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January 31, 2006

Advice No. 3587
(U 904 G)

Public Utilities Commission of the State of California

Subject: February 2006 Core Procurement Charge Update

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 February 2006.

There is no CARE Discount for Storage Cushion Gas Withdrawal for February 2006 included in the rates filed herein. D.05-11-027 authorized SoCalGas to flow through into CARE rates the estimated benefit that results from the reclassification and transfer of storage field cushion gas at book value to CARE customers over the four-month period of December 2005 through March 2006. The CARE commodity rate without any cushion gas benefit is 58.418¢ per therm for February 2006, well below the maximum level of 80¢ per therm SoCalGas sought to achieve this winter through the use of cushion gas benefits. Thus, the full remaining cushion gas benefits remain available to be flowed through in March 2006, or in later months if the Petition for Modification of D.05-11-027 filed by SoCalGas on January 12, 2006 is granted.

There are no benefits associated with the emergency winter Gas Hedging Plan approved in D.05-10-043 included in this month's cost of 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.

For residential and core commercial and industrial customers the February 2006 Core Procurement Charge is **73.022¢** per therm, a decrease of **20.231¢** 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 February 2006 is **70.876¢** per therm, a decrease of **22.715¢** 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) and Honesto Gatchalian (jni@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

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

Effective Date

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 February 1, 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

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

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

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

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Donna Shepherd

Phone #: (213) 244-3837

E-mail: dmshepherd@semprautilities.com

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3587

Subject of AL: February 2006 Core Monthly Pricing Revision per D.98-07-068

Keywords (choose from CPUC listing): Preliminary Statement, Procurement, 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 AL¹: _____

Resolution Required? Yes No

Requested effective date: 02/01/06

No. of tariff sheets: 33

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

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

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

Tariff schedules affected: PS-II, GR, GS, GM, GMB, GSL, GO-SSA, GO-SSB, GO-AC, G-NGVR, GL, GN-10, GN-10L, G-AC, G-EN, G-NGV, G-CP, & TOCs

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: 3570, 3574, 3577

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

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

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

Southern California Gas Company

Attention: Sid Newsom

555 West Fifth Street, ML GT14D6

Los Angeles, CA 90013-4957

snewsom@semprautilities.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3587

(See Attached Service List)

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ATTACHMENT B
Advice No. 3587

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40156-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 40106-G
Revised 40157-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 40107-G
Revised 40158-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 40108-G
Revised 40159-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 40151-G
Revised 40160-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 10	Revised 40067-G
Revised 40161-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 11	Revised 40068-G
Revised 40162-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 40110-G
Revised 40163-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 2	Revised 40070-G
Revised 40164-G	Schedule No. GS, MULTI-FAMILY SERVICE SUBMETERED, Sheet 2	Revised 40071-G
Revised 40165-G	Schedule No. GM, MULTI-FAMILY SERVICE, Sheet 2	Revised 40072-G
Revised 40166-G	Schedule No. GMB, LARGE MULTI-FAMILY SERVICE, Sheet 2	Revised 40073-G
Revised 40167-G	Schedule No. GSL, SUBMETERED MULTI- FAMILY SERVICE, INCOME-QUALIFIED, Sheet 2	Revised 40074-G
Revised 40168-G	Schedule No. GO-SSA, SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 2	Revised 40075-G
Revised 40169-G	Schedule No. GO-SSB, SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING , NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 2	Revised 40076-G

ATTACHMENT B
Advice No. 3587

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40170-G	Schedule No. GO-AC, OPTIONAL RATE, FOR CUSTOMERS PURCHASING NEW GAS AIR CONDITIONING EQUIPMENT, Sheet 2	Revised 40077-G
Revised 40171-G	Schedule No. G-NGVR, NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES, (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates), Sheet 1	Original 40095-G
Revised 40172-G	Schedule No. G-NGVR, NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES, (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates), Sheet 2	Original 40096-G
Revised 40173-G	Schedule No. GL, STREET AND OUTDOOR LIGHTING, NATURAL GAS SERVICE, Sheet 1	Revised 40078-G
Revised 40174-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 40079-G
Revised 40175-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40115-G
Revised 40176-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 40116-G
Revised 40177-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 5	Revised 40117-G
Revised 40178-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED, Sheet 3	Revised 40083-G
Revised 40179-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 40119-G
Revised 40180-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40085-G
Revised 40181-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 40120-G
Revised 40182-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 40121-G

