



J. Steve Rahon
Director
Tariffs & Regulatory Accounts

8330 Century Park Ct.
San Diego, CA 92123-1548
Tel: 858.654.1773
Fax 858.654.1788
srahon@SempraUtilities.com

June 6, 2006

Advice No. 3637
(U 904 G)

Public Utilities Commission of the State of California

Subject: Cross-Over Rate for June 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 June 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 June 2006 is **51.878** cents per therm, which is the same as the Core Procurement rate as filed by AL 3636 on May 31, 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 June 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: Nena Maralit

Phone #: (213) 244-2822

E-mail: nmaralit@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) #: 3637

Subject of AL: June 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: 6/10/06

No. of tariff sheets: 24

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, GML, 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: 3628, 3636

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 jjnj@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. 3637

(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
Pearlie Sabino
pzs@cpuc.ca.gov

CPUC
Energy Rate Design & Econ.
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

California Energy Market
Lulu Weinzimer
luluw@newsdata.com

Calpine Corp
Avis Clark
aclark@calpine.com

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

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

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

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

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

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

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

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

City of Riverside
Joanne Snowden
jsnowden@riversideca.gov

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

Commerce Energy
Chet Parker
CParker@commerceenergy.com

Commerce Energy
Glenn Kinser
gkinser@commerceenergy.com

Commerce Energy
Lynelle Lund
llund@commerceenergy.com

Commerce Energy
Rommel Aganon
RAganon@commerceenergy.com

Commerce Energy
Tony Cusati
TCusati@commerceenergy.com

Commerce Energy
Pat Darish
pdarish@commerceenergy.com

Commerce Energy
Gary Morrow
GMorrow@commerceenergy.com

County of Los Angeles
Stephen Crouch
1100 N. Eastern Ave., Room 300
Los Angeles, CA 90063

Crossborder Energy
Tom Beach
tomb@crossborderenergy.com

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

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

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

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

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

Douglass & Liddell
Dan Douglass
douglass@energyattorney.com

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

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

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

Dynegy
Joseph M. Paul
jmpa@dynegy.com

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

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

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

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

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

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

JBS Energy
Jeff Nahigian
jeff@jbsenergy.com

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

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

LADWP
Nevenka Ubavich
nevenka.ubavich@ladwp.com

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

LS Power (took over Duke Energy)
A Hartmann
AHartmann@LSPower.com

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

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

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

MRW & Associates
Robert Weisenmiller
mrw@mrwassoc.com

Manatt Phelps Phillips
Randy Keen
rkeen@manatt.com

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

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

Matthew Brady & Associates
Matthew Brady
matt@bradylawus.com

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

PG&E Tariffs
Pacific Gas and Electric
PGETariffs@pge.com

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

Praxair Inc
Rick Noger
rick_noger@praxair.com

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

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

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

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

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

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

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

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

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

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

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

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

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

TURN
Marcel Hawiger
marcel@turn.org

TURN
Mike Florio
mflorio@turn.org

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

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

ATTACHMENT B
Advice No. 3637

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40618-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 40583-G
Revised 40619-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 40584-G
Revised 40620-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 40585-G
Revised 40621-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 4	Revised 40586-G
Revised 40622-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 40587-G
Revised 40623-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 40590-G
Revised 40624-G	Schedule No. GS, SUBMETERED MULTI- FAMILY SERVICE, (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates), Sheet 2	Revised 40592-G
Revised 40625-G	Schedule No. GM, MULTI-FAMILY SERVICE, Sheet 3	Revised 40530-G
Revised 40626-G	Schedule No. GMB, LARGE MULTI-FAMILY SERVICE, Sheet 3	Revised 40531-G
Revised 40627-G	Schedule No. GML, MULTI-FAMILY SERVICE, INCOME QUALIFIED, (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates), Sheet 2	Revised 40595-G
Revised 40628-G	Schedule No. GML, MULTI-FAMILY SERVICE, INCOME QUALIFIED, (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates), Sheet 3	Revised 40596-G
Revised 40629-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 40600-G
Revised 40630-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40604-G

