

J. Steve Rahon
Director
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April 21, 2006

Advice No. 3624 (U 904 G)

Public Utilities Commission of the State of California

Subject: March 2006 Standby Procurement Charges

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

Purpose

This routine monthly filing updates the Standby Procurement Charges in Schedule No. G-IMB for March 2006.

Background

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

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

<u>Information</u>

For the "flow month" of March 2006 (covering the period March 1, 2006 to April 20, 2006), the highest daily border price index at the Southern California border is \$0.6530 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth

above, are \$0.98216 per therm for noncore retail service and all wholesale service, and \$0.98151 per therm for core retail service. The workpaper showing details of the calculation of these rates is incorporated herein as Attachment C.

Protest

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

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

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

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

E-Mail: snewsom@semprautilities.com

Effective Date

SoCalGas believes this filing is subject to Energy Division disposition and therefore respectfully requests that the tariff sheets filed herein be made effective April 21, 2006, the date filed, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is April 25, 2006.

Notice

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

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

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. So	OUTHERN CALIFO	RNIA GAS COMPANY/ U 904 G		
Utility type:	Jtility type: Contact Person: <u>Donna Shepherd</u>			
\square ELC \boxtimes GAS	Phone #: (213) 2	44-3837		
☐ PLC ☐ HEAT ☐ WATER		rd@semprautilities.com		
EXPLANATION OF UTILITY T	YPE	(Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas				
PLC = Pipeline HEAT = Heat	WATER = Water			
Advice Letter (AL) #: 3624				
Subject of AL: <u>March 2006 Stand</u>	by Procurement Ch	arges		
Keywords (choose from CPUC listing	g): <u>Preliminary Stat</u>	tement, Procurement		
	•			
AL filing type: ⊠ Monthly □ Quarte	erly 🗌 Annual 🗌 C	One-Time Other		
If AL filed in compliance with a Com	mission order, indi	cate relevant Decision/Resolution #:		
G-3316				
Does AL replace a withdrawn or reje	cted AL? If so, ider	ntify the prior AL		
-		ithdrawn or rejected AL¹:		
Resolution Required? Yes No				
Requested effective date: <u>4/21/06</u>		No. of tariff sheets: <u>4</u>		
Estimated system annual revenue e				
Estimated system average rate effect				
	·	L showing average rate effects on customer		
classes (residential, small commerci		0 0		
Tariff schedules affected: Prelimin	ary Statement Part	II, Schedule G-IMB, and Tables of Contents		
Service affected and changes proposed ¹ :				
Pending advice letters that revise the same tariff sheets: <u>AL 3601, 3610</u>				
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 555 West Fifth Street, ML GT14D6 San Francisco, CA 94102 Los Angeles, CA 90013-4957				
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov		newsom@semprautilities.com		

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

ATTACHMENT A

Advice No. 3624

(See Attached Service List)

Aglet Consumer Alliance James Weil

jweil@aglet.org

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

BP Amoco, Reg. Affairs Marianne Jones

501 West Lake Park Blvd. Houston, TX 77079 Barkovich & Yap Catherine E. Yap ceyap@earthlink.net Beta Consulting John Burkholder burkee@cts.com

CPUC

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

Pearlie Sabino Energy Rate Design & Econ. pzs@cpuc.ca.gov 505 Van Ness Ave., Rm. 4002 San Francisco, CA 94102

CPUC - DRA Galen Dunham gsd@cpuc.ca.gov CPUC - DRA
R. Mark Pocta
rmp@cpuc.ca.gov

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

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ATTACHMENT B Advice No. 3624

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40465-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 40439-G
Revised 40466-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 40361-G
Revised 40467-G	TABLE OF CONTENTS	Revised 40414-G
Revised 40468-G	TABLE OF CONTENTS	Revised 40457-G

Revised LOS ANGELES, CALIFORNIA CANCELING Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

40465-G 40439-G

PRELIMINARY STATEMENT

Sheet 6

PART II **SUMMARY OF RATES AND CHARGES**

(Continued)

WHOLESALE SERVICE	(Continued)
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Schedule GW-VRN (City of Vernon, GT-F10 & GT-I10)	
Transmission Charge	2.828¢
ITCS-VRN	0.395¢

PROCUREMENT CHARGE

Sci	hedule	G-CP	
SC	neaure	U-Cr	

Non-Residential Core Procurement Charge, per therm	61.150¢
Non-Residential Cross-Over Rate, per therm	61.150¢
Residential Core Procurement Charge, per therm	61.150¢
Residential Cross-Over Rate, per therm	61.150¢
Adjusted Core Procurement Charge, per therm	60.949¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)	
January 2006	124.139¢
February 2006	115.626¢
March 2006	98.151¢
Noncore Retail Standby (SP-NR)	
January 2006	124.204¢
February 2006	115.691¢
	98 216¢

Wholesale Standby (SP-W)

January 2006	124.204¢
February 2006	115.691¢
March 2006	98.216¢

Buy-Back Rate

_				_		
(Core	and	No	oncore	Retail	(BR-R)

Core and Noncore Retail (BR-R)	
January 2006	46.796¢
February 2006	35.438¢
March 2006	
Wholesale (BR-W)	
January 2006	46.639¢
February 2006	35.320¢

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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3624 DECISION NO.

