



J. Steve Rahon
Director
Tariffs & Regulatory Accounts

8315 Century Park Ct.
San Diego, CA 92123-1550
Tel: 858.654.1773
Fax: 858.654.1788
srahon@SempraUtilities.com

August 8, 2006

Advice No. 3651
(U 904-G)

Public Utilities Commission of the State of California

Subject: Modification of Schedule No. G-FIG, Fiber Optic Cable in Gas Pipelines

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

Purpose

This filing revises Schedule No. G-FIG, Fiber Optic Cable in Gas Pipelines, to amend the Monthly Customer Charge offered under the G-FIG service and to extend the applicable term of the G-FIG tariff originally adopted in Commission Decision (D.) 03-10-017.

Background

On October 2, 2003, the Commission issued D.03-10-017 relative to Application (A.) 02-03-061¹ in which SoCalGas requested authority to establish a new service allowing Carriers to place fiber optic cable in SoCalGas' active gas pipelines. In compliance with D.03-10-017, SoCalGas filed Advice No. (AL) 3301 which proposed, among other things, a new Schedule No. G-FIG, Fiber Optic Cable in Gas Pipelines, containing information on the nondiscriminatory offering of the G-FIG service, pricing, capacity concerns, provision of information to potential Carriers, contracts for service, liabilities for third party damages, and dispute resolution. AL 3301 was approved by the Energy Division effective November 23, 2003.

Monthly Customer Charge

Since AL 3301 was approved SoCalGas has not offered any service under its G-FIG tariff; however, SoCalGas remains optimistic that a market is available for G-FIG service. As SoCalGas has managed its G-FIG tariff since its approval in D.03-10-017, two issues have become apparent; first, the Utility has a better understanding of the activities which the Utility will perform in managing and installing fiber optic cable in gas pipelines; and, second,

¹ A.02-03-061 was initially filed by SoCalGas on March 29, 2003 along with A.02-03-062 filed by San Diego Gas and Electric Company (SDG&E). By an Administrative Law Judge ruling dated June 19, 2002, the applications were consolidated pursuant to Rule 55 of the Commission's Rules of Practice and Procedure.

a barrier to the G-FIG service is the current Monthly Customer Charge of \$3,000. As such, SoCalGas is proposing herein to change its Monthly Customer Charge.

The changes represent the elimination of the Monthly Customer Charge to be replaced by an annual charge per customer and per mile and a one-time charge, per project and per mile. In addition, SoCalGas is proposing the addition of an incremental O&M charge for ongoing work performed by the utility on pipelines with optical fiber installations that is not recovered by the new annual and one-time charges. The new proposed charges are described below:

Annual Charges:

- Annual Charge of \$458 per mile
- Annual Charge of \$126 per carrier

One-Time Charges:

- One Time Charge of \$860 per mile
- One Time Charge of \$606 per project²

Incremental O&M Charges:

- Per hour of work by each Utility employee of \$80/hour
- Per hour of work by each Utility employee for inspection work contracted by Utility of \$100/hour.

As described in D.03-10-017, the Monthly Customer Charge was designed to include costs for activities, such as "increased leak surveys of pipeline containing fiber optic cable, mapping and tracking requirements, emergency response procedures and call-out coordination, training of crews and supervision, route design and analysis, and risk and safety management. Administrative and general expenses, including contract execution and administration and legal review, and customer account expenses including billing and collection processes are also reflected in the monthly charge."³

The changes to the Monthly Customer Charge outlined above will continue to cover the utilities costs as outlined in D.03-10-017, but in a different fashion than the \$3000 monthly customer charge currently in place. In bifurcating the Monthly Customer Charge into annual and one-time charges, the charges will be better linked with the costs expected to be incurred.

The new annual charges are being proposed due to the identification of costs that are expected to recur annually based on mileage installed and number of carriers contracted.

Since one-time costs have been identified that are expected to be incurred on a Per Mile basis, these costs will be recovered through the one-time per mile charge. This should be more reflective of the actual amount of mileage installed.

