for Winter Hedging and Storage Cushion Gas Withdrawal for January 2006 is **16.078¢** per therm, an increase of **12.194¢** per therm from last month.

### **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 ([jjr@cpuc.ca.gov](mailto:jjr@cpuc.ca.gov)) and Honesto Gatchalian ([ijnj@cpuc.ca.gov](mailto:ijnj@cpuc.ca.gov)) of the Energy Division. A copy of the protest should also be sent via 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](mailto:snewsom@SempraUtilities.com)

**Effective Date**

This filing is in compliance with Ordering Paragraph 2 of D.98-07-068 and therefore SoCalGas requests the tariff sheets filed herein to become effective on January 1, 2006.

**Notice**

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

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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: Nena Maralit

Phone #: (213) 244-2822

E-mail: nmaralit@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) #: 3574

Subject of AL: January 2006 Core Monthly Pricing Revision per D.98-07-068, Including CARE Discount for Winter Hedging and Storage Cushion Gas Withdrawal

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

AL filing type:  Monthly     Quarterly     Annual     One-Time     Other

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

D.98-07-068, D.05-10-043, D.05-11-027

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 AL<sup>1</sup>: \_\_\_\_\_

Resolution Required?     Yes     No

Requested effective date: 01/01/06

No. of tariff sheets: 31

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, PS-VIII, GR, GS, GM, GMB, GSL, GO-SSA, GO-SSB, GO-AC, GL, GN-10, GN-10L, G-AC, G-EN, G-NGV, G-CP, & TOCs

Service affected and changes proposed<sup>1</sup>: \_\_\_\_\_

Pending advice letters that revise the same tariff sheets: 3556, 3560, 3570

**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](mailto:jjr@cpuc.ca.gov) and [jnj@cpuc.ca.gov](mailto: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](mailto:snewsom@semprautilities.com)**

<sup>1</sup> Discuss in AL if more space is needed.

**ATTACHMENT A**

**Advice No. 3574**

**(See Attached Service List)**

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ATTACHMENT B  
Advice No. 3574

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40063-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 39979-G
Revised 40064-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 39980-G
Revised 40065-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 39981-G
Revised 40066-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 39984-G
Revised 40067-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 10	Revised 39985-G
Revised 40068-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 11	Revised 39986-G
Revised 40069-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 39991-G
Revised 40070-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 2	Revised 39992-G
Revised 40071-G	Schedule No. GS, MULTI-FAMILY SERVICE SUBMETERED, Sheet 2	Revised 39993-G
Revised 40072-G	Schedule No. GM, MULTI-FAMILY SERVICE, Sheet 2	Revised 39996-G
Revised 40073-G	Schedule No. GMB, LARGE MULTI-FAMILY SERVICE, Sheet 2	Revised 40000-G
Revised 40074-G	Schedule No. GSL, SUBMETERED MULTI- FAMILY SERVICE, INCOME-QUALIFIED, Sheet 2	Revised 40005-G
Revised 40075-G	Schedule No. GO-SSA, SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 2	Revised 40008-G
Revised 40076-G	Schedule No. GO-SSB, SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING , NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 2	Revised 40010-G

ATTACHMENT B  
Advice No. 3574

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40077-G	Schedule No. GO-AC, OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 2	Revised 40012-G
Revised 40078-G	Schedule No. GL, STREET AND OUTDOOR LIGHTING, NATURAL GAS SERVICE, Sheet 1	Revised 40014-G
Revised 40079-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 40015-G
Revised 40080-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40016-G
Revised 40081-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 40017-G
Revised 40082-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 5	Revised 40018-G
Revised 40083-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED, Sheet 3	Revised 40022-G
Revised 40084-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 40024-G
Revised 40085-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40025-G
Revised 40086-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 40027-G
Revised 40087-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 40029-G
Revised 40088-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 39949-G
Revised 40089-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 39950-G
Revised 40090-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 4	Revised 39919-G
Revised 40091-G	TABLE OF CONTENTS	Revised 40050-G
Revised 40092-G	TABLE OF CONTENTS	Revised 40051-G
Revised 40093-G	TABLE OF CONTENTS	Revised 40053-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 <sup>(1)</sup> .....	121.484¢	139.745¢	16.438¢	I,I
GR-C <sup>(2)</sup> .....	120.175¢	138.436¢	16.438¢	
GT-R .....	27.548¢	45.809¢	16.438¢	
GRL <sup>(3)</sup> .....	81.109¢	95.718¢	13.151¢	R,R
GT-RL <sup>(3)</sup> .....	22.038¢	36.647¢	13.151¢	