ATTACHMENT B
Advice No. 3637

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40631-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 40605-G
Revised 40632-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 5	Revised 40606-G
Revised 40633-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 6	Revised 40539-G
Revised 40634-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 40608-G
Revised 40635-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 40610-G
Revised 40636-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 40611-G
Revised 40637-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 40612-G
Revised 40638-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 40613-G
Revised 40639-G	TABLE OF CONTENTS	Revised 40615-G*
Revised 40640-G	TABLE OF CONTENTS	Revised 40616-G*
Revised 40641-G	TABLE OF CONTENTS	Revised 40617-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 <u>Usage</u>	Non-Baseline <u>Usage</u>	Customer Charge <u>per meter, per day</u>	
GR ⁽¹⁾	80.109¢	98.370¢	16.438¢	
GR-C ⁽²⁾	80.109¢	98.370¢	16.438¢	R,R
GT-R	27.548¢	45.809¢	16.438¢	
GRL ⁽³⁾	64.087¢	78.696¢	13.151¢	
GT-RL ⁽³⁾	22.038¢	36.647¢	13.151¢	

Schedule GS (Includes GS, GS-C, GT-S, GSL and GT-SL Rates)

GS ⁽¹⁾	80.109¢	98.370¢	16.438¢	
GS-C ⁽²⁾	80.109¢	98.370¢	16.438¢	R,R
GT-S	27.548¢	45.809¢	16.438¢	
GSL ⁽³⁾	64.087¢	78.696¢	13.151¢	
GT-SL ⁽³⁾	22.038¢	36.647¢	13.151¢	

Schedule GML (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates)

GML-E ⁽³⁾	64.087¢	78.696¢	13.151¢	
GML-EC ⁽³⁾	64.087¢	78.696¢	13.151¢	R,R
GT-MLE ⁽³⁾	22.038¢	36.647¢	13.151¢	
GML-C ⁽³⁾	N/A	78.696¢	13.151¢	
GML-CC ⁽³⁾	N/A	78.696¢	13.151¢	R
GT-MLC ⁽³⁾	N/A	36.647¢	13.151¢	
GMBL-E ⁽³⁾	58.047¢	64.451¢	\$7.874	
GMBL-EC ⁽³⁾	58.047¢	64.451¢	\$7.874	R,R
GT-MBLE ⁽³⁾	15.998¢	22.402¢	\$7.874	
GMBL-C ⁽³⁾	N/A	64.451¢	\$7.874	
GMBL-CC ⁽³⁾	N/A	64.451¢	\$7.874	R
GT-MBLC ⁽³⁾	N/A	22.402¢	\$7.874	

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 51.878¢/therm which includes the core brokerage fee.
- (2) The residential cross-over rate as set forth in Schedule No. G-CP is 51.878¢/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. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 2

(Continued)

RESIDENTIAL CORE SERVICE (Continued)

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

	<u>All Usage</u>	<u>Customer Charge per meter, per day</u>
G-NGVR ⁽¹⁾	67.633¢	32.877¢
G-NGVRC ⁽²⁾	67.633¢	32.877¢
GT-NGVR	15.072¢	32.877¢
G-NGVRL ⁽³⁾	54.106¢	26.301¢
GT-NGVRL ⁽³⁾	12.058¢	26.301¢

R

RESIDENTIAL CORE SALES SERVICE (1) (2)

Commodity Charge

Schedules GM

Baseline Usage	80.109¢
Non-Baseline Usage	98.370¢
Cross-Over Rate Baseline Usage.....	80.109¢
Cross-Over Rate Non-Baseline Usage	98.370¢
Customer Charge: 16.438¢/meter/day	

R

R

Schedule GMB

Baseline Usage	72.559¢
Non-Baseline Usage	80.564¢
Cross-Over Rate Baseline Usage.....	72.559¢
Cross-Over Rate Non-Baseline Usage	80.564¢
Customer Charge: \$9.842/meter/day	

R

R

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 51.878¢/therm which includes the core brokerage fee.
- (2) The residential cross-over rate as set forth in Schedule No. G-CP is 51.878¢/therm which includes the core brokerage fee.
- (3) The CARE rate reflects a 20% discount on all customer, commodity, and transportation charges.

R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 3

(Continued)

RESIDENTIAL CORE AGGREGATION SERVICE

Transmission Charge
 (per therm)

Schedule 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	

NON-RESIDENTIAL CORE SALES SERVICE (1)(2)

Commodity Charge
 (per therm)

Schedule GN-10 (3)

GN-10: Tier I	97.047¢
Tier II	76.105¢
Tier III	60.952¢
GN-10C: Tier I	97.047¢
Tier II	76.105¢
Tier III	60.952¢
GN-10V: Tier I	97.047¢
Tier II	72.668¢
Tier III	60.952¢
GN-10VC: Tier I	97.047¢
Tier II	72.668¢
Tier III	60.952¢

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 51.878¢/therm which includes the core brokerage fee.
- (2) The non-residential cross over rate as set forth in Schedule No. G-CP is 51.878¢/therm which includes the core brokerage fee.
- (3) Schedule GL rates are set commensurate with Rate Schedule GN-10.