Since one-time costs have been identified that are expected to be incurred on a Per Project basis, these costs will be recovered through the one-time per Project charge. This should be more reflective of the actual number of projects.

² Carrier shall pay in advance a One-Time charge for each Project. A Project is defined as the scope of work identified in each executed Schedule 1 Amendment or Supplement to Schedule G - Master Services Contract. A carrier may require many Projects to build out their fiber optic system.

³ D.03-10-017, page 9.

The addition of the incremental O&M charge is to ensure that the costs of any G-FIG service related work, performed by the Utility on pipelines after optical fiber has been installed, will be recovered.

These changes will provide SoCalGas and carriers using the G-FIG service with charges more reflective of the actual size and number of G-FIG projects. SoCalGas believes these tariff changes will increase the market potential of its G-FIG service, while maintaining cost recovery of SoCalGas' operation and maintenance expenses to manage its G-FIG program, and should be expeditiously adopted by the Commission.

G-FIG Program

In D.03-10-017, the Commission approved SoCalGas' G-FIG program, with the following parameters⁴:

1. The Utilities would not allow installation of fiber optic cable in any pipeline if they estimate that installation would result in insufficient gas capacity in the line in the next 60 months, not 12 months as originally proposed, unless arrangements were made for the carrier to pay to increase the gas capacity to avoid this situation.
2. The utilities would not offer installation in pipelines or service other than those proposed in their amended applications without seeking further approval of the Commission, but the utilities recognize that some adjustment in fees might be appropriate if additional facilities were made available.
3. The Utilities would use a forecast of annual average revenue and costs for the first 36 months of this service in any showing on miscellaneous revenues they make in their next PBR or GRC-type proceeding.
4. The Utilities agreed that it might be appropriate to adjust the amount of the monthly customer charge after operating experience is gained to assure it is cost-based.
5. The Utilities proposed to limit the mileage they would install in the first 36 months of the service, unless they sought and received Commission approval to install larger amounts.
6. The Utilities would provide annual reports on the service for the first 36 months of service and would not oppose the Commission reconsidering the existence or terms of this service after 36 months of experience with it⁵.

SoCalGas recommends that along with approving the amendments to the Monthly Customer Charge in its G-FIG tariff set forth above, that the Commission recognize that the initial 36-month period adopted for the G-FIG Program should be extended for another 36 months to enable SoCalGas to continue its G-FIG program with the new annual and one-time project charges as proposed above.

Under the extended FIG program, SoCalGas will continue to adhere to the mileage limitations for FIG installation adopted in D.03-10-017 during this 36-month period. Those limitations are 100 miles for the first year, a total of 300 miles for the second year, and a total of 500 miles for the third year⁶. Furthermore SoCalGas remains committed to

⁴ D.03-10-017, page 6.

⁵ SoCalGas and SDG&E filed annual reports for its G-FIG Program for 2004 and 2005.

⁶ D.03-10-017, page 9.

provide a detailed cost based of the annual charge and one-time project costs at the end of the 36-month period consistent with D.03-10-017⁷.

Effective Date

SoCalGas believes that this advice letter is subject to Energy Division disposition and therefore respectfully requests that it be approved on September 7, 2006, which is thirty (30) days after the date filed.

Protest

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

Energy Division - IMC Branch
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
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 to Honesto Gatchalian (jnj@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

Notice

A copy of this advice letter is being sent to the parties listed on Attachment A, which includes the parties in A.02-03-061.

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

⁷ D.03-10-017, Ordering Paragraph 5.

ATTACHMENT A

Advice No. 3651

(See Attached Service Lists)

Aglet Consumer Alliance
James Weil
jweil@aglet.org

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

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

Ancillary Services Coalition
Jo Maxwell
jomaxwell@ascoalition.com

Ancillary Services Coalition
Terry Rich
TRich@ascoalition.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
Energy Rate Design & Econ.
505 Van Ness Ave., Rm. 4002
San Francisco, CA 94102

CPUC
Pearlie Sabino
pzs@cpuc.ca.gov

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
Pat Darish
pdarish@commerceenergy.com