RESIDENTIAL CORE SALES SERVICE (1) (2)

Commodity Charge  
(per therm)

Schedules GS & GM

Baseline Usage .....	121.484¢	I
Non-Baseline Usage .....	139.745¢	I
Cross-Over Rate Baseline Usage.....	120.175¢	
Cross-Over Rate Non-Baseline Usage .....	138.436¢	
Customer Charge: 16.438¢/meter/day		

Schedule GMB

Baseline Usage .....	113.934¢	I
Non-Baseline Usage .....	121.939¢	I
Cross-Over Rate Baseline Usage.....	112.625¢	
Cross-Over Rate Non-Baseline Usage .....	120.630¢	
Customer Charge: \$9.842/meter/day		

Schedule GSL

Baseline Usage .....	81.109¢	R
Non-Baseline Usage .....	95.718¢	R
Cross-Over Rate Baseline Usage (GSL only) .....	92.256¢	
Cross-Over Rate Non-Baseline Usage (GSL only) .....	106.865¢	
Customer Charge: 13.151¢/meter/day		

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 93.253¢/therm which includes the core brokerage fee.
- (2) The residential cross-over rate as set forth in Schedule No. G-CP is 91.944¢/therm which includes the core brokerage fee.
- (3) The CARE rate reflects a 20% discount on all customer, commodity, and transportation charges.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Dec 30, 2005  
 EFFECTIVE Jan 1, 2006  
 RESOLUTION NO. \_\_\_\_\_

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 .....	27.548¢
Non-Baseline Usage .....	45.809¢
Customer Charge: 16.438¢/meter/day	

Schedule GT-MB

Baseline Usage .....	19.998¢
Non-Baseline Usage .....	28.003¢
Customer Charge: \$9.842/meter/day	

Schedule GT-SL

Baseline Usage .....	22.038¢
Non-Baseline Usage .....	36.647¢
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 .....	138.422¢
Tier II .....	117.480¢
Tier III .....	102.327¢
GN-10C: Tier I .....	137.113¢
Tier II .....	116.171¢
Tier III .....	101.018¢
GN-10V: Tier I .....	138.422¢
Tier II .....	114.043¢
Tier III .....	102.327¢
GN-10VC: Tier I .....	137.113¢
Tier II .....	112.734¢
Tier III .....	101.018¢

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 93.253¢/therm which includes the core brokerage fee.
- (2) The non-residential cross over rate as set forth in Schedule No. G-CP is 91.944¢/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)  
 ADVICE LETTER NO. 3574  
 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Dec 30, 2005  
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 RESOLUTION NO. \_\_\_\_\_

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 .....	94.660¢	R
Tier II .....	77.906¢	
Tier III .....	65.784¢	R

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 .....	104.254¢	I
G-ACC: rate per therm .....	102.945¢	
G-ACL: rate per therm .....	67.325¢	R
Customer Charge:	\$150/month	

Schedule G-EN

G-EN: rate per therm .....	107.150¢	I
G-ENC: rate per therm .....	105.841¢	
Customer Charge:	\$50/month	