R
|
R

R
|
R

R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 4

(Continued)

NON-RESIDENTIAL CORE SALES SERVICE (Continued)

Commodity Charge
 (per therm)

Schedule GN-10L

GN-10L: Tier I	77.638¢
Tier II	60.884¢
Tier III	48.762¢

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	62.879¢
G-ACC: rate per therm	62.879¢
G-ACL: rate per therm	50.303¢
Customer Charge: \$150/month	

Schedule G-EN

G-EN: rate per therm	65.775¢
G-ENC: rate per therm	65.775¢
Customer Charge: \$50/month	

Schedule G-NGV

G-NGU: rate per therm	61.109¢
G-NGUC: rate per therm	61.109¢
G-NGU plus G-NGC Compression Surcharge	135.733¢
G-NGUC plus G-NGC Compression Surcharge	135.733¢
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. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

R
 R
 R
 R

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 7

(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	51.878¢
Non-Residential Cross-Over Rate, per therm	51.878¢
Residential Core Procurement Charge, per therm	51.878¢
Residential Cross-Over Rate, per therm	51.878¢
Adjusted Core Procurement Charge, per therm	51.677¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

March 2006	98.151¢
April 2006	103.551¢
May 2006	TBD*

Noncore Retail Standby (SP-NR)

March 2006	98.216¢
April 2006	103.616¢
May 2006	TBD*

Wholesale Standby (SP-W)

March 2006	98.216¢
April 2006	103.616¢
May 2006	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

March 2006	33.340¢
April 2006	30.475¢
May 2006	31.351¢

Wholesale (BR-W)

March 2006	33.229¢
April 2006	30.373¢
May 2006	31.246¢

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

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

R
 R

Schedule No. GR
RESIDENTIAL SERVICE
 (Includes GR, GR-C, GT-R, GRL and GT-RL Rates)

Sheet 1

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):

Procurement Charge: ^{2/}	51.878¢	51.878¢	N/A
<u>Transmission Charge</u> : ^{3/}	<u>28.231¢</u>	<u>28.231¢</u>	<u>27.548¢</u>
Total Baseline Charge:	80.109¢	80.109¢	27.548¢

R
R
R

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

Procurement Charge: ^{2/}	51.878¢	51.878¢	N/A
<u>Transmission Charge</u> : ^{3/}	<u>46.492¢</u>	<u>46.492¢</u>	<u>45.809¢</u>
Total Non-Baseline Charge:	98.370¢	98.370¢	45.809¢

R
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. 3637
 DECISION NO.

1H8

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GS Sheet 2
SUBMETERED MULTI-FAMILY SERVICE
 (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates)
 (Continued)

RATES (Continued)

	<u>GS</u>	<u>GS-C</u>	<u>GT-S</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	51.878¢	51.878¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>28.231¢</u>	<u>28.231¢</u>	<u>27.548¢</u>	R
Total Baseline Charge:	80.109¢	80.109¢	27.548¢	R

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	51.878¢	51.878¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>46.492¢</u>	<u>46.492¢</u>	<u>45.809¢</u>	R
Total Non-Baseline Charge:	98.370¢	98.370¢	45.809¢	R

Rates for CARE-Eligible Customers

	<u>GSL</u>	<u>GSL-C</u>	<u>GT-SL</u>	
<u>Customer Charge</u> , per meter per day: ^{1/}	13.151¢	13.151¢	13.151¢	

<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>22.585¢</u>	<u>22.585¢</u>	<u>22.038¢</u>	R
Total Baseline Charge:	64.087¢	64.087¢	22.038¢	R

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>37.194¢</u>	<u>37.194¢</u>	<u>36.647¢</u>	R
Total Non-Baseline Charge:	78.696¢	78.696¢	36.647¢	R

Submetering Credit

A daily submetering credit of 30.805¢ for GS, GS-C and GT-S and 34.093¢ for GSL, GSL-C and GT-SL shall be applicable for each qualified residential unit. However, in no instance shall the monthly bill be less than the Minimum Charge.

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

^{2/} This charge is applicable to Utility Procurement Customers and include the G-CPR Procurement Charge as shown in Schedule No. G-CP, which is subject to change monthly, as set forth in Special Condition 8.