Commerce Energy
Tony Cusati
TCusati@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 Hilten
chrishilten@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

PACIFIC GAS & ELECTRIC COMPANY
BRIAN K. CHERRY
bkc7@pge.com

California Cable and
Tecommunications Assn
Jerome Candelaria
jerome@calcable.org

CALIF PUBLIC UTILITIES COMMISSION
Matthewson Epuna
ema@cpuc.ca.gov

CALIF PUBLIC UTILITIES COMMISSION
David K. Fukutome
dkf@cpuc.ca.gov

THE UTILITY REFORM NETWORK
MARCEL HAWIGER
marcel@turn.org

SOCALGAS & SDG&E
GREGORY HEALY
ghealy@semprautilities.com

CALIFORNIA CABLE & TELECOM
ASSOCIATION
LESLA LEHTONEN
lesla@calcable.org

CALIF PUBLIC UTILITIES COMMISSION
Cleveland Lee
cwl@cpuc.ca.gov

HANNA AND MORTON LLP
NORMAN A. PEDERSEN
npedersen@hanmor.com

SEMPRA FIBER LINKS, INC.
THEODORE E. ROBERTS
troberts@sempra.com

CPUC - ALJ Division
Victor Ryerson
vdr@cpuc.ca.gov

SOCALGAS & SDG&E
GLEN J. SULLIVAN
gsullivan@sempra.com

CALIF PUBLIC UTILITIES COMMISSION
Monique M Steele
mms@cpuc.ca.gov

CALIF PUBLIC UTILITIES COMMISSION
Maria E. Stevens
mer@cpuc.ca.gov

CALIF PUBLIC UTILITIES COMMISSION
Cleason Willis
cdw@cpuc.ca.gov

ATTACHMENT B
Advice No. 3651

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 40828-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 1	Original 37005-G
Revised 40829-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 2	Original 37005-G
Revised 40830-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 3	Original 37005-G Original 37006-G
Revised 40831-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 4	Original 37006-G Original 37007-G
Revised 40832-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 5	Original 37007-G Original 37008-G
Revised 40833-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 6	Original 37008-G Original 37009-G
Revised 40834-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 7	Original 37009-G Original 37010-G
Revised 40835-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 8	Original 37010-G Original 37011-G
Revised 40836-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 9	Original 37011-G Original 37012-G
Original 40837-G	Schedule No. G-FIG, FIBER OPTIC CABLE IN GAS PIPELINES, Sheet 10	Original 37012-G Original 37013-G
Revised 40838-G	TABLE OF CONTENTS	Revised 40786-G
Revised 40839-G	TABLE OF CONTENTS	Revised 40822-G

Schedule No. G-FIG
FIBER OPTIC CABLE IN GAS PIPELINES

(Continued)

SPECIAL CONDITIONS (Continued)

Carrier to Provide Technology

3. Utility is not offering pursuant to this schedule any technology or rights thereto for placing fiber optic cable in its gas pipelines. Persons wishing to be served under this schedule must provide Utility with a technology for placing fiber optic cable in gas pipeline. Carriers under this schedule must warrant to Utility that they own or have been granted the rights to use the technology that they have provided to Utility for service under this schedule. A Carrier may provide a technology applicable to only some kinds of gas pipelines, in which case the Carrier would be provided access to only those kinds of gas pipelines for which its technology has been demonstrated. Carrier indemnifies Utility for any liability to third parties arising out of the use of said technology.
4. Any technology provided to Utility by Carriers for placing fiber optic cable in gas pipelines (including supporting structures or equipment) must meet nondiscriminatory standards of the Utility for safety and reliability. Any such technology must also meet all applicable pipeline safety regulations of the United States Department of Transportation and safety regulations of the Commission.

