



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

January 23, 2006

Advice No. 3582
(U 904 G)

Public Utilities Commission of the State of California

Subject: December 2005 Standby Procurement Charges

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

Purpose

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

Background

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

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

Information

For the "flow month" of December 2005 (covering the period December 1, 2005 to January 20, 2006), the highest daily border price index at the Southern California border is \$1.39200 per therm. The resultant Standby Procurement Charges, calculated in the

manner set forth above, are \$2.09066 per therm for noncore retail service and all wholesale service, and \$2.09001 per therm for core retail service. The workpaper showing details of the calculation of these rates is incorporated herein as Attachment C.

Protest

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

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Jerry Royer (jjr@cpuc.ca.gov) and Honesto Gatchalian (ijnj@cpuc.ca.gov) of the Energy Division. A copy of the protest shall also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Sid Newsom
Tariff Manager - GT14D6
555 West Fifth Street
Los Angeles, CA 90013-1011
Facsimile No. (213) 244-4957
E-Mail: snewsom@semprautilities.com

Effective Date

SoCalGas believes this filing is subject to Energy Division disposition and therefore respectfully requests that the tariff sheets filed herein be made effective January 23, 2006, the date filed, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is January 25, 2006.

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

ATTACHMENT A

Advice No. 3582

(See Attached Service List)

Aglet Consumer Alliance
James Weil
jweil@aglet.org

Alcantar & Kahl
Elizabeth Westby
egw@a-klaw.com

Alcantar & Kahl
Kari Harteloo
klc@a-klaw.com

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

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

Beta Consulting
John Burkholder
burkee@cts.com

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

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

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

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

CPUC - ORA
Jacqueline Greig
jnm@cpuc.ca.gov

California Energy Market
Lulu Weinzimer
luluw@newsdata.com

Calpine Corp
Avis Clark
aclark@calpine.com

City of Anaheim
Ben Nakayama
Public Utilities Dept.
P. O. Box 3222
Anaheim, CA 92803

City of Azusa
Light & Power Dept.
215 E. Foothill Blvd.
Azusa, CA 91702

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

City of Burbank
Fred Fletcher/Ronald Davis
164 West Magnolia Blvd., Box 631
Burbank, CA 91503-0631

City of Colton
Thomas K. Clarke
650 N. La Cadena Drive
Colton, CA 92324

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

City of Los Angeles
City Attorney
200 North Main Street, 800
Los Angeles, CA 90012

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

City of Riverside
Joanne Snowden
jsnowden@riversideca.gov

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

Commerce Energy
Gary Morrow
GMorrow@commerceenergy.com

Commerce Energy
Glenn Kinser
gkinser@commerceenergy.com

Commerce Energy
Pat Darish
pdarish@commerceenergy.com

Commerce Energy
Lynelle Lund
llund@commerceenergy.com

Commerce Energy
Tony Cusati
TCusati@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

Crossborder Energy
Tom Beach
tomb@crossborderenergy.com

Culver City Utilities
Heustace Lewis
Heustace.Lewis@culvercity.org

Davis Wright Tremaine, LLP
Christopher Hilen
chrishilen@dwt.com

Davis Wright Tremaine, LLP
Edward W. O'Neill
One Embarcadero Center, #600
San Francisco, CA 94111-3834

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

Dept. of General Services
Celia Torres
celia.torres@dgs.ca.gov

Douglass & Liddell
Dan Douglass
douglass@energyattorney.com

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

Downey, Brand, Seymour & Rohwer
Ann Trowbridge
atrowbridge@downeybrand.com

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

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

Dynegy
Joseph M. Paul
jmpa@dynegy.com

Gas Purchasing
BC Gas Utility Ltd.
16705 Fraser Highway
Surrey, British Columbia, V3S 2X7

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

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

Goodin, MacBride, Squeri, Ritchie &
Day, LLP
James D. Squeri
jsqueri@gmssr.com

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

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

JBS Energy
Jeff Nahigian
jeff@jbsenergy.com

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

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

LADWP
Nevenka Ubavich
nevenka.ubavich@ladwp.com

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

Law Offices of Diane I. Fellman
Diane Fellman
diane_fellman@fpl.com

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

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

MRW & Associates
Robert Weisenmiller
mrw@mrwassoc.com

Manatt Phelps Phillips
Randy Keen
rkeen@manatt.com

Manatt, Phelps & Phillips, LLP
David Huard
dhuard@manatt.com

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

Matthew Brady & Associates
Matthew Brady
matt@bradylawus.com

National Utility Service, Inc.
Jim Boyle
One Maynard Drive, P. O. Box 712
Park Ridge, NJ 07656-0712