^{3/} This charge for GS and GS-C customers is equal to the GT-S Transmission Charge (excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416) and the procurement carrying cost of storage inventory charge.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3637
 DECISION NO.

2H11

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>28.231¢</u>	R
Commodity Charge:	GM-EC	80.109¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>46.492¢</u>	R
Commodity Charge:	GM-EC	98.370¢	R

GM-CC

All usage, per therm.

Procurement Charge:	G-CPRC	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-MC</u>	<u>46.492¢</u>	R
Commodity Charge:	GM-CC	98.370¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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/}	51.878¢	51.878¢	N/A
<u>Transmission Charge</u> ^{2/}	<u>15.755¢</u>	<u>15.755¢</u>	<u>15.072¢</u>
Commodity Charge	67.633¢	67.633¢	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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.001¢</u>
Commodity Charge:	G-AC	62.879¢

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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>11.001¢</u>
Commodity Charge:	G-ACC	62.879¢

R
R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>13.897¢</u>
Commodity Charge:	G-EN	65.775¢

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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>13.897¢</u>
Commodity Charge:	G-ENC	65.775¢

R
R

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. 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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>9.231¢</u>
Commodity Charge:	G-NGU	61.109¢

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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>9.231¢</u>
Commodity Charge:	G-NGUC	61.109¢

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	135.733¢
G-NGUC plus G-NGC, compressed per therm	135.733¢

R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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	51.677¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	51.878¢

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	51.677¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	51.878¢

R
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. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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	51.677¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	51.878¢

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	51.677¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	51.878¢

R

R

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. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>20.681¢</u>	R
Commodity Charge:	GM-BEC	72.559¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPRC	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>28.686¢</u>	R
Commodity Charge:	GM-BEC	80.564¢	R

GM-BCC

All usage, per therm.

Procurement Charge:	G-CPRC	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-MBC</u>	<u>28.686¢</u>	R
Commodity Charge:	GM-BCC	80.564¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.227¢</u>
Commodity Charge:	GN-10	76.105¢

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

Procurement Charge:	G-CPNR	51.878¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>9.074¢</u>
Commodity Charge:	GN-10	60.952¢

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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>45.169¢</u>
Commodity Charge:	GN-10C	97.047¢

R

R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GN-10

Sheet 4

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(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	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>24.227¢</u>	
Commodity Charge:	GN-10C	76.105¢	R

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

Procurement Charge:	G-CPNRC	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>9.074¢</u>	
Commodity Charge:	GN-10C	60.952¢	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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>45.169¢</u>
Commodity Charge:	GN-10V	97.047¢

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

Procurement Charge:	G-CPNR	51.878¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>20.790¢</u>
Commodity Charge:	GN-10V	72.668¢

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>9.074¢</u>
Commodity Charge:	GN-10V	60.952¢

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	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>45.169¢</u>	R
Commodity Charge:	GN-10VC	97.047¢	R

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

Procurement Charge:	G-CPNRC	51.878¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>20.790¢</u>	R
Commodity Charge:	GN-10VC	72.668¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

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	51.878¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>9.074¢</u>
Commodity Charge:	GN-10VC	60.952¢

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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GML

Sheet 2

MULTI-FAMILY SERVICE, INCOME QUALIFIED

(Includes GML-E, GML-C, GML-EC, GML-CC, GT-ML, GT-MLC and all GMBL Rates)

(Continued)

RATES

The individual unit Baseline therm allocation shall be multiplied by the number of qualified residential units.

	<u>GML/GT-ML</u>	<u>GMBL/GT-MBL</u>
<u>Customer Charge</u> , per meter, per day:	13.151¢ ^{1/}	\$7.874

GML

	<u>GML-E</u>	<u>GML-EC</u>	<u>GT-ML</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>22.585¢</u>	<u>22.585¢</u>	<u>22.038¢</u>	
Total Baseline Charge (all usage):	64.087¢	64.087¢	22.038¢	R

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

Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>37.194¢</u>	<u>37.194¢</u>	<u>36.647¢</u>	
Total Non Baseline Charge (all usage):.....	78.696¢	78.696¢	36.647¢	R

	<u>GML-C</u>	<u>GML-CC</u>	<u>GT-MLC</u>
--	--------------	---------------	---------------

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

Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>37.194¢</u>	<u>37.194¢</u>	<u>36.647¢</u>	
Total Non Baseline Charge (all usage):.....	78.696¢	78.696¢	36.647¢	R

^{1/} For "Space Heating Only" customers, a daily Customer Charge of 26.519¢ per day 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.