Lee Schavrien Vice President

(TO BE INSERTED BY CAL. PUC) DATE FILED __Apr 21, 2006 Apr 21, 2006 EFFECTIVE RESOLUTION NO. G-3316

ISSUED BY

Regulatory Affairs

6H7

LOS ANGELES, CALIFORNIA CANCELING Revis

Revised Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

40466-G 40361-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Standby Procurement Charge

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

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('Ore	Retail	Cert	1100
COLC	ixcian	DULV	ILL.

SP-CR Standby Rate, per therm	
January 2006	124.139¢
February 2006	115.626¢
March 2006	98.151¢
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
January 2006	
February 2006	115.691¢
March 2006	98.216¢
Wholesale Service:	
SP-W Standby Rate per therm	
January 2006	124.204¢
February 2006	115.691¢
March 2006	98.216¢

Buy-Back Rate

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

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3624 DECISION NO.

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ISSUED BY
Lee Schavrien
Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Apr 21, 2006

EFFECTIVE Apr 21, 2006

RESOLUTION NO. G-3316

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TABLE OF CONTENTS

(Continued)	
ission Service	40036-G,30593-G,305

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
	40413-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
G 1 111DG	Utilities Reimbursement Account
G-MHPS	Surcharge to Fund Public Utilities Commission
	Master Metered Mobile Home Park Gas Safety
C Main	Inspection and Enforcement Program
G-MSUR	Transported Gas Municipal Surcharge
GIT	Interruptible Interutility Transportation
GLT	Long-Term Transportation of Customer-Owned
OT TO 1	Natural Gas
GLT-1	Transportation of Customer-Owned Natural Gas 24572-G,24573-G,24574-G
CLT 2	24575-G,24576-G,24577-G
GLT-2	Transportation of Customer-Owned Natural Gas 24578-G,24579-G,24580-G
CLOAN	24581-G,24582-G,24583-G
G-LOAN	Hub Loaning 40047-G
G-PRK	Hub Parking 40048-G
G-WHL	Hub Wheeling
G-FIG	Fiber Optic Cable in Gas Pipelines
	37009-G,37010-G37011-G,37012-G,37013-G

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GENERAL

40457-G

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.

GENERAL Cal. F.U.C. Sheet No.
Title Dece
Title Page
Table of ContentsService Area Maps and Descriptions
Table of ContentsService Area Waps and Descriptions 40455-G,40456-G,40467-G
Table of ContentsList of Cities and Communities Served
Table of ContentsList of Contracts and Deviations
Table of ContentsRules 39475-G,39865-G
Table of ContentsSample Forms
PRELIMINARY STATEMENT
Part I General Service Information
Part II Summary of Rates and Charges 40436-G,40437-G,40438-G,39982-G,39983-G,40465-G
32491-G,32492-G,40331-G,40369-G,40370-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
34822-G,39506-G,39507-G,39508-G,39509-G,39510-G,39672-G,39673-G,35874-G,38684-G
38685-G,38686-G,38687-G,39965-G,39861-G,39966-G,39967-G,39968-G,39969-G,40219-G
Part VI Description of Regulatory Accounts-Memorandum
34281-G,38004-G,38005-G,38006-G,38007-G,38008-G,38009-G
38010-G,38011-G,40055-G,40056-G,38014-G,38521-G,38522-G,39829-G,39473-G
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Part VII Description of Regulatory Accounts-Tracking
38020-G,38021-G,38022-G,38023-G
Part VIII Gas Cost Incentive Mechanism (GCIM)
36870-G,35881-G
Part IX Hazardous Substances Mechanism (HSM)
Part X Global Settlement

(Continued)

(TO BE INSERTED BY UTILITY) 3624 ADVICE LETTER NO. DECISION NO.

ISSUED BY Lee Schavrien Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) DATE FILED Apr 21, 2006 Apr 21, 2006 **EFFECTIVE** RESOLUTION NO. G-3316

ADVICE NO. 3624

RATE CALCULATION WORKPAPER SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING EFFECTIVE MARCH 2006

G-IMB Standby Procurement Charge Calculation

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

The highest daily border price index for the period was on April 20, 2006.

4/20/06 NGI's Daily Gas Price Index (NDGPI) = \$0.6530 per therm

4/20/06 Gas Daily's Daily Price Survey (GDDPS) = \$0.6530 per therm

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

HDBPI = \$0.6530 per therm

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

SP-CR = 150% x \$ 0.65300 + \$ 0.00201 =**\$ 0.98151**

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

SP-NR = 150% x \$ 0.65300 + \$ 0.00266 =**\$ 0.98216**

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

 $SP-W = 150\% \times \$0.65300 + \$0.00266 = \$0.98216$