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Director
Tariffs & Regulatory Accounts

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March 23, 2006

Advice No. 3611 (U 904 G)

Public Utilities Commission of the State of California

**Subject:** Daily Balancing Standby Rates for March 16-22, 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 filing updates the Daily Balancing Standby Rates for the period of March 16, 2006 through March 22, 2006 in Schedule No. G-IMB, Transportation Imbalance Service, as authorized by the Commission's approval of SoCalGas' Advice Nos. (AL) 2651, 2651-A and 2651-B on December 26, 1997, which were filed in compliance with Decision (D.) 97-11-070, dated November 19, 1997, which modified Capacity Brokering Decision D.90-09-089 by adopting modifications to SoCalGas' balancing rules.

### Background

As authorized in Schedule No. G-IMB, customers will be subject to balancing rules during the winter operating period. From November through March, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 50% of burn over a five day period. As the Utility's total inventory in storage declines to the peak day minimum + 20 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 70% of burn daily. As the Utility's total inventory in storage declines to the peak day minimum + 5 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 90% of burn daily. Volumes not in compliance with the minimum delivery requirements will be purchased at the daily balancing standby rates described below. Imbalance trading and as-available withdrawal may not be used to offset the minimum delivery requirements. A complete description of the winter minimum delivery requirements is specified in Rule No. 30, Transportation of Customer-Owned Gas.

The Daily Balancing Standby Rates are calculated as follows:

- 1. During November through March customers are required to deliver (flowing supply and firm storage withdrawal) at a minimum of 50% of burn during a five-day period. Volumes not in compliance with the 50% five-day minimum delivery requirement are purchased at the daily balancing standby rate. The daily balancing standby rate is calculated as 150% of the highest Southern California Border price during the five-day period as published in "NGI's Daily Gas Price Index" including authorized franchise fees and, for retail customers, uncollectible expenses (F&U), and an authorized brokerage fee.
- 2. When the Utility's total inventory in storage declines to the "peak day minimum + 20 Bcf trigger", the minimum daily delivery requirement increases to 70%. The five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's Daily Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 70% delivery requirement.
- 3. When the Utility's total inventory in storage declines to the "peak day minimum + 5 Bcf trigger", the minimum delivery requirement increases to 90% daily. Similar to the 70% regime, the five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's Daily Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 90% delivery requirement.

As further authorized in Schedule No. G-IMB, by the Commission's approval of SoCalGas' Advice No. 3018 on June 6, 2001, the Daily Balancing Standby Rates may be filed weekly to become effective immediately. In any event, the Daily Balancing Standby Rates shall be filed on or before the fifth business day of each month.

### Requested Rate Revision

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets. The note at the end of the Daily Balancing Standby Rates section is revised to state that for the days of March 1-22, 2006 the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies. The workpaper showing the calculation of these rates is incorporated herein as Attachment C.

#### **Protest**

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and 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 (<a href="mailto:ijr@cpuc.ca.gov">ijr@cpuc.ca.gov</a>) and to Honesto Gatchalian (<a href="mailto:inj@cpuc.ca.gov">inj@cpuc.ca.gov</a>) of the Energy Division. A copy of the protest should also be sent via both e-mail <a href="mailto:and">and</a> facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

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

E-mail: <a href="mailto:snewsom@SempraUtilities.com">snewsom@SempraUtilities.com</a>