ATTACHMENT B
Advice No. 3587

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40183-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 40122-G
Revised 40184-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 40123-G
Revised 40185-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 4	Revised 40090-G
Revised 40186-G	TABLE OF CONTENTS	Revised 40124-G
Revised 40187-G	TABLE OF CONTENTS	Revised 40125-G
Revised 40188-G	TABLE OF CONTENTS	Revised 40155-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 Usage	Non-Baseline Usage	Customer Charge per meter, per day	
GR ⁽¹⁾	101.253¢	119.514¢	16.438¢	R,R
GR-C ⁽²⁾	123.029¢	141.290¢	16.438¢	
GT-R	27.548¢	45.809¢	16.438¢	
GRL ⁽³⁾	81.003¢	95.612¢	13.151¢	R,R
GT-RL ⁽³⁾	22.038¢	36.647¢	13.151¢	

Schedule G-NGVR (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)

	All Usage	Customer Charge per meter, per day	
G-NGVR ⁽¹⁾	88.777¢	32.877¢	N
G-NGVRC ⁽²⁾	110.553¢	32.877¢	
GT-NGVR	15.072¢	32.877¢	
G-NGVRL ⁽³⁾	71.022¢	26.301¢	
GT-NGVRL ⁽³⁾	12.058¢	26.301¢	N

RESIDENTIAL CORE SALES SERVICE (1) (2)

Commodity Charge

Schedules GS & GM

Baseline Usage	101.253¢	R
Non-Baseline Usage	119.514¢	R
Cross-Over Rate Baseline Usage.....	123.029¢	
Cross-Over Rate Non-Baseline Usage	141.290¢	
Customer Charge: 16.438¢/meter/day		

Schedule GMB

Baseline Usage	93.703¢	R
Non-Baseline Usage	101.708¢	R
Cross-Over Rate Baseline Usage.....	115.479¢	
Cross-Over Rate Non-Baseline Usage	123.484¢	
Customer Charge: \$9.842/meter/day		

Schedule GSL

Baseline Usage	81.003¢	R
Non-Baseline Usage	95.612¢	R
Cross-Over Rate Baseline Usage (GSL only)	82.345¢	
Cross-Over Rate Non-Baseline Usage (GSL only)	96.954¢	
Customer Charge: 13.151¢/meter/day		

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 73.022¢/therm which includes the core brokerage fee. R
- (2) The residential cross-over rate as set forth in Schedule No. G-CP is 94.798¢/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. 3587
 DECISION NO. 98-07-068, 05-10-043 &
 1H10 05-11-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jan 31, 2006
 EFFECTIVE Feb 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	118.191¢
Tier II	97.249¢
Tier III	82.096¢
GN-10C: Tier I	139.967¢
Tier II	119.025¢
Tier III	103.872¢
GN-10V: Tier I	118.191¢
Tier II	93.812¢
Tier III	82.096¢
GN-10VC: Tier I	139.967¢
Tier II	115.588¢
Tier III	103.872¢

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 73.022¢/therm which includes the core brokerage fee.
- (2) The non-residential cross over rate as set forth in Schedule No. G-CP is 94.798¢/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. 3587
 DECISION NO. 98-07-068, 05-10-043 &
 2H9 05-11-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jan 31, 2006
 EFFECTIVE Feb 1, 2006
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R
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R

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R

R

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	94.554¢	R
Tier II	77.800¢	
Tier III	65.678¢	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	84.023¢	R
G-ACC: rate per therm	105.799¢	
G-ACL: rate per therm	67.219¢	R
Customer Charge:	\$150/month	

Schedule G-EN

G-EN: rate per therm	86.919¢	R
G-ENC: rate per therm	108.695¢	
Customer Charge:	\$50/month	

Schedule G-NGV

G-NGU: rate per therm	82.253¢	R
G-NGUC: rate per therm	104.029¢	
G-NGU plus G-NGC Compression Surcharge	156.877¢	R
G-NGUC plus G-NGC Compression Surcharge	178.653¢	
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. 3587
 DECISION NO. 98-07-068, 05-10-043 &
 05-11-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jan 31, 2006
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 RESOLUTION NO. _____

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	73.022¢	R
Non-Residential Cross-Over Rate, per therm	94.798¢	
Residential Core Procurement Charge, per therm	73.022¢	R
Residential Cross-Over Rate, per therm	94.798¢	
Adjusted Core Procurement Charge, per therm	70.876¢	R