^{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 GML-E, GML-EC, GMBL-E, GMBL-EC, GML-C, GML-CC, GMBL-C and GMBL-CC customers is equal to the GT-ML Transmission Charge (excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416) and the procurement carrying cost of storage inventory charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GML

Sheet 3

MULTI-FAMILY SERVICE, INCOME QUALIFIED
 (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates)

(Continued)

RATES (Continued)

GMBL

	<u>GMBL-E</u>	<u>GMBL-EC</u>	<u>GT-MBLE</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>16.545¢</u>	<u>16.545¢</u>	<u>15.998¢</u>	
Total Baseline Charge (all usage):.....	58.047¢	58.047¢	15.998¢	R

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

Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>22.949¢</u>	<u>22.949¢</u>	<u>22.402¢</u>	
Total Non-Baseline Charge (all usage):	64.451¢	64.451¢	22.402¢	R

	<u>GMBL-C</u>	<u>GMBL-CC</u>	<u>GT-MBLC</u>	
--	---------------	----------------	----------------	--

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

Procurement Charge: ^{2/}	41.502¢	41.502¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>22.949¢</u>	<u>22.949¢</u>	<u>22.402¢</u>	
Total Non Baseline Charge (all usage):.....	64.451¢	64.451¢	22.402¢	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.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

TABLE OF CONTENTS

(Continued)

<u>Schedule Number</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>	
GR	Residential Service (Includes GR, GR-C, GRL, GT-R and GT-RL Rates)	40623-G,40591-G,39254-G,39255-G,39144-G	T
GS	Submetered Multi-Family Service (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates)	40471-G,40624-G,40473-G,40474-G 40475-G,40476-G	T
GM	Multi-Family Service	39924-G,40593-G,40625-G,37644-G 37645-G,38334-G,36648-G	T
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,40594-G,40626-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	
GML	Multi-Family Service, Income Qualified.....	40239-G,40627-G,40628-G 40242-G,40243-G,40244-G,40245-G	T
G-CARE	California Alternate Rates for Energy (CARE) Program	39257-G,40550-G 40551-G,40398-G,40399-G,40400-G,40401-G	
GO-SSA	Summer Saver Optional Rate for Owners of Existing Gas Equipment	39617-G,40597-G,37655-G,37656-G,31253-G	
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,40598-G,37658-G,37659-G,31263-G	
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,40599-G,37662-G,37663-G,31277-G	
GTO-AC	Transportation-Only Optional Rate for Customers Purchasing New Gas Air Conditioning Equipment	38572-G,40013-G,37664-G,37665-G,31282-G	
G-NGVR	Natural Gas Service for Home Refueling of Motor Vehicles (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)	40629-G,40601-G,40097-G,40098-G	T

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.
 1H13

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

TABLE OF CONTENTS

(Continued)

GL	Street and Outdoor Lighting Natural Gas Service	40602-G,31022-G	
GN-10	Core Service for Small Commercial and Industrial Service	36664-G,40603-G,40630-G,40631-G,40632-G 40633-G,37925-G,38156-G	T T
GT-10	Core Aggregation Transportation for Core Commercial and Industrial Service	36455-G,39632-G,40020-G,40021-G,36671-G 36672-G,38157-G	
GN-10L	Core Commercial and Industrial Service, Income Qualified	40402-G,33691-G,40607-G,32627-G,40552-G,40403-G	
GT-10L	Core Aggregation Transportation Commercial and Industrial Service, Income Qualified	40404-G,40023-G,33697-G,36810-G 32637-G,40554-G	
G-AC	Core Air Conditioning Service for Commercial and Industrial	36674-G,40634-G,40609-G,36677-G,37928-G,36679-G 40556-G,38158-G	T
GT-AC	Core Transportation-only Air Conditioning Service for Commercial and Industrial	36682-G,40026-G,36683-G,36684-G 40557-G,39809-G,37929-G,38159-G	
G-EN	Core Gas Engine Service for Agricultural Water Pumping	39640-G,40635-G,37931-G,38160-G	T
GT-EN	Core Transportation-only Gas Engine Service for Agricultural Water Pumping	40028-G,36694-G,38161-G	
G-NGV	Natural Gas Service for Motor Vehicles	39643-G,40636-G,39148-G,36698-G	T
GT-NGV	Transportation of Customer-Owned Gas for Motor Vehicle Service	40030-G,40031-G,39149-G,36813-G	
GO-ET	Emerging Technologies Optional Rate for Core Commercial and Industrial	30200-G,39647-G,30202-G	
GTO-ET	Transportation-Only Emerging Technologies Optional Rate for Core Commercial and Industrial	30203-G,39648-G,30205-G	
GO-IR	Incremental Rate for Existing Equipment for Core Commercial and Industrial	30206-G,39649-G,30208-G	
GTO-IR	Transportation-Only Incremental Rate for Existing Equipment for Core Commercial and Industrial	30209-G,39650-G,30211-G	
G-CP	Core Procurement Service	39578-G,40637-G,40638-G,40614-G,37933-G	T
GT-F	Firm Intrastate Transmission Service	40032-G,40033-G,36705-G,40458-G 32664-G,32665-G,34838-G,38162-G,38163-G,38164-G	
GT-I	Interruptible Intrastate Transmission Service	40034-G,40035-G,32670-G 40459-G,34839-G,36527-G	