Pacific Gas & Electric Co.
John Clarke
jpc2@pge.com

Praxair Inc
Rick Noger
rick_noger@praxair.com

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

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

Regulatory & Cogen Services, Inc.
Donald W. Schoenbeck
900 Washington Street, #780
Vancouver, WA 98660

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

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

Southern California Edison Co
Karyn Gansecki
601 Van Ness Ave., #2040
San Francisco, CA 94102

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

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

Southern California Edison Co.
John Quinlan
john.quinlan@sce.com

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

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

Suburban Water System
Bob Kelly
1211 E. Center Court Drive
Covina, CA 91724

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

TURN
Marcel Hawiger
marcel@turn.org

TURN
Mike Florio
mflorio@turn.org

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

Trans Canada
Ben Johnson
Ben_Johnson@transcanada.com

Trans Canada
John Roscher
john_roscher@transcanada.com

Western Manufactured Housing
Communities Assoc.
Sheila Day
sheila@wma.org

ATTACHMENT B
Advice No. 3582

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40141-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 40109-G
Revised 40142-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 40059-G
Revised 40143-G	TABLE OF CONTENTS	Revised 40136-G
Revised 40144-G	TABLE OF CONTENTS	Revised 40137-G

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¢
Non-Residential Cross-Over Rate, per therm	94.798¢
Residential Core Procurement Charge, per therm	93.253¢
Residential Cross-Over Rate, per therm	94.798¢
Adjusted Core Procurement Charge, per therm	93.591¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

October, 2005	175.214¢
November 2005	209.001¢
December 2005	209.001¢

Noncore Retail Standby (SP-NR)

October, 2005	175.279¢
November 2005	209.066¢
December 2005	209.066¢

Wholesale Standby (SP-W)

October, 2005	175.279¢
November 2005	209.066¢
December 2005	209.066¢

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¢

N
N
N
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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3582
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jan 23, 2006
 EFFECTIVE Jan 23, 2006
 RESOLUTION NO. G-3316

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Standby Procurement Charge

This charge is applied to customer's cumulative negative transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Standby Procurement Charge is posted at least one day in advance of each corresponding imbalance trading period for noncore/wholesale and core transport agents (CTAs). It is calculated at 150% of the highest daily border price index at the Southern California border beginning on the first day of the month that the imbalance is created to five days prior to the start of each corresponding imbalance trading period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.201¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index – Southern California Border Average" and "Gas Daily's Daily Price Survey – SoCal gas, large pkgs Midpoint."

Core Retail Service:

SP-CR Standby Rate, per therm

October, 2005	175.214¢
November 2005	209.001¢
December 2005	209.001¢

N

Noncore Retail Service:

SP-NR Standby Rate, per therm

October, 2005	175.279¢
November 2005	209.066¢
December 2005	209.066¢

N

Wholesale Service:

SP-W Standby Rate per therm

October, 2005	175.279¢
November 2005	209.066¢
December 2005	209.066¢

N

D

Buy-Back Rate

This rate is applied to customer's cumulative positive transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Buy-Back Rate is established effective the last day of each month and will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the excess imbalance was incurred; or 2) 50% of the applicable Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, during the month such excess imbalance was incurred.

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TABLE OF CONTENTS

(Continued)

GT-SD	Intrastate Transmission Service	40036-G,30593-G,30594-G,36311-G
GT-PS	Peaking Service	40037-G,40038-G,40039-G,40040-G 40041-G,40042-G,35955-G,35956-G,37942-G
GW-LB	Wholesale Natural Gas Service	40043-G,38061-G,38062-G 38063-G,38064-G
GW-SD	Wholesale Natural Gas Service	40044-G,37949-G,37950-G 37951-G
GW-SWG	Wholesale Natural Gas Service	40045-G,37953-G,37954-G,37955-G
GW-VRN	Wholesale Natural Gas Service	40046-G,37957-G,37958-G 37959-G,37960-G
G-IMB	Transportation Imbalance Service	36312-G,40142-G,40060-G,40134-G 40135-G,36313-G,33498-G
G-ITC	Interconnect Access Service	32698-G,32699-G
G-BSS	Basic Storage Service	32700-G,32701-G,32702-G,32703-G 37961-G,37962-G,37963-G,37964-G
G-AUC	Auction Storage Service	32708-G,32709-G,32710-G,32711-G 32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service	32716-G,32717-G,32718-G,32719-G 32720-G,32721-G,37965-G,37966-G
G-TBS	Transaction Based Storage Service	32724-G,32725-G,27374-G,27375-G 31929-G,36315-G,27378-G
G-CBS	UDC Consolidated Billing Service	34071-G,34072-G,34073-G,33095-G
G-PPPS	Public Purpose Programs Surcharge	39791-G,39517-G,39518-G
G-SRF	Surcharge to Fund Public Utilities Commission Utilities Reimbursement Account	38518-G
G-MHPS	Surcharge to Fund Public Utilities Commission Master Metered Mobile Home Park Gas Safety Inspection and Enforcement Program	32828-G
G-MSUR	Transported Gas Municipal Surcharge	38761-G,25006-G
GIT	Interruptible Interutility Transportation	24567-G,24568-G
GLT	Long-Term Transportation of Customer-Owned Natural Gas	24569-G,24570-G,24571-G
GLT-1	Transportation of Customer-Owned Natural Gas	24572-G,24573-G,24574-G 24575-G,24576-G,24577-G
GLT-2	Transportation of Customer-Owned Natural Gas	24578-G,24579-G,24580-G 24581-G,24582-G,24583-G
G-LOAN	Hub Loaning	40047-G
G-PRK	Hub Parking	40048-G
G-WHL	Hub Wheeling	40049-G
G-FIG	Fiber Optic Cable in Gas Pipelines	37005-G,37006-G,37007-G,37008-G 37009-G,37010-G,37011-G,37012-G,37013-G

