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March 8, 2006

Advice No. 3606
(U 904 G)

Public Utilities Commission of the State of California

Subject: Cross-Over Rate for March 2006

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 revises the listed tariff rate schedules showing the Cross-Over Rate for applicable residential and core commercial and industrial customers for March 2006, as authorized by the California Public Utilities Commission's (Commission) approval of SoCalGas' Advice No. (AL) 3188-A on September 4, 2003, by Resolution G-3351. AL 3188-A was filed pursuant to Commission Decision (D.) 02-08-065 issued on August 22, 2002, authorizing SoCalGas to implement revised uniform rules for noncore customers requesting core service, and core customers with an annual consumption over 50,000 therms who elect to switch from a Core Aggregation Transportation (CAT) marketer to utility procurement service.

Background

The Cross-Over Rate, as set forth in Schedule No. G-CP will be the higher of 1) the posted monthly core procurement rate or 2) an Adjusted California Border Price. The Border Price adjustment will reflect the fact that interstate transportation costs are included in the core transportation rate, as opposed to the core procurement rate, and therefore must be removed from the Border Price in order to make for a proper comparison (and to avoid charging cross-over customers twice for interstate transportation). Similarly, the core procurement rate does not include intrastate backbone costs which are also a component of the core transportation rate.

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.

This Cross-Over Rate will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except the following customers: a) noncore customers who have been served under Schedule No. G-CS since January 1, 2001, or b) 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 Cross-Over Rate will be filed on or before the 9th calendar day of each month, to be effective the 10th calendar day of each month.

Requested Rate Revision

The Cross-Over Rate for March 2006 is **66.881** cents per therm, which is the same as the Core Procurement rate as filed by AL 3602 on February 28, 2006. The workpaper showing the calculation of the Cross-Over Rate is incorporated herein as Attachment C.

Protest

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

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

Copies of the protest should also be sent via e-mail to the attention of both Jerry Royer (jjr@cpuc.ca.gov) and Honesto Gatchalian (ijnj@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

In compliance with Advice No. 3188-A, approved on September 4, 2003 by Resolution G-3351, the tariff sheets filed herein are to be effective for service on and after March 10, 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) #: 3606

Subject of AL: March 2006 Cross-Over Rate

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

AL filing type: Monthly Quarterly Annual One-Time Other

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

G-3351

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: 3/10/06

No. of tariff sheets: 22

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, G-NGVR, GN-10, G-AC, G-EN, G-NGV, G-CP, & TOCs

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: 3577, 3587, 3591, 3602

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. 3606

(See Attached Service List)

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ATTACHMENT B
Advice No. 3606

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40301-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 40261-G
Revised 40302-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 40262-G
Revised 40303-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 40263-G
Revised 40304-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 40264-G
Revised 40305-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 40267-G
Revised 40306-G	Schedule No. GS, MULTI-FAMILY SERVICE SUBMETERED, Sheet 3	Revised 40197-G
Revised 40307-G	Schedule No. GM, MULTI-FAMILY SERVICE, Sheet 3	Revised 40198-G
Revised 40308-G	Schedule No. GMB, LARGE MULTI-FAMILY SERVICE, Sheet 3	Revised 40199-G
Revised 40309-G	Schedule No. GSL, SUBMETERED MULTI- FAMILY SERVICE, INCOME-QUALIFIED, Sheet 3	Revised 40273-G
Revised 40310-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	Revised 40277-G
Revised 40311-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40281-G
Revised 40312-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 40282-G
Revised 40313-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 5	Revised 40283-G
Revised 40314-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 6	Revised 40205-G

ATTACHMENT B
Advice No. 3606

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40315-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 40285-G
Revised 40316-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 40287-G
Revised 40317-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 40288-G
Revised 40318-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 40289-G
Revised 40319-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 40290-G
Revised 40320-G	TABLE OF CONTENTS	Revised 40292-G
Revised 40321-G	TABLE OF CONTENTS	Revised 40293-G
Revised 40322-G	TABLE OF CONTENTS	Revised 40300-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⁾	95.112¢	113.373¢	16.438¢
GR-C ⁽²⁾	95.112¢	113.373¢	16.438¢
GT-R	27.548¢	45.809¢	16.438¢
GRL ⁽³⁾	76.090¢	90.699¢	13.151¢
GT-RL ⁽³⁾	22.038¢	36.647¢	13.151¢