### **Effective Date**

As authorized in Schedule No. G-IMB, the tariff sheets filed herein are to be effective for service on and after March 23, 2006, which is the date filed, and are to be applicable to the period of March 16, 2006 through March 22, 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:	Contact Person: Donna Shepherd		
☐ ELC ☐ GAS	Phone #: (213) 244-3837		
☐ PLC ☐ HEAT ☐ WATER	E-mail: dmshepherd@semprautilities.com		
EXPLANATION OF UTILITY T		(Date Filed/ Received Stamp by CPUC)	
ELC = Electric GAS = Gas	II L	(Bate Filed) Received Stamp by Cr CC)	
PLC = Pipeline GAS = GaS  HEAT = Heat	WATER = Water		
Advice Letter (AL) #: 3611			
Subject of AL: <u>Daily Balancing St</u>	andby Rates for Ma	rch 16-22, 2006	
Keywords (choose from CPUC listing	g): <u>Compliance, No</u>	n-Core, Procurement	
	· ·		
AL filing type: Monthly Quarte	erly 🗌 Annual 🗍 C	ne-Time 🖂 Other <u>Weekly</u>	
0 01	·	cate relevant Decision/Resolution #:	
D.97-11-070	inibolon order, mar	outo role valle Beoleson, nessonation in	
	octed AI2 If so idea	ntify the prior AL	
•		• •	
Summarize differences between the	AL and the prior wi	thdrawn or rejected AL¹:	
Resolution Required?  Yes No		_	
Requested effective date: $3/23/06$		No. of tariff sheets: _4	
Estimated system annual revenue e			
Estimated system annual revenue e  Estimated system average rate effec			
v	· · ·	I also animal annual afficients are annual a	
classes (residential, small commerci		L showing average rate effects on customer	
	0		
Tariff schedules affected: Schedule G-IMB, and Tables of Contents			
Service affected and changes proposed <sup>1</sup> :			
Pending advice letters that revise the same tariff sheets: 3600, 3605, 3607, 3608			
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	-	outhern California Gas Company	
Attention: Tariff Unit		ttention: Sid Newsom	
505 Van Ness Avenue		55 West Fifth Street, ML GT14D6	
San Francisco, CA 94102 Los Angeles, CA 90013-4957			
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov	SI	newsom@semprautilities.com	

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

### **ATTACHMENT A**

### Advice No. 3611

(See Attached Service List)

**Aglet Consumer Alliance** James Weil

jweil@aglet.org

Elizabeth Westby egw@a-klaw.com

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**CPUC** 

**CPUC CPUC** 

**Consumer Affairs Branch Pearlie Sabino** 505 Van Ness Ave., #2003 pzs@cpuc.ca.gov

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

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Azusa, CA 91702

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City of Pasadena - Water and Power Dept.

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rsherick@cityofpasadena.net

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City of Long Beach, Gas & Oil Dept.

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200 North Main Street, 800 Los Angeles, CA 90012

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### ATTACHMENT B Advice No. 3611

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.	
Revised 40339-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 4	Revised 40327-G	
Revised 40340-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 40328-G	
Revised 40341-G	TABLE OF CONTENTS	Revised 40337-G	
Revised 40342-G	TABLE OF CONTENTS	Revised 40338-G	

CAL. P.U.C. SHEET NO.

Sheet 4

# Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

(Continued)

**RATES** (Continued)

**Daily Balancing Standby Rates** (Continued)

Daily Balancing Standby Rate, per therm

March 2006	Core Retail	Noncore Retail	Wholesale	
<u>Day</u>	DB-CR	<u>DB-NR</u>	DB-W	
1	\$0.91928	\$0.91993	\$0.91686	
2	\$0.88870	\$0.88935	\$0.88639	
3	\$0.86271	\$0.86336	\$0.86049	
4	\$0.85660	\$0.85725	\$0.85439	
5	\$0.85660	\$0.85725	\$0.85439	
Period 1 High	\$0.91928	\$0.91993	\$0.91686	
6	\$0.85660	\$0.85725	\$0.85439	
7	\$0.88870	\$0.88935	\$0.88639	
8	\$0.90093	\$0.90158	\$0.89858	
9	\$0.89788	\$0.89853	\$0.89553	
10	\$0.88717	\$0.88782	\$0.88486	
Period 2 High	\$0.90093	\$0.90158	\$0.89858	
11	\$0.89482	\$0.89547	\$0.89248	
12	\$0.89482	\$0.89547	\$0.89248	
13	\$0.89482	\$0.89547	\$0.89248	
14	\$0.92692	\$0.92757	\$0.92448	
15	\$0.94985	\$0.95050	\$0.94733	
Period 3 High	\$0.94985	\$0.95050	\$0.94733	
16	\$0.95750	\$0.95815	\$0.95495	
17	\$0.97126	\$0.97191	\$0.96867	
18	\$0.97431	\$0.97496	\$0.97171	
19	\$0.97431	\$0.97496	\$0.97171	
20	\$0.97431	\$0.97496	\$0.97171	
Period 4 High	\$0.97431	\$0.97496	\$0.97171	