Requests for Information and Service

5. A person qualified to be a Carrier under this schedule may submit written requests for information about the availability of service under this schedule. Utility shall respond promptly in writing to written requests for information by such a potential Carrier. Subject to execution of a nondisclosure agreement, Utility shall provide access to maps, drawings, plans and other information Utility uses in its business, necessary for evaluating the availability of service in areas of Utility's service territory identified by the potential Carrier.
6. A person qualified to be a Carrier under this schedule may submit to Utility a written request for service specifying the specific route(s) to be provided or the specific point(s) to be connected by fiber optic cable. Utility shall respond in writing as soon as possible stating whether or not Utility will provide such service. If Utility states that it will provide such service, its response shall include a description of the facilities it intends to install, an estimate of the cost of these facilities to the Carrier, and an estimate of the time required to install the facilities.

Contracts

7. As a condition precedent to service under this schedule, an executed Master Services Contract, Schedule G (Form No. 6597-7) is required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order. Utility will file all executed contracts with the Commission, which shall be open to public inspection, except that Utility shall redact from the copies of the executed contracts filed with the Commission the routes and locations of the facilities covered by the particular contract or exhibits to the contract.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3651
 DECISION NO.

5H14

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Aug 8, 2006
 EFFECTIVE Sep 7, 2006

RESOLUTION NO. _____

L
|
|
|
|
|
|
|
L

L

Schedule No. G-FIG
FIBER OPTIC CABLE IN GAS PIPELINES

Sheet 6

(Continued)

SPECIAL CONDITIONS (Continued)

Contracts (Continued)

8. The term of any contract for service under this schedule shall be for 20 years, except as provided elsewhere in this rate schedule. Carrier may also terminate the contract, or portions of service provided thereunder, on one year written notice, provided that Carrier is liable for the cost of removal of facilities upon such termination, as set forth in this rate schedule and the contract. The contract may also provide, upon mutual agreement for renewal, terms after expiration of 20 years. Upon cancellation or termination at any time, Carrier is responsible for removing its fiber optic cable and for all actual costs incurred by Utility as a consequence of such removal. If Carrier does not remove its fiber optic cable by the time required by this rate schedule, Utility may remove it at Carrier's expense and with no liability to Carrier. In addition, upon the termination of the contract pursuant to this or any other Special Condition, Utility at its option may elect to remove any or all make ready work installed at the request of Carrier, and may charge the cost of such removal to Carrier.
9. A contract for service under this schedule may be assigned by Carrier to another person qualified to be a Carrier under this rate schedule with the written consent of Utility, which shall not be unreasonably withheld, by execution of Form 3907-B, Assignment of Contract. It shall be deemed reasonable for Utility to withhold consent to assignment to a person that is not creditworthy relative to the obligations to be assumed. It shall be deemed reasonable as a condition for consent to assignment for the Utility to: (a) require that any assignee confirm in writing its assumption of the rights and obligations of its predecessor; or (b) require that the assignor remain liable in the event of default by assignee for all obligations incurred by the assignor prior to the assignment of the contract.

Pipeline Capacity Available to Provide Service

10. Utility will provide access under this schedule only to its active distribution mains of two inches in diameter and larger and service lines one inch in diameter and larger with an operating pressure of 60 lbs/psig or less. However, access will only be provided for those kinds of distribution mains and service lines for which the Carrier has provided an acceptable technology for the placing of fiber optic cable, as described in Special Conditions 3 and 4.
11. Access will be limited to one fiber optic cable or cables of a combined maximum of 1 inch diameter, to be installed in one conduit with a maximum diameter of 1.2 inches, per SoCalGas pipeline.
12. Except as provided in the last sentence of this Special Condition, Utility shall deny service under this schedule for a particular location or route if Utility determines that there is now, or will be in the next 60 months, insufficient capacity in its pipelines to accommodate placement of fiber optic cable, or that placement of fiber optic cable would create a threat to the safety or reliability of Utility's gas service. Utility may not deny service on grounds of insufficiency of capacity if capacity is

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3651
 DECISION NO.

6H13

ISSUED BY

Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Aug 8, 2006
 EFFECTIVE Sep 7, 2006

RESOLUTION NO. _____

L
|
|
|
|
|
|
L

L

Schedule No. G-FIG
FIBER OPTIC CABLE IN GAS PIPELINES

Sheet 7

(Continued)

SPECIAL CONDITIONS (Continued)

Pipeline Capacity Available to Provide Service (Continued)

12 (Continued)

forecast to be adequate for at least the next 60 months. Utility may offer Carrier service for a particular location or route where there will be insufficient capacity within 60 months on condition that Carrier agrees to pay a portion acceptable to Utility of the cost of increasing the capacity of Utility's pipelines in that particular location or route.