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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⁾	82.636¢	32.877¢
G-NGVRC ⁽²⁾	82.636¢	32.877¢
GT-NGVR	15.072¢	32.877¢
G-NGVRL ⁽³⁾	66.109¢	26.301¢
GT-NGVRL ⁽³⁾	12.058¢	26.301¢

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RESIDENTIAL CORE SALES SERVICE (1) (2)

Commodity Charge

Schedules GS & GM

Baseline Usage	95.112¢
Non-Baseline Usage	113.373¢
Cross-Over Rate Baseline Usage.....	95.112¢
Cross-Over Rate Non-Baseline Usage	113.373¢
Customer Charge: 16.438¢/meter/day	

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Schedule GMB

Baseline Usage	87.562¢
Non-Baseline Usage	95.567¢
Cross-Over Rate Baseline Usage.....	87.562¢
Cross-Over Rate Non-Baseline Usage	95.567¢
Customer Charge: \$9.842/meter/day	

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R

Schedule GSL

Baseline Usage	76.090¢
Non-Baseline Usage	90.699¢
Cross-Over Rate Baseline Usage (GSL only)	76.090¢
Cross-Over Rate Non-Baseline Usage (GSL only)	90.699¢
Customer Charge: 13.151¢/meter/day	

R
R

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 66.881¢/therm which includes the core brokerage fee.
 (2) The residential cross-over rate as set forth in Schedule No. G-CP is 66.881¢/therm which includes the core brokerage fee.
 (3) The CARE rate reflects a 20% discount on all customer, commodity, and transportation charges.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3606
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

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	112.050¢
Tier II	91.108¢
Tier III	75.955¢
GN-10C: Tier I	112.050¢
Tier II	91.108¢
Tier III	75.955¢
GN-10V: Tier I	112.050¢
Tier II	87.671¢
Tier III	75.955¢
GN-10VC: Tier I	112.050¢
Tier II	87.671¢
Tier III	75.955¢

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 66.881¢/therm which includes the core brokerage fee.
- (2) The non-residential cross over rate as set forth in Schedule No. G-CP is 66.881¢/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. 3606
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
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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	89.641¢
Tier II	72.887¢
Tier III	60.765¢

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	77.882¢
G-ACC: rate per therm	77.882¢
G-ACL: rate per therm	62.306¢
Customer Charge:	\$150/month

Schedule G-EN

G-EN: rate per therm	80.778¢
G-ENC: rate per therm	80.778¢
Customer Charge:	\$50/month

Schedule G-NGV

G-NGU: rate per therm	76.112¢
G-NGUC: rate per therm	76.112¢
G-NGU plus G-NGC Compression Surcharge	150.736¢
G-NGUC plus G-NGC Compression Surcharge	150.736¢
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)
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ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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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	66.881¢
Non-Residential Cross-Over Rate, per therm	66.881¢
Residential Core Procurement Charge, per therm	66.881¢
Residential Cross-Over Rate, per therm	66.881¢
Adjusted Core Procurement Charge, per therm	66.680¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

December 2005	209.001¢
January 2006.....	124.139¢
February 2006.....	TBD*

Noncore Retail Standby (SP-NR)

December 2005	209.066¢
January 2006.....	124.204¢
February 2006.....	TBD*

Wholesale Standby (SP-W)

December 2005	209.066¢
January 2006.....	124.204¢
February 2006.....	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

December 2005	45.228¢
January 2006.....	46.796¢
February 2006.....	35.438¢

Wholesale (BR-W)

December 2005	45.077¢
January 2006.....	46.639¢
February 2006.....	35.320¢

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

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3606
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

R
 R

Schedule No. GR Sheet 1
RESIDENTIAL SERVICE
 (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.05-11-027, as modified by D.06-02-034, benefits from cushion gas withdrawal may be applied in order to keep the CARE commodity rate in any winter month from exceeding 80 cents per therm, provided that all benefits have been applied by March 31, 2008.

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/}	66.881¢	66.881¢	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> :	95.112¢	95.112¢	27.548¢	R

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

<u>Procurement Charge</u> : ^{2/}	66.881¢	66.881¢	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> :	113.373¢	113.373¢	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. 3606
 DECISION NO.

1H9

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GS
MULTI-FAMILY SERVICE SUBMETERED

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GS-C (Continued)

Baseline Rate

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

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-S</u>	<u>28.231¢</u>	
Commodity Charge:	GS-C	95.112¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-S</u>	<u>46.492¢</u>	
Commodity Charge:	GS-C	113.373¢	R

The number of therms to be billed shall be determined in accordance with Rule 2.