Schedule G-NGV

G-NGU: rate per therm .....	102.484¢	I
G-NGUC: rate per therm .....	101.175¢	
G-NGU plus G-NGC Compression Surcharge .....	177.108¢	I
G-NGUC plus G-NGC Compression Surcharge .....	175.799¢	
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 .....	44.486¢
Tier II .....	23.544¢
Tier III .....	8.391¢
GT-10V: Tier I .....	44.486¢
Tier II .....	20.107¢
Tier III .....	8.391¢

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)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Dec 30, 2005  
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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 .....	2.828¢
ITCS-VRN.....	0.395¢

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm .....	93.253¢	I
Non-Residential Cross-Over Rate, per therm .....	91.944¢	
Residential Core Procurement Charge, per therm .....	93.253¢	I
Residential Cross-Over Rate, per therm .....	91.944¢	
Adjusted Core Procurement Charge, per therm .....	93.591¢	I

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

October, 2005 .....	175.214¢
November 2005 .....	209.001¢
December 2005 .....	TBD*

Noncore Retail Standby (SP-NR)

October, 2005 .....	175.279¢
November 2005 .....	209.066¢
December 2005 .....	TBD*

Wholesale Standby (SP-W)

October, 2005 .....	175.279¢
November 2005 .....	209.066¢
December 2005 .....	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

October, 2005 .....	51.197¢
November 2005 .....	40.000¢
December 2005 .....	45.228¢

Wholesale (BR-W)

October, 2005 .....	51.026¢
November 2005 .....	40.000¢
December 2005 .....	45.077¢

\* To be determined (TBD). Pursuant to Resolution G-3316, the December Standby Procurement Charge will be filed by separate advice letter at least one day prior to January 25, 2006.

(Continued)

(TO BE INSERTED BY UTILITY)  
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 RESOLUTION NO. \_\_\_\_\_

PRELIMINARY STATEMENT  
 PART II  
SUMMARY OF RATES AND CHARGES

Sheet 10

(Continued)

RATE COMPONENT SUMMARY

CORE

Residential Sales Service

Charge  
(per therm)

Base Margin	43.885¢	
Other Operating Costs/Revenues	0.833¢	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(1.507¢)	
Core Averaging/Other Noncore	(1.080¢)	
Core Pipeline Demand Charges	2.468¢	
Procurement Rate (w/o Brokerage Fee)	93.052¢	I
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	
	-----	
Total Costs	137.902¢	I

Non-Residential - Commercial/Industrial

Charge  
(per therm)

Base Margin	24.431¢	
Other Operating Costs/Revenues	(0.042¢)	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(1.175¢)	
Core Averaging/Other Noncore	3.296¢	
Core Pipeline Demand Charges	2.468¢	
Procurement Rate (w/o Brokerage Fee)	93.052¢	I
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	
	-----	
Total Costs	122.282¢	I

(Continued)

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PRELIMINARY STATEMENT  
 PART II  
SUMMARY OF RATES AND CHARGES

Sheet 11

(Continued)

RATE COMPONENT SUMMARY (Continued)

CORE (Continued)

Non-Residential - Air Conditioning

Charge  
(per therm)

Base Margin	12.237¢
Other Operating Costs/Revenues	(0.085¢)
Transition Costs	0.000¢
Balancing/Tracking Account Amortization	(0.971¢)
Core Pipeline Demand Charges	2.468¢
Procurement Rate (w/o Brokerage Fee)	93.052¢
Core Brokerage Fee Adjustment	0.201¢
Procurement Carrying Cost of Storage Inventory	0.051¢
	-----
Total Costs	106.953¢

Non-Residential - Gas Engine

Charge  
(per therm)

Base Margin	15.043¢
Other Operating Costs/Revenues	(0.035¢)
Transition Costs	0.000¢
Balancing/Tracking Account Amortization	(1.020¢)
Core Pipeline Demand Charges	2.468¢
Procurement Rate (w/o Brokerage Fee)	93.052¢
Core Brokerage Fee Adjustment	0.201¢
Procurement Carrying Cost of Storage Inventory	0.051¢
	-----
Total Costs	109.761¢

(Continued)

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Schedule No. GR  
RESIDENTIAL SERVICE

Sheet 1

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

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. Pursuant to D.05-10-043 and D.05-11-027 additional discounts from possible hedging benefits and from cushion gas withdrawal will be applied during December 2005 through March 2006.