Design and Installation Requirements

- 13. Installation of fiber optic cable must exit Utility's pipelines to go around all operational Utility pipeline valves before re-entry to Utility's pipelines.
- 14. Except as provided in the following Special Condition, in addition to exiting and entering Utility's pipelines at all operational valves, fiber optic cable must exit (with the distance between exit and re-entry a minimum interval of at least 15 feet for pipeline of a diameter of 8 inches or more, and 12 feet for pipeline of less than 8 inches diameter) Utility's pipeline at a minimum interval. The minimum interval varies with the density of gas service in the vicinity of the pipeline. The minimum interval between a re-entry and the next exit is as follows:

- In Class 1 areas: Every 3,000 feet
- In Class 2 areas: Every 1,500 feet
- In Class 3 areas: Every 1,000 feet
- In Class 4 areas: Every 500 feet

Class 1 through Class 4 as used herein means the classes as defined in the U.S. Department of Transportation pipeline safety regulations found at 49 CFR Section 192.5 (or superseding regulations).

- 15. Carrier may elect not to have its cable exit and reenter Utility's pipeline at the minimum intervals provided in the preceding Special Condition for the applicable Class of area, but by doing so subjects itself to the following provisions of this Special Condition. If Carrier has so elected, in the event that Utility pinches its pipeline to prevent the flow of gas in order to respond to a gas operation emergency, Utility shall have no liability to Carrier for any damage to Carrier's fiber optic cable or for any interruption in service by such cable, and Carrier shall indemnify Utility from all liability to third parties as a result of interruption in service by such cable. Furthermore, any cost to repair conduit, fittings, or other facilities necessary for the placement of the Carrier's fiber optic cable shall be paid solely by Carrier.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3651
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Aug 8, 2006
 EFFECTIVE Sep 7, 2006
 RESOLUTION NO. _____

L
|
|
|
|
|
L

L

Schedule No. G-FIG
FIBER OPTIC CABLE IN GAS PIPELINES

Sheet 10

(Continued)

SPECIAL CONDITIONS (Continued)

Modifications to Utility Pipelines (Continued)

26. If Utility is lawfully required by any third party to relocate its pipeline containing Carrier's fiber optic cable, or if Utility needs to replace its pipeline containing Carrier's fiber optic cable for operating reasons beyond the reasonable control of Utility (including the need to install a pipeline with increased capacity to meet gas demand), then Utility may inform Carrier of termination of service for the impacted segment under this rate schedule for so much space in that pipeline as is necessary to comply with the relocation requirement or to meet operating needs. Such notice of termination shall be effective 90 days after it is given, provided that if Utility is given less than 90 days notice by a third party that it must relocate its pipeline, the notice of termination by Utility shall be effective on the date Utility's pipeline must be relocated. If in the course of such relocation or replacement Utility will open a new trench or bore to install new gas pipeline, Utility will offer Carrier the opportunity to install its own fiber optic conduit and cable in such trench or bore, for a fee equal to Utility's incremental cost to allow placement of such conduit and cable. Carrier must obtain all necessary permits and rights to install such conduit and cable, under the same conditions as would apply if Carrier was placing its cable in Utility's pipeline in such trench or bore. Utility will make no recurring charges for Carrier's use of a joint trench or bore, but otherwise such fiber optic cable shall be subject to all the terms and conditions of this rate schedule. In addition, Utility will promptly make its best efforts to offer Carrier space in other of its pipelines under this rate schedule that will substantially substitute for the service that is being terminated pursuant to the notice. Utility will also offer Carrier the option to place its fiber optic cable in the segment of pipeline that is constructed in place of the pipeline that must be relocated or replaced. The terms of such service shall be the same as for any other pipeline subject to this rate schedule (including make ready and annual recurring charges), but Carrier shall have priority over any other Carrier under this rate schedule for use of such pipeline. In addition, Utility and Carrier may mutually agree to other arrangements that would allow Utility to meet its need for relocation or replacement and Carrier to continue to have fiber optic cable in Utility's pipeline. Any such agreement shall be filed with the Commission in the same manner as any contract for service under this rate schedule.