SPECIAL CONDITIONS

1. Baseline Rates: Baseline Rates are applicable only to specific volumes of residential usage.
2. Baseline Usage: The following usage is to be billed at the Baseline rate for each submetered multi-family dwelling unit. Usage in excess of applicable Baseline allowances will be billed at the Non-Baseline rate.

<u>Per Residence</u>	<u>Daily Therm Allowance for Climate Zones*</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Summer	0.473	0.473	0.473
Winter	1.691	1.823	2.950

* Climate Zones are described in the Preliminary Statement.

(Continued)

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 DECISION NO.

ISSUED BY
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GM
MULTI-FAMILY SERVICE

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GM-EC and GM-CC

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 consists of: (1) the monthly procurement charge, as set forth in Schedule No. G-CPRC; (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.

GM-EC

Baseline Rate

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

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>28.231¢</u>	
Commodity Charge:	GM-EC	95.112¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>46.492¢</u>	
Commodity Charge:	GM-EC	113.373¢	R

GM-CC

All usage, per therm.

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-MC</u>	<u>46.492¢</u>	
Commodity Charge:	GM-CC	113.373¢	R

(Continued)

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 ADVICE LETTER NO. 3606
 DECISION NO.

ISSUED BY
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

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.05-11-027, as modified by D.06-02-034, benefits from cushion gas withdrawal may be applied in order to keep the CARE commodity rate in any winter month from exceeding 80 cents per therm, provided that all benefits have been applied by March 31, 2008.

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/}	66.881¢	66.881¢	N/A
<u>Transmission Charge</u> ^{2/}	<u>15.755¢</u>	<u>15.755¢</u>	<u>15.072¢</u>
Commodity Charge	82.636¢	82.636¢	15.072¢

R
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^{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.

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 DECISION NO.

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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.001¢</u>
Commodity Charge:	G-AC	77.882¢

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.001¢</u>
Commodity Charge:	G-ACC	77.882¢

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(Continued)

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ISSUED BY
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 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>13.897¢</u>
Commodity Charge:	G-EN	80.778¢

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>13.897¢</u>
Commodity Charge:	G-ENC	80.778¢

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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. 3606
 DECISION NO.

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 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>9.231¢</u>
Commodity Charge:	G-NGU	76.112¢

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>9.231¢</u>
Commodity Charge:	G-NGUC	76.112¢

R
R

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	150.736¢
G-NGUC plus G-NGC, compressed per therm	150.736¢

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3606
 DECISION NO.
 2H9

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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	66.680¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	66.881¢

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	66.680¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	66.881¢	R

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. 3606
 DECISION NO.

ISSUED BY
Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

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	66.680¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	66.881¢

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	66.680¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	66.881¢

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

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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GMB
LARGE MULTI-FAMILY SERVICE

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GM-BEC and GM-BCC

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 consists of: (1) the monthly procurement charge, as set forth in Schedule No. G-CPRC; (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.

GM-BEC

Baseline Rate

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

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>20.681¢</u>	R
Commodity Charge:	GM-BEC	87.562¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>28.686¢</u>	R
Commodity Charge:	GM-BEC	95.567¢	R

GM-BCC

All usage, per therm.

Procurement Charge:	G-CPRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-MBC</u>	<u>28.686¢</u>	R
Commodity Charge:	GM-BCC	95.567¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3606
 DECISION NO.

ISSUED BY
Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
 EFFECTIVE Mar 10, 2006
 RESOLUTION NO. G-3351

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.227¢</u>
Commodity Charge:	GN-10	91.108¢

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

Procurement Charge:	G-CPNR	66.881¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>9.074¢</u>
Commodity Charge:	GN-10	75.955¢

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>45.169¢</u>
Commodity Charge:	GN-10C	112.050¢

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(Continued)

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 DECISION NO.

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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
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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	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.227¢</u>	
Commodity Charge:	GN-10C	91.108¢	R

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

Procurement Charge:	G-CPNRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>9.074¢</u>	
Commodity Charge:	GN-10C	75.955¢	R

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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>45.169¢</u>
Commodity Charge:	GN-10V	112.050¢

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

Procurement Charge:	G-CPNR	66.881¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>20.790¢</u>
Commodity Charge:	GN-10V	87.671¢

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3606
 DECISION NO.