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

November 2005	209.001¢
December 2005	209.001¢
January 2006.....	TBD*

Noncore Retail Standby (SP-NR)

November 2005	209.066¢
December 2005	209.066¢
January 2006.....	TBD*

Wholesale Standby (SP-W)

November 2005	209.066¢
December 2005	209.066¢
January 2006.....	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

November 2005	40.000¢
December 2005	45.228¢
January 2006.....	46.796¢

Wholesale (BR-W)

November 2005	40.000¢
December 2005	45.077¢
January 2006.....	46.639¢

* To be determined (TBD). Pursuant to Resolution G-3316, the January Standby Procurement Charge will be filed by separate advice letter at least one day prior to February 23, 2006.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3587
 DECISION NO. 98-07-068, 05-10-043 &
 649 05-11-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jan 31, 2006
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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)	72.821¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	117.671¢	R

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)	72.821¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	102.051¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
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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)	72.821¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	86.722¢	R

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)	72.821¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	89.530¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
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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: ^{1/}	16.438¢	16.438¢	16.438¢

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

<u>Procurement Charge</u> : ^{2/}	73.022¢	94.798¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>28.231¢</u>	<u>28.231¢</u>	<u>27.548¢</u>	
<u>Total Baseline Charge</u> :	101.253¢	123.029¢	27.548¢	R

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

<u>Procurement Charge</u> : ^{2/}	73.022¢	94.798¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>46.492¢</u>	<u>46.492¢</u>	<u>45.809¢</u>	
<u>Total Non-Baseline Charge</u> :	119.514¢	141.290¢	45.809¢	R

Rates for CARE-Eligible Customers

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

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

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3587
 DECISION NO. 98-07-068, 05-10-043 &
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1H8

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Lee Schavrien
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 Regulatory Affairs

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DATE FILED Jan 31, 2006
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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: ^{2/}	58.418¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>22.585¢</u>	<u>22.038¢</u>	R
Total Baseline Charge:	81.003¢	22.038¢	R
 <u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	58.418¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>37.194¢</u>	<u>36.647¢</u>	R
Total Non-Baseline Charge:	95.612¢	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.)

^{2/} This charge is applicable to Utility Procurement Customers and includes 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.

^{3/} 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)

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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-S</u>	<u>28.231¢</u>	R
Commodity Charge:	GS	101.253¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-S</u>	<u>46.492¢</u>	R
Commodity Charge:	GS	119.514¢	R

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)

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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>28.231¢</u>	R
Commodity Charge:	GM-E	101.253¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>46.492¢</u>	R
Commodity Charge:	GM-E	119.514¢	R

GM-C

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-MC</u>	<u>46.492¢</u>	R
Commodity Charge:	GM-C	119.514¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
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Lee Schavrien
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 Regulatory Affairs

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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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>28.231¢</u>	
Commodity Charge:	GR	101.253¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>46.492¢</u>	
Commodity Charge:	GR	119.514¢	R

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)

Schedule No. G-NGVR

Sheet 1

NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES
 (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)

APPLICABILITY

The G-NGVR rate is applicable to natural gas procurement service to individually metered residential customers who have an installed natural gas vehicle (NGV) home refueling appliance, as set forth in Special Conditions 3 and 5.

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

The G-NGVRL procurement rate and GT-NGVRL (CAT) rates are applicable to income-qualified households that meet the requirements for the California Alternate Rates for Energy (CARE) Program as set forth in Schedule No. G-CARE. The CARE discount of 20% is reflected in the G-NGVRL and GT-NGVRL 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>G-NGVR</u>	<u>G-NGVRC</u>	<u>GT-NGVR</u>
<u>Customer Charge</u> , per meter per day	32.877¢	32.877¢	32.877¢
<u>Rate</u> , per therm			
Procurement Charge ^{1/}	73.022¢	94.798¢	N/A
<u>Transmission Charge</u> ^{2/}	<u>15.755¢</u>	<u>15.755¢</u>	<u>15.072¢</u>
Commodity Charge	88.777¢	110.553¢	15.072¢

R
R

^{1/} This charge is applicable to Utility Procurement Customers and includes 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.