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: <sup>1/</sup> .....	16.438¢	16.438¢	16.438¢

Baseline Rate, per therm (baseline usage defined in Special Conditions 3 and 4):

<u>Procurement Charge</u> : <sup>2/</sup> .....	93.253¢	91.944¢	N/A
<u>Transmission Charge</u> : <sup>3/</sup> .....	<u>28.231¢</u>	<u>28.231¢</u>	<u>27.548¢</u>
<u>Total Baseline Charge</u> : .....	121.484¢	120.175¢	27.548¢

Non-Baseline Rate, per therm (usage in excess of baseline usage):

<u>Procurement Charge</u> : <sup>2/</sup> .....	93.253¢	91.944¢	N/A
<u>Transmission Charge</u> : <sup>3/</sup> .....	<u>46.492¢</u>	<u>46.492¢</u>	<u>45.809¢</u>
<u>Total Non-Baseline Charge</u> : .....	139.745¢	138.436¢	45.809¢

Rates for CARE-Eligible Customers

	<u>GRL</u>	<u>GT-RL</u>
<u>Customer Charge</u> , per meter per day: <sup>1/</sup> .....	13.151¢	13.151¢

<sup>1/</sup> 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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Schedule No. GR Sheet 2  
RESIDENTIAL SERVICE  
 (Includes GR, GR-C, GT-R, GRL and GT-RL Rates)  
 (Continued)

RATES (Continued)

Rates for CARE-Eligible Customers (Continued)

	<u>GRL</u>	<u>GT-RL</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 3 and 4):			
Procurement Charge: <sup>2/</sup> .....	58.524¢	N/A	R
<u>Transmission Charge</u> : <sup>3/</sup> .....	<u>22.585¢</u>	<u>22.038¢</u>	R
Total Baseline Charge: .....	81.109¢	22.038¢	R
 <u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: <sup>2/</sup> .....	58.524¢	N/A	R
<u>Transmission Charge</u> : <sup>3/</sup> .....	<u>37.194¢</u>	<u>36.647¢</u>	R
Total Non-Baseline Charge: .....	95.718¢	36.647¢	R

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise fees or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

SPECIAL CONDITIONS

1. Definitions: The definitions of principal terms used in this schedule are found either herein or in Rule No. 1, Definitions.
2. Number of Therms: The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Footnotes continued from previous page.)

<sup>2/</sup> This charge is applicable to Utility Procurement Customers and include the G-CPR Procurement Charge as shown in Schedule No. G-CP, which is subject to change monthly, as set forth in Special Condition 7.

<sup>3/</sup> This charge for GR and GR-C customers is equal to the GT-R Transmission Charge (excluding the El Paso Settlement proceeds refund to GT-R and GT-RL core aggregation customers pursuant to D.03-10-087) plus the procurement carrying cost of storage inventory charge.

(Continued)

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Schedule No. GS  
MULTI-FAMILY SERVICE SUBMETERED

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges

GS

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; (2) the GT-S 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-S; and (3) the procurement carrying cost of storage inventory charge.

The 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 11.

Baseline Rate

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

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-S</u> .....	<u>28.231¢</u>	
Commodity Charge:	GS .....	121.484¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-S</u> .....	<u>46.492¢</u>	
Commodity Charge:	GS .....	139.745¢	I

GS-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 consist of: (1) the monthly procurement charge, as set forth in Schedule No. G-CPRC; (2) the GT-S 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-S; and (3) the procurement carrying cost of storage inventory charge.

(Continued)

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Schedule No. GM  
MULTI-FAMILY SERVICE

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges

GM-E and GM-C

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; (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; and (3) the procurement carrying cost of storage inventory charge.