(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 3611 \\ \text{DECISION NO.} & 97\text{-}11\text{-}070 \\ \end{array}$ 

ISSUED BY
Lee Schavrien
Vice President
Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & \underline{Mar~23,~2006} \\ \text{EFFECTIVE} & \underline{Mar~23,~2006} \\ \text{RESOLUTION NO.} \end{array}$ 

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LOS ANGELES, CALIFORNIA CANCELING

### Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 5

(Continued)

RATES (Continued)

<u>Daily Balancing Standby Rates</u> (Continued)

Daily Balancing Standby Rate, per therm (Continued)

March 2006	Core Retail	Noncore Retail	Wholesale
<u>Day</u>	DB-CR	<u>DB-NR</u>	DB-W
21	\$0.96056	\$0.96121	\$0.95800
22	\$0.93457	\$0.93522	\$0.93210
23	Ψ0.93437 N/A	N/A	N/A
24	N/A	N/A	N/A
25	N/A	N/A	N/A
Period 5 High	N/A	N/A	N/A
26	N/A	N/A	N/A
27	N/A	N/A	N/A
28	N/A	N/A	N/A
29	N/A	N/A	N/A
30	N/A	N/A	N/A
31	N/A	N/A	N/A
Period 6 High	N/A	N/A	N/A

Note: For the days of March 1-22, 2006 the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies.

### Revision of Rates

The Standby Procurement Charge and the Buy-Back Rate shall be established effective the last day of each month. The Daily Balancing Standby Rate shall be established on NGI's Daily Gas Price Index. Utility may file the Daily Balancing Standby Rate weekly to become effective immediately. In any event, the Daily Balancing Standby Rate shall be filed on or before the fifth business day of each month.

### **SPECIAL CONDITIONS**

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

(Continued)

(TO BE INSERTED BY UTILITY) 3611 ADVICE LETTER NO. 97-11-070 DECISION NO. 5H7

ISSUED BY Lee Schavrien Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Mar 23, 2006 DATE FILED Mar 23, 2006 **EFFECTIVE** RESOLUTION NO.

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### LOS ANGELES, CALIFORNIA CANCELING Revised

### TABLE OF CONTENTS

(	Continue	$^{\mathrm{l}}$

GT-SD	Intrastate Transmission Service
GT-PS	Peaking Service
	40041-G,40042-G,35955-G,35956-G,37942-G
GW-LB	Wholesale Natural Gas Service
	38063-G,38064-G
GW-SD	Wholesale Natural Gas Service
	37951-G
GW-SWG	Wholesale Natural Gas Service
GW-VRN	Wholesale Natural Gas Service
	37959-G,37960-G
G-IMB	Transportation Imbalance Service
	40340-G,36313-G,33498-G
G-ITC	Interconnect Access Service
G-BSS	Basic Storage Service
	37961-G,37962-G,37963-G,37964-G
G-AUC	Auction Storage Service
	32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service
	32720-G,32721-G,37965-G,37966-G
G-TBS	Transaction Based Storage Service
	31929-G,36315-G,27378-G
G-CBS	UDC Consolidated Billing Service
G-PPPS	Public Purpose Programs Surcharge
G-SRF	Surcharge to Fund Public Utilities Commission
	Utilities Reimbursement Account
G-MHPS	Surcharge to Fund Public Utilities Commission
	Master Metered Mobile Home Park Gas Safety
	Inspection and Enforcement Program
G-MSUR	Transported Gas Municipal Surcharge
GIT	Interruptible Interutility Transportation
GLT	Long-Term Transportation of Customer-Owned
	Natural Gas
GLT-1	Transportation of Customer-Owned Natural Gas 24572-G,24573-G,24574-G
	24575-G,24576-G,24577-G
GLT-2	Transportation of Customer-Owned Natural Gas 24578-G,24579-G,24580-G
	24581-G,24582-G,24583-G
G-LOAN	Hub Loaning
G-PRK	Hub Parking
G-WHL	Hub Wheeling
G-FIG	Fiber Optic Cable in Gas Pipelines
3110	37009-G,37010-G37011-G,37012-G,37013-G
	37007-G,37010-G37011-G,37012-G,37013-G

(TO BE INSERTED BY UTILITY)

ISSUED BY Lee Schavrien Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Mar 23, 2006 DATE FILED Mar 23, 2006 EFFECTIVE RESOLUTION NO.