^{2/} This charge for G-NGVR and G-NGVRC customers is equal to the GT-NGVR Transmission Charge (excluding the El Paso Settlement proceeds refund to 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. G-NGVR

Sheet 2

NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES
 (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)

(Continued)

RATES (Continued)

	<u>Rates for CARE-Eligible Customers</u>	
	<u>G-NGVRL</u>	<u>GT-NGVRL</u>
<u>Customer Charge</u> , per meter per day	26.301¢	26.301¢
<u>Rate, per therm</u>		
Procurement Charge	58.418¢	N/A
<u>Transmission Charge</u>	<u>12.604¢</u>	<u>12.058¢</u>
Commodity Charge	71.022¢	12.058¢

R
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

- Definitions: The definitions of principal terms used in this schedule are found either herein or in Rule No. 1, Definitions.
- Number of Therms: The number of therms to be billed shall be determined in accordance with Rule No. 2.
- Required Contract: As a condition precedent to service under this schedule, an executed NGV Home Refueling Authorization Agreement (Form 6150) shall be required. As part of the Agreement, the customer certifies that he qualifies under the terms and conditions of this schedule.
- CPUC Oversight: All contracts, rates, and conditions are subject to revision and modification as a result of CPUC order.
- CARB Fuel Regulations: Due to California Air Resources Board (CARB) fuel specification regulations, the Utility may not be able to provide natural gas for motor vehicle refueling in some areas of its service territory. Therefore customers intending to provide or use natural gas as a motor vehicle fuel must inform and obtain written approval from the Utility prior to such provision or use. The Utility will determine which areas of its service territory can satisfy CARB fuel regulations for the provision of NGV service and whether the Utility can provide natural gas for this purpose.

(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	15.18
2.00 - 2.49 cu.ft. per hr	17.19
2.50 - 2.99 cu.ft. per hr	21.01
3.00 - 3.99 cu.ft. per hr	26.75
4.00 - 4.99 cu.ft. per hr	34.39
5.00 - 7.49 cu.ft. per hr	47.76
7.50 - 10.00 cu.ft. per hr	66.86
For each cu.ft. per hour of total capacity in excess of 10 cu.ft. per hour	7.64

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(Continued)

(TO BE INSERTED BY UTILITY)
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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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.001¢</u>	
Commodity Charge:	G-AC	84.023¢	R

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	94.798¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.001¢</u>
Commodity Charge:	G-ACC	105.799¢

(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	58.418¢	R
<u>Transmission Charge:</u>	<u>GPT-ACL</u>	<u>8.801¢</u>	
Commodity Charge:	G-ACL	67.219¢	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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3587
 DECISION NO. 98-07-068, 05-10-043 &
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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	73.022¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>13.897¢</u>
Commodity Charge:	G-EN	86.919¢

R

R

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	94.798¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>13.897¢</u>
Commodity Charge:	G-ENC	108.695¢

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. 3587
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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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>9.231¢</u>	
Commodity Charge:	G-NGU	82.253¢	R

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	94.798¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>9.231¢</u>
Commodity Charge:	G-NGUC	104.029¢

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	156.877¢	R
G-NGUC plus G-NGC, compressed per therm	178.653¢	

(Continued)

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	72.821¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	73.022¢	R

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	94.597¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	94.798¢

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. 3587
 DECISION NO. 98-07-068, 05-10-043 &
 05-11-027

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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 3

(Continued)

RATES (Continued)

G-CPR (Continued)

The monthly residential gas procurement charge is comprised of: (1) the weighted average cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068, 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	72.821¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	73.022¢	R

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	94.597¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	94.798¢

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. 3587
 DECISION NO. 98-07-068, 05-10-043 &
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 Vice President
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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 70.876¢

R

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. 3587
 DECISION NO. 98-07-068, 05-10-043 &
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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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>20.681¢</u>	R
Commodity Charge:	GM-BE	93.703¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>28.686¢</u>	R
Commodity Charge:	GM-BE	101.708¢	R

GM-BC

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-MBC</u>	<u>28.686¢</u>	R
Commodity Charge:	GM-BC	101.708¢	R

(Continued)

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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	73.022¢
<u>Transmission Charge: GPT-10</u>	<u>45.169¢</u>
Commodity Charge: GN-10	118.191¢

R

R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3587
 DECISION NO. 98-07-068, 05-10-043 &
 2H8 05-11-027

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Schedule No. GN-10

Sheet 3

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GN-10 (Continued)