The 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 9.

GM-E

Baseline Rate

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

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-ME</u> .....	<u>28.231¢</u>	I
Commodity Charge:	GM-E .....	121.484¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-ME</u> .....	<u>46.492¢</u>	I
Commodity Charge:	GM-E .....	139.745¢	I

GM-C

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-MC</u> .....	<u>46.492¢</u>	I
Commodity Charge:	GM-C .....	139.745¢	I

(Continued)

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Schedule No. GO-AC

Sheet 2

OPTIONAL RATE  
FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GO-AC

Baseline Rate

All usage, per therm, under Special Condition 2.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-R</u> .....	<u>28.231¢</u>	
Commodity Charge:	GR .....	121.484¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-R</u> .....	<u>46.492¢</u>	
Commodity Charge:	GR .....	139.745¢	I

Gas AC Rate (May through October)

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

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.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1. Incremental usage is defined as additional gas load above the base volume, the usage based on average residential daily non-temperature sensitive load.

(Continued)

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Schedule No. GL  
STREET AND OUTDOOR LIGHTING  
NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable to natural gas service supplied from the Utility's core portfolio, as defined in Rule No. 1, for continuous street and outdoor lighting in lighting devices approved by the Utility. Service under this schedule is conditional upon arrangements mutually satisfactory to the customer and the Utility for connection of customer's lighting devices to Utility's facilities.

The minimum term of service hereunder is one month, as described in Special Condition 2.

TERRITORY

Applicable throughout the system.

RATES

The charges are based upon the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and the GN-10 class average transportation rate.

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 3.

Rate "X" Lighting only service

<u>Hourly Lamp Rating in Cu.Ft.</u>	<u>Charge</u> <u>Per Lamp Per Month</u> ( <u>\$</u> )
1.99 cu.ft. per hr. or less .....	18.19
2.00 - 2.49 cu.ft. per hr .....	20.60
2.50 - 2.99 cu.ft. per hr .....	25.18
3.00 - 3.99 cu.ft. per hr .....	32.05
4.00 - 4.99 cu.ft. per hr .....	41.20
5.00 - 7.49 cu.ft. per hr .....	57.23
7.50 - 10.00 cu.ft. per hr .....	80.12
For each cu.ft. per hour of total capacity in excess of 10 cu.ft. per hour .....	9.16

(Continued)

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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; and (3) 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 .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-AC</u> .....	<u>11.001¢</u>	
Commodity Charge:	G-AC .....	104.254¢	I

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; and (3) the procurement carrying cost of storage inventory charge.

Rate, per therm.

Procurement Charge:	G-CPNRC .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-AC</u> .....	<u>11.001¢</u>
Commodity Charge:	G-ACC .....	102.945¢

(Continued)

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Schedule No. G-AC  
CORE AIR CONDITIONING SERVICE  
FOR COMMERCIAL AND INDUSTRIAL

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

G-ACL

This charge is for service as defined above and consists of: (1) the discounted monthly non-residential procurement charge, as described below; (2) the GT-ACL transmission charge, 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-AC; and (3) the discounted 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. The procurement charge shown below has been discounted by 20 percent. Pursuant to D.05-10-043 and D.05-11-027 additional discounts from possible hedging benefits and from cushion gas withdrawal will be applied during December 2005 through March 2006.

Rate, per therm.

Procurement Charge:	G-CPNRL .....	58.524¢	R
<u>Transmission Charge:</u>	<u>GPT-ACL</u> .....	<u>8.801¢</u>	
Commodity Charge:	G-ACL .....	67.325¢	R

Rate Limiter Provision

The cumulative percentage rate of change in the customer charge and transmission-charge portion of the commodity charge will not exceed the national rate of inflation as measured by the Consumer Price Index as defined in Rule No. 1. This provision expires October 31, 1998.

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.

