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September 29, 2006

Advice No. 3665
(U 904 G)

Public Utilities Commission of the State of California

Subject: October 2006 Core Procurement Charge Update and Winter Hedging GCIM Revision

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 filing is made in compliance with Ordering Paragraphs 2 and 3 of Decision No. (D.) 98-07-068, dated July 23, 1998 and revises the listed tariff rate schedules by updating the Core Procurement Charge for residential and core commercial and industrial customers for October 2006.

In compliance with D. 05-10-043, as modified by D.06-08-027, Preliminary Statement, Part VIII, Gas Cost Incentive Mechanism (GCIM), is revised to reflect that all of the costs and benefits of the expanded hedging plans, and the gas hedging that has already taken place for the winters of 2005-2006 and 2006-2007 be allocated directly to SoCalGas' core gas customers.

Information

October 2006 Core Procurement Charge Update

D.98-07-068 authorizes SoCalGas to 1) change the calculation of its forecasted portfolio weighted average cost of gas using best estimates of the weighted volumes and prices of flowing supplies from the different supply basins delivered to the California/Arizona border for the purposes of calculating its Core Procurement Charge, 2) file the Core Procurement Charge tariffs on the last business day of each month to become effective on the first calendar day of the following month, and 3) establish a Core Purchased Gas Account (CPGA) imbalance band of $\pm 1\%$ of the actual annual commodity gas purchases for the preceding 12-month period ending March 31 of each year, wherein adjustments would be made to the Core Procurement Charge only if the CPGA imbalance falls outside of such band.

For residential and core commercial and industrial customers the October 2006 Core Procurement Charge is 41.067¢ per therm, a decrease of 24.601¢ per therm from last month. The Adjusted Core Procurement Charge (G-CPA) reported in Schedule No. G-CP, which is used as an equivalent to the previously reported Core Subscription Procurement Charge, for October 2