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

Procurement Charge:	G-CPNR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.227¢</u>	
Commodity Charge:	GN-10	97.249¢	R

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

Procurement Charge:	G-CPNR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>9.074¢</u>	
Commodity Charge:	GN-10	82.096¢	R

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	94.798¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>45.169¢</u>
Commodity Charge:	GN-10C	139.967¢

(Continued)

(TO BE INSERTED BY UTILITY)
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 DECISION NO. 98-07-068, 05-10-043 &
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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	94.798¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.227¢</u>
Commodity Charge:	GN-10C	119.025¢

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

Procurement Charge:	G-CPNRC	94.798¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>9.074¢</u>
Commodity Charge:	GN-10C	103.872¢

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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>45.169¢</u>	R
Commodity Charge:	GN-10V	118.191¢	R

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

Procurement Charge:	G-CPNR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>20.790¢</u>	R
Commodity Charge:	GN-10V	93.812¢	R

(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	73.022¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>9.074¢</u>
Commodity Charge:	GN-10V	82.096¢

R
R

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	94.798¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>45.169¢</u>
Commodity Charge:	GN-10VC	139.967¢

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

Procurement Charge:	G-CPNRC	94.798¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>20.790¢</u>
Commodity Charge:	GN-10VC	115.588¢

(Continued)

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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	58.418¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u>	<u>36.136¢</u>	
Commodity Charge:	GN-10L	94.554¢	R

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

Procurement Charge:	G-CPNRL	58.418¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u>	<u>19.382¢</u>	
Commodity Charge:	GN-10L	77.800¢	R

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

Procurement Charge:	G-CPNRL	58.418¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u>	<u>7.260¢</u>	
Commodity Charge:	GN-10L	65.678¢	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)

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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>28.231¢</u>	R
Commodity Charge:	GR	101.253¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>46.492¢</u>	R
Commodity Charge:	GR	119.514¢	R

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)

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	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>28.231¢</u>	
Commodity Charge:	GR	101.253¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	73.022¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>46.492¢</u>	
Commodity Charge:	GR	119.514¢	R

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)

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	58.418¢	R
<u>Transmission Charge:</u>	<u>GPT-SL</u>	<u>22.585¢</u>	
Commodity Charge:	GSL	81.003¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRL	58.418¢	R
<u>Transmission Charge:</u>	<u>GPT-SL</u>	<u>37.194¢</u>	
Commodity Charge:	GSL	95.612¢	R

(Continued)

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GT-S	Core Aggregation Transportation for Multi-Family Submetered Service	32570-G,39995-G,37643-G,38333-G,31179-G	
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GT-M	Core Aggregation Transportation for Multi-Family Service	31180-G,39998-G,37646-G,38335-G 36800-G,31184-G	
GMB	Large Multi-Family Service	39999-G,40166-G,40113-G,40002-G 37648-G,38336-G,36655-G	T
GT-MB	Core Aggregation Transportation for Large Multi-Family Service	40003-G,40004-G,37649-G,35659-G 38337-G,36657-G	
GSL	Submetered Multi-Family Service, Income Qualified	33684-G,40167-G,40114-G,37653-G 39794-G,39795-G,39796-G	T
GT-SL	Core Aggregation Transportation Submetered Multi-Family Service, Income Qualified	33687-G,40007-G,37654-G,39797-G 39798-G,36805-G	
G-CARE	California Alternate Rates for Energy (CARE) Program	39257-G,39799-G 39259-G,39260-G,39261-G,39800-G	
GO-SSA	Summer Saver Optional Rate for Owners of Existing Gas Equipment	39617-G,40168-G,37655-G,37656-G,31253-G	T
GTO-SSA	Transportation-Only Summer Saver Optional Rate for Owners of Existing Gas Equipment	38243-G,40009-G,37657-G,36806-G,31258-G	
GO-SSB	SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	39620-G,40169-G,37658-G,37659-G,31263-G	T
GTO-SSB	Transportation-Only SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	38568-G,40011-G,37661-G,31583-G,31268-G	
GO-AC	Optional Rate for Customers Purchasing New Gas Air Conditioning Equipment	38623-G,40170-G,37662-G,37663-G,31277-G	T
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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3587
 DECISION NO. 98-07-068, 05-10-043 &
 05-11-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jan 31, 2006
 EFFECTIVE Feb 1, 2006
 RESOLUTION NO. _____

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