Dispute Resolution

27. Utility and Carrier shall attempt in good faith to resolve any disputes with respect to service under this schedule. In the event that resolution is not achieved, either party may invoke the Commission's dispute resolution procedures under terms substantially the same as adopted by the Commission in D.98-10-058 (applicable to attachments to poles and other structures of incumbent local exchange carriers and major electric utilities).

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3651
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Aug 8, 2006
 EFFECTIVE Sep 7, 2006
 RESOLUTION NO. _____

L
|
|
|
|
|
|
|
|
|
|
L

TABLE OF CONTENTS

(Continued)

GT-SD	Intrastate Transmission Service	40036-G,30593-G,30594-G,36311-G
GT-PS	Peaking Service	40037-G,40038-G,40039-G,40040-G 40041-G,40042-G,35955-G,35956-G,37942-G
GW-LB	Wholesale Natural Gas Service	40043-G,38061-G,38062-G 38063-G,38064-G
GW-SD	Wholesale Natural Gas Service	40044-G,37949-G,37950-G 37951-G
GW-SWG	Wholesale Natural Gas Service	40045-G,37953-G,37954-G,37955-G
GW-VRN	Wholesale Natural Gas Service	40046-G,37957-G,37958-G 37959-G,37960-G
G-IMB	Transportation Imbalance Service	36312-G,40784-G,40785-G,40339-G 40346-G,36313-G,33498-G
G-ITC	Interconnect Access Service	32698-G,32699-G
G-BSS	Basic Storage Service	32700-G,32701-G,32702-G,32703-G 37961-G,37962-G,37963-G,37964-G
G-AUC	Auction Storage Service	32708-G,32709-G,32710-G,32711-G 32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service	32716-G,32717-G,32718-G,32719-G 32720-G,32721-G,37965-G,37966-G
G-TBS	Transaction Based Storage Service	32724-G,32725-G,27374-G,27375-G 31929-G,36315-G,27378-G
G-CBS	UDC Consolidated Billing Service	34071-G,34072-G,34073-G,33095-G
G-PPPS	Public Purpose Programs Surcharge	39791-G,39517-G,39518-G
G-SRF	Surcharge to Fund Public Utilities Commission Utilities Reimbursement Account	40332-G
G-MHPS	Surcharge to Fund Public Utilities Commission Master Metered Mobile Home Park Gas Safety Inspection and Enforcement Program	32828-G
G-MSUR	Transported Gas Municipal Surcharge	38761-G,25006-G
GIT	Interruptible Interutility Transportation	24567-G,24568-G
GLT	Long-Term Transportation of Customer-Owned Natural Gas	24569-G,24570-G,24571-G
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	40047-G
G-PRK	Hub Parking	40048-G
G-WHL	Hub Wheeling	40049-G
G-FIG	Fiber Optic Cable in Gas Pipelines	40828-G,40829-G,40830-G,40831-G 40832-G,40833-G,40834-G,40835-G,40836-G,40837-G

T
T

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3651
 DECISION NO.
 3H9

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Aug 8, 2006
 EFFECTIVE Sep 7, 2006
 RESOLUTION NO. _____

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. P.U.C. Sheet No.

Title Page	21888-G	
Table of Contents--General and Preliminary Statement	40839-G,40054-G	T
Table of Contents--Service Area Maps and Descriptions	40434-G	
Table of Contents--Rate Schedules	40820-G,40821-G,40838-G	T
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,40576-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	40788-G,40789-G,40790-G,40791-G,40229-G,40230-G 40792-G,40232-G,40233-G,40234-G,40793-G,40794-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. 3651
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Aug 8, 2006
 EFFECTIVE Sep 7, 2006
 RESOLUTION NO. _____