ISSUED BY
Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 8, 2006
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 RESOLUTION NO. G-3351

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

Sheet 5

(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	66.881¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>9.074¢</u>
Commodity Charge:	GN-10V	75.955¢

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	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>45.169¢</u>	
Commodity Charge:	GN-10VC	112.050¢	R

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

Procurement Charge:	G-CPNRC	66.881¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>20.790¢</u>	
Commodity Charge:	GN-10VC	87.671¢	R

(Continued)

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Schedule No. GN-10

Sheet 6

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GN-10VC (Continued)

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

Procurement Charge:	G-CPNRC	66.881¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>9.074¢</u>
Commodity Charge:	GN-10VC	75.955¢

R
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.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this schedule are contained in Rule No. 1.
2. Customer may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s) through a single meter installation. Where service is rendered under (b), a separate monthly customer charge shall be applicable for service under each schedule unless otherwise stated.
3. In the event of curtailment, customers under this schedule will be curtailed in accordance with Rule No. 23, Continuity of Service and Interruption of Delivery.
4. Customers served hereunder may elect to be reclassified as noncore. Eligibility requirements are defined in Rule No. 1. Customers electing noncore service status must sign the required natural gas service agreement and have electronic meter reading equipment installed at the customers expense as a condition of noncore service. Those customers who have a signed commitment to this schedule must fulfill their obligation to that commitment prior to being reclassified as noncore.
5. Customer receiving service under this rate schedule may elect to aggregate their gas quantities to receive service under Schedule No. GT-10.
6. The rate savings afforded customers under Schedule No. GN-10V or GN-10VC shall only apply to those customers served under this schedule and located within the City of Vernon consistent with the SoCalGas-Vernon Stipulation and Settlement Agreement approved by D. 96-09-104. In addition, the Utility may negotiate rates other than those set forth herein for those customers located in the City of Vernon and served under this rate schedule, pursuant to the Agreement and D.96-09-104.

(Continued)

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

Sheet 3

(Continued)

RATES (Continued)

Commodity Charges (Continued)

GSL-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 consists of: (1) the discounted monthly procurement charge, as set forth in Schedule No. G-CPRC; (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 procurement charge shown below has been discounted by 20 percent. Pursuant to D.05-11-027, as modified by D.06-02-034, benefits from cushion gas withdrawal may be applied in order to keep the CARE commodity rate in any winter month from exceeding 80 cents per therm, provided that all benefits have been applied by March 31, 2008.

Baseline Rate

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

Procurement Charge:	G-CPRCL	53.505¢	R
<u>Transmission Charge:</u>	<u>GPT-SL</u>	<u>22.585¢</u>	
Commodity Charge:	GSL-C	76.090¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRCL	53.505¢	R
<u>Transmission Charge:</u>	<u>GPT-SL</u>	<u>37.194¢</u>	
Commodity Charge:	GSL-C	90.699¢	R

The number of therms to be billed shall be determined in accordance with Rule 2.

SPECIAL CONDITIONS

1. Baseline Rates: Baseline Rates are applicable only to specific volumes of residential usage.

(Continued)

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GO-SSB	SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	39620-G,40275-G,37658-G,37659-G,31263-G
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G-NGVR	Natural Gas Service for Home Refueling of Motor Vehicles (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)	40310-G,40278-G,40097-G,40098-G

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ATTACHMENT C

ADVICE NO. 3606

**G-CPNRC & G-CPRC RATE CALCULATION WORKPAPER
SCHEDULE NO. G-CP CROSS-OVER RATE FILING
EFFECTIVE MARCH 10, 2006**

Border Price Index (BPI)

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence (NGI) and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week (NGW)

March 2006 NGI's Price Index (NGIPI) = \$.64400 per therm

March 2006 NGW's Price Index (NGWPI) = \$.64600 per therm

**Border Price Index (BPI) = (NGIPI + NGWPI) / 2
BPI = \$.64500 per therm**

Adjusted Border Price Index (ABPI)

**Remove Core Pipeline Demand Costs from BPI
ABPI = \$.64500 - \$0.02434 = \$.62066 per therm**

Core Procurement Cost of Gas (CPC)

3/1/06 G-CPNR & G-CPR Cost of Gas (without Brokerage Fee) = \$.66680

Adjusted Core Procurement Cost of Gas (ACPC)

**Remove 1.9187% Franchise Fee and Uncollectibles (FF&U)
ACPC = \$.66680 / 1.019187 = \$.65425 per therm**

G-CPNRC & G-CPRC Cross-Over Rate Calculation:

Higher of ACPC or ABPI = ACPC = \$.65425

**Include 1.9187% Franchise Fee and Uncollectibles (FF&U)
G-CPNRC & G-CPRC Cost of Gas = \$.65425 * 1.019187 = \$.66680 per therm**