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3637
 DECISION NO.

2H12

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

TABLE OF CONTENTS

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

<u>GENERAL</u>	<u>Cal. P.U.C. Sheet No.</u>
Title Page	21888-G
Table of Contents--General and Preliminary Statement	40641-G,40054-G
Table of Contents--Service Area Maps and Descriptions	40434-G
Table of Contents--Rate Schedules	40639-G,40640-G,40581-G
Table of Contents--List of Cities and Communities Served	40149.1-G
Table of Contents--List of Contracts and Deviations	40149.1-G
Table of Contents--Rules	40463-G,39865-G
Table of Contents--Sample Forms	40358-G,39748-G,39142-G,40139-G,40128-G

PRELIMINARY STATEMENT

Part I General Service Information	37917-G,24332-G,24333-G,24334-G,24749-G
Part II Summary of Rates and Charges	40618-G,40619-G,40620-G,40621-G,40229-G,40230-G 40622-G,40232-G,40233-G,40234-G,40588-G,40589-G,40237-G,40238-G
Part III Cost Allocation and Revenue Requirement	27024-G,37920-G,27026-G,27027-G,39989-G
Part IV Income Tax Component of Contributions and Advances	36614-G,24354-G
Part V Description of Regulatory Accounts-Balancing	40218-G,40349-G,40350-G,39671-G 34822-G,39506-G,39507-G,39508-G,39509-G,39510-G,39672-G,39673-G,35874-G,38684-G 38685-G,38686-G,38687-G,39965-G,39861-G,39966-G,39967-G,39968-G,39969-G,40219-G
Part VI Description of Regulatory Accounts-Memorandum	40479-G,38688-G,38689-G 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,40352-G,40353-G,40296-G,40480-G
Part VII Description of Regulatory Accounts-Tracking	38017-G,38018-G,38019-G 38020-G,38021-G,38022-G,38023-G
Part VIII Gas Cost Incentive Mechanism (GCIM)	39896-G,35877-G,37922-G,36869-G 36870-G,35881-G
Part IX Hazardous Substances Mechanism (HSM)	26199-G,26200-G,26201-G
Part X Global Settlement	32530-G,32531-G,32532-G,32533-G

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3637
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jun 6, 2006
 EFFECTIVE Jun 10, 2006
 RESOLUTION NO. G-3351

T
T
T
T

ATTACHMENT C

ADVICE NO. 3637

**G-CPNRC & G-CPRC RATE CALCULATION WORKPAPER
SCHEDULE NO. G-CP CROSS-OVER RATE FILING
EFFECTIVE JUNE 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)

June 2006 NGI's Price Index (NGIPI) = \$.50800 per therm

June 2006 NGW's Price Index (NGWPI) = \$.50600 per therm

**Border Price Index (BPI) = (NGIPI + NGWPI) / 2
BPI = \$.50700 per therm**

Adjusted Border Price Index (ABPI)

**Remove Core Pipeline Demand Costs from BPI
ABPI = \$.50700 - \$0.02434 = \$.48266 per therm**

Core Procurement Cost of Gas (CPC)

6/1/06 G-CPNR & G-CPR Cost of Gas (without Brokerage Fee) = \$.51677

Adjusted Core Procurement Cost of Gas (ACPC)

**Remove 1.9187% Franchise Fee and Uncollectibles (FF&U)
ACPC = \$.51677 / 1.019187 = \$.50704 per therm**

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

Higher of ACPC or ABPI = ACPC = \$.50704

**Include 1.9187% Franchise Fee and Uncollectibles (FF&U)
G-CPNRC & G-CPRC Cost of Gas = \$.50704 * 1.019187 = \$.51677 per therm**