SPECIAL CONDITIONS

General

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

(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 .....	93.253¢
<u>Transmission Charge:</u>	<u>GPT-EN</u> .....	<u>13.897¢</u>
Commodity Charge:	G-EN .....	107.150¢

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; and (3) the procurement carrying cost of storage inventory charge.

Procurement Charge:	G-CPNRC .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-EN</u> .....	<u>13.897¢</u>
Commodity Charge:	G-ENC .....	105.841¢

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)

ADVICE LETTER NO. 3574  
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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 .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-NGU</u> .....	<u>9.231¢</u>	I
Commodity Charge:	G-NGU .....	102.484¢	

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; and (3) the procurement carrying cost of storage inventory charge.

Rate, uncompressed per therm.

Procurement Charge:	G-CPNRC .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u> .....	<u>9.231¢</u>
Commodity Charge:	G-NGUC .....	101.175¢

Utility-Funded Fueling Station

G-NGC Compression Surcharge per therm ..... 74.624¢

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 .....	177.108¢	I
G-NGUC plus G-NGC, compressed per therm .....	175.799¢	

(Continued)

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Schedule No. G-CP  
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm .....	93.052¢	I
Brokerage Fee, per therm .....	<u>0.201¢</u>	
Total Core Procurement Charge, per therm .....	93.253¢	I

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 .....	91.743¢
Brokerage Fee, per therm .....	<u>0.201¢</u>
Total Core Procurement Charge, per therm .....	91.944¢

G-CPR

This charge is for residential service. Pursuant to D.96-08-037, Utility was authorized to change the residential gas procurement charge monthly concurrent with its implementation of the 1996 BCAP Decision (D.97-04-082).

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Dec 30, 2005  
 EFFECTIVE Jan 1, 2006  
 RESOLUTION NO. \_\_\_\_\_

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, including reservation charges associated with interstate pipeline capacity contracts entered into by the Utility pursuant to D.04-09-022 and D.02-06-023; (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 .....	93.052¢	I
Brokerage Fee, per therm .....	<u>0.201¢</u>	
Total Core Procurement Charge, per therm .....	93.253¢	I

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 .....	91.743¢
Brokerage Fee, per therm .....	<u>0.201¢</u>
Total Core Procurement Charge, per therm .....	91.944¢

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

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
 DECISION NO.

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**Lee Schavrien**  
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 DATE FILED Dec 30, 2005  
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 RESOLUTION NO. \_\_\_\_\_

Schedule No. G-CP  
CORE PROCUREMENT SERVICE

Sheet 4

(Continued)

RATES (Continued)

G-CPA

This rate is for the purposes of calculating the municipal surcharge as defined in Schedule No. G-MSUR; the Buy-Back Rates as defined in Schedule No. G-IMB; involuntary diversions; and VCPPA deliveries as defined in Rule No. 23 and purchases of storage gas as defined in Rule No. 32. This rate is equivalent to the Core Subscription Procurement Charge, previously reported in Schedule No. G-CS, that was eliminated pursuant to Decision 01-12-018 and Resolution G-3357, effective December 1, 2003.

The monthly adjusted 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, including reservation charges associated with interstate pipeline capacity contracts entered into by the Utility pursuant to D.04-09-022 and D.02-06-023; (2) authorized franchise fees and uncollectible expenses; (3) 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 (4) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The charge is exclusive of (1) core storage gas withdrawals and (2) authorized core brokerage fee. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

Adjusted Core Procurement Charge, per therm ..... 93.591¢

The current procurement charge will be posted on the Utility's Electronic Bulletin Board (EBB), as defined in Rule No. 1, and Internet web site at <http://www.socalgas.com/regulatory>.

The Utility will reflect all applicable taxes, fees, and surcharges and/or credits imposed as a result of providing service hereunder.