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ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jan 23, 2006
 EFFECTIVE Jan 23, 2006
 RESOLUTION NO. G-3316

TABLE OF CONTENTS

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.

<u>GENERAL</u>	<u>Cal. P.U.C. Sheet No.</u>
Title Page	21888-G
Table of Contents--General and Preliminary Statement	40144-G,40054-G
Table of Contents--Service Area Maps and Descriptions	28516-G
Table of Contents--Rate Schedules	40124-G,40125-G,40143-G
Table of Contents--List of Cities and Communities Served	37398-G
Table of Contents--List of Contracts and Deviations	37894-G
Table of Contents--Rules	39475-G,39865-G
Table of Contents--Sample Forms	39826-G,39748-G,39142-G,39866-G,36796-G

PRELIMINARY STATEMENT

Part I General Service Information	37917-G,24332-G,24333-G,24334-G,24749-G
Part II Summary of Rates and Charges	40106-G,40107-G,40108-G,39982-G,39983-G,40141-G 32491-G,32492-G,39790-G,40067-G,40068-G,39987-G,39988-G
Part III Cost Allocation and Revenue Requirement	27024-G,37920-G,27026-G,27027-G,39989-G
Part IV Income Tax Component of Contributions and Advances	36614-G,24354-G
Part V Description of Regulatory Accounts-Balancing	38681-G,34820-G,39670-G 39671-G,34822-G,39506-G,39507-G,39508-G,39509-G,39510-G 39672-G,39673-G,35874-G,38684-G,38685-G,38686-G,38687-G,39860-G,39861-G,39513-G
Part VI Description of Regulatory Accounts-Memorandum	39472-G,38688-G,38689-G 34281-G,38004-G,38005-G,38006-G,38007-G,38008-G,38009-G 38010-G,38011-G,38012-G,38013-G,38014-G,38015-G,38016-G,39473-G
Part VII Description of Regulatory Accounts-Tracking	38017-G,38018-G,38019-G 38020-G,38021-G,38022-G,38023-G
Part VIII Gas Cost Incentive Mechanism (GCIM)	39896-G,35877-G,37922-G,36869-G 36870-G,35881-G
Part IX Hazardous Substances Mechanism (HSM)	26199-G,26200-G,26201-G
Part X Global Settlement	32530-G,32531-G,32532-G,32533-G

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(TO BE INSERTED BY UTILITY)

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 DECISION NO.

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ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

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DATE FILED Jan 23, 2006
 EFFECTIVE Jan 23, 2006
 RESOLUTION NO. G-3316

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ADVICE NO. 3582

**RATE CALCULATION WORKPAPER
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING
EFFECTIVE DECEMBER 2005**

G-IMB Standby Procurement Charge Calculation

The highest daily border price index is an average of the highest prices from “NGI’s Daily Gas Price Index - Southern California Border Average” and “Gas Daily’s Daily Price Survey - SoCal gas, large pkgs Midpoint.”

The highest daily border price index for the period was on December 14, 2005.

12/14/05 NGI’s Daily Gas Price Index (NDGPI) = \$1.39200 per therm

12/14/05 Gas Daily’s Daily Price Survey (GDDPS) = \$1.39200 per therm

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

HDBPI = \$1.39200 per therm

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

SP-CR = 150% x \$ 1.39200 + \$ 0.00201 = \$ 2.09001

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

SP-NR = 150% x \$ 1.39200 + \$ 0.00266 = \$ 2.09066

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

SP-W = 150% x \$ 1.39200 + \$ 0.00266 = \$ 2.09066