**GENERAL** 

Cal. P.U.C. Sheet No.

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### TABLE OF CONTENTS

The following listed sheets contain all effective Schedules of Rates and Rules affecting service and information relating thereto in effect on the date indicated thereon.

<u>Cal. F.U.C. Silect No.</u>
Title Page
PRELIMINARY STATEMENT
Part I General Service Information
Part II Summary of Rates and Charges 40301-G,40302-G,40303-G,39982-G,39983-G,40335-G 32491-G,32492-G,39790-G,40265-G,40266-G,39987-G,39988-G
Part III Cost Allocation and Revenue Requirement 27024-G,37920-G,27026-G,27027-G,39989-G
Part IV Income Tax Component of Contributions and Advances
Part V Description of Regulatory Accounts-Balancing
Part VI Description of Regulatory Accounts-Memorandum
Part VII Description of Regulatory Accounts-Tracking
Part VIII Gas Cost Incentive Mechanism (GCIM)
Part IX Hazardous Substances Mechanism (HSM)
Part X Global Settlement

(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 3611 \\ \text{DECISION NO.} & 97\text{-}11\text{-}070 \\ \end{array}$ 

ISSUED BY
Lee Schavrien
Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Mar 23, 2006

EFFECTIVE Mar 23, 2006

RESOLUTION NO.

# ATTACHMENT C ADVICE NO. 3611 RATE CALCULATION WORKPAPER DAILY BALANCING STANDBY RATE FILING EFFECTIVE MARCH 1-22, 2006

Daily Balancing Standby Rate = 150% x (NGI's Price Index + F&U Charge) + Brokerage Fee
F&U Charge is 1.9187% of NGI's Price Index for Retail and 1.5779% for Wholesale
Brokerage Fee is 0.201 cents for Core Retail; 0.266 cents for Noncore Retail/Wholesale

(All rates are per therm)

March	NGI's	Daily Balancing Standby Rates			
Day	Price Index	Core Retail	Noncore Retail	<b>Wholesale</b>	
1	\$0.60000	\$0.91928	\$0.91993	\$0.91686	
2	\$0.58000	\$0.88870	\$0.88935	\$0.88639	
3	\$0.56300	\$0.86271	\$0.86336	\$0.86049	
4	\$0.55900	\$0.85660	\$0.85725	\$0.85439	
5	\$0.55900	\$0.85660	\$0.85725	\$0.85439	
6	\$0.55900	\$0.85660	\$0.85725	\$0.85439	
7	\$0.58000	\$0.88870	\$0.88935	\$0.88639	
8	\$0.58800	\$0.90093	\$0.90158	\$0.89858	
9	\$0.58600	\$0.89788	\$0.89853	\$0.89553	
10	\$0.57900	\$0.88717	\$0.88782	\$0.88486	
11	\$0.58400	\$0.89482	\$0.89547	\$0.89248	
12	\$0.58400	\$0.89482	\$0.89547	\$0.89248	
13	\$0.58400	\$0.89482	\$0.89547	\$0.89248	
14	\$0.60500	\$0.92692	\$0.92757	\$0.92448	
15	\$0.62000	\$0.94985	\$0.95050	\$0.94733	
16	\$0.62500	\$0.95750	\$0.95815	\$0.95495	
17	\$0.63400	\$0.97126	\$0.97191	\$0.96867	
18	\$0.63600	\$0.97431	\$0.97496	\$0.97171	
19	\$0.63600	\$0.97431	\$0.97496	\$0.97171	
20	\$0.63600	\$0.97431	\$0.97496	\$0.97171	
21	\$0.62700	\$0.96056	\$0.96121	\$0.95800	
22	\$0.61000	\$0.93457	\$0.93522	\$0.93210	