The number of therms to be billed will be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this rate schedule and the Utility's other tariffs are provided in Rule No. 1.
2. Service provided hereunder is subject to the terms and conditions of the Utility's tariff schedules on file with the Commission. Charges for transmission service will be in accordance with the Utility's core transportation rate schedules. The terms and conditions in the customer's otherwise-applicable core procurement schedule apply.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
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 RESOLUTION NO. \_\_\_\_\_

Schedule No. GMB  
LARGE MULTI-FAMILY SERVICE

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges

GM-BE and GM-BC

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; (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; and (3) the procurement carrying cost of storage inventory charge.

The 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 9.

GM-BE

Baseline Rate

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

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-MBE</u> .....	<u>20.681¢</u>	
Commodity Charge:	GM-BE .....	113.934¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-MBE</u> .....	<u>28.686¢</u>	
Commodity Charge:	GM-BE .....	121.939¢	I

GM-BC

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-MBC</u> .....	<u>28.686¢</u>	
Commodity Charge:	GM-BC .....	121.939¢	I

(Continued)

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**Lee Schavrien**  
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(TO BE INSERTED BY CAL. PUC)  
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 RESOLUTION NO. \_\_\_\_\_

Schedule No. GN-10  
CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

Sheet 2

(Continued)

RATES (Continued)

Minimum Charge

Per meter, per day: \_

Annual usage of less than 1,000 therms per year: \_

All customers except "space heating only" .....	32.877¢
"Space heating only" customers:	
Beginning December 1 through March 31 .....	\$0.99174
Beginning April 1 through November 30 .....	None

Annual usage of 1,000 therms per year or more: \_

All customers except "space heating only" .....	49.315¢
"Space heating only" customers: _	
Beginning December 1 through March 31 .....	\$1.48760
Beginning April 1 through November 30 .....	None

Commodity Charges

GN-10

These charges are for service as defined above and consist of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; (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; and (3) 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 .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-10</u> .....	<u>45.169¢</u>	
Commodity Charge:	GN-10 .....	138.422¢	I

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
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ISSUED BY  
**Lee Schavrien**  
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 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
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 EFFECTIVE Jan 1, 2006  
 RESOLUTION NO. \_\_\_\_\_

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 .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-10</u> .....	<u>24.227¢</u>	I
Commodity Charge:	GN-10 .....	117.480¢	I

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

Procurement Charge:	G-CPNR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-10</u> .....	<u>9.074¢</u>	I
Commodity Charge:	GN-10 .....	102.327¢	I

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; and (3) 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 .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-10</u> .....	<u>45.169¢</u>
Commodity Charge:	GN-10C .....	137.113¢

(Continued)

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(TO BE INSERTED BY CAL. PUC)  
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 RESOLUTION NO. \_\_\_\_\_



Schedule No. GN-10  
CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

Sheet 4

(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 .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-10</u> .....	<u>24.227¢</u>
Commodity Charge:	GN-10C .....	116.171¢

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

Procurement Charge:	G-CPNRC .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-10</u> .....	<u>9.074¢</u>
Commodity Charge:	GN-10C .....	101.018¢

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; and (3) 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 .....	93.253¢
<u>Transmission Charge:</u>	<u>GPT-10V</u> .....	<u>45.169¢</u>
Commodity Charge:	GN-10V .....	138.422¢

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

Procurement Charge:	G-CPNR .....	93.253¢
<u>Transmission Charge:</u>	<u>GPT-10V</u> .....	<u>20.790¢</u>
Commodity Charge:	GN-10V .....	114.043¢

(Continued)

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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 .....	93.253¢
<u>Transmission Charge:</u>	<u>GPT-10V</u> .....	<u>9.074¢</u>
Commodity Charge:	GN-10V .....	102.327¢

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; and (3) 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 .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-10V</u> .....	<u>45.169¢</u>
Commodity Charge:	GN-10VC .....	137.113¢

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

Procurement Charge:	G-CPNRC .....	91.944¢
<u>Transmission Charge:</u>	<u>GPT-10V</u> .....	<u>20.790¢</u>
Commodity Charge:	GN-10VC .....	112.734¢

(Continued)

(TO BE INSERTED BY UTILITY)  
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Schedule No. GN-10L

Sheet 3

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

RATES (Continued)

Commodity Charges

GN-10L

These charges are for service as defined above and consist of (1) the discounted monthly non-residential procurement charge, as described below; (2) the GT-10L 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-10L; and (3) the discounted 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 6. The procurement charge shown below has been discounted by 20 percent. Pursuant to D.05-10-043 and D.05-11-027 additional discounts from possible hedging benefits and from cushion gas withdrawal will be applied during December 2005 through March 2006.

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-CPNRL .....	58.524¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u> .....	<u>36.136¢</u>	
Commodity Charge:	GN-10L .....	94.660¢	R

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

Procurement Charge:	G-CPNRL .....	58.524¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u> .....	<u>19.382¢</u>	
Commodity Charge:	GN-10L .....	77.906¢	R

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

Procurement Charge:	G-CPNRL .....	58.524¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u> .....	<u>7.260¢</u>	
Commodity Charge:	GN-10L .....	65.784¢	R

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.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
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ISSUED BY  
**Lee Schavrien**  
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Schedule No. GO-SSA  
SUMMER SAVER OPTIONAL RATE  
FOR OWNERS OF EXISTING GAS EQUIPMENT

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges (Continued)

The transmission charges are the GPT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GPT-R transmission charges for all usage less than or equal to the base year volume. Base volumes are the customer's volumes in the same billing period in the base year, the year prior to program sign-up. For non-baseline usage in the current year above base volumes in the billing period, the customer receives a SummerSaver credit equal to a discount of twenty cents (\$0.20) per therm off the GPT-R non-baseline transmission charge.

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

GO-SSA

Baseline Rate

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

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-R</u> .....	<u>28.231¢</u>	
Commodity Charge:	GR .....	121.484¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-R</u> .....	<u>46.492¢</u>	
Commodity Charge:	GR .....	139.745¢	I

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3574  
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ISSUED BY  
**Lee Schavrien**  
 Vice President  
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(TO BE INSERTED BY CAL. PUC)  
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Schedule No. GO-SSB

Sheet 2

SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING  
 NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

(Continued)

RATES (Continued)

Commodity Charges (Continued)

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

GO-SSB

Baseline Rate

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

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-R</u> .....	<u>28.231¢</u>	I
Commodity Charge:	GR .....	121.484¢	I

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR .....	93.253¢	I
<u>Transmission Charge:</u>	<u>GPT-R</u> .....	<u>46.492¢</u>	I
Commodity Charge:	GR .....	139.745¢	I

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

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

Sheet 2

(Continued)

RATES (Continued)

Minimum Charge (Per Meter Per Day)\*

All customers except "space heating only" .....	13.151¢
"Space heating only" customers:	
Beginning November 1 through April 30 .....	26.519¢
Beginning May 1 through October 31 .....	None
* Applicable if customer is not billed on Schedule No. GS_	

Commodity Charge

GSL

These charges are for service as defined above and consist of: (1) the discounted monthly residential procurement charge, as described below; (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; and (3) the discounted procurement carrying cost of storage inventory charge.

The 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 13. The procurement charge shown below has been discounted by 20 percent. Pursuant to D.05-10-043 and D.05-11-027 additional discounts from possible hedging benefits and from cushion gas withdrawal will be applied during December 2005 through March 2006.

Baseline Rate

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

Procurement Charge:	G-CPRL .....	58.524¢	R
<u>Transmission Charge:</u>	<u>GPT-SL</u> .....	<u>22.585¢</u>	
Commodity Charge:	GSL .....	81.109¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRL .....	58.524¢	R
<u>Transmission Charge:</u>	<u>GPT-SL</u> .....	<u>37.194¢</u>	
Commodity Charge:	GSL .....	95.718¢	R

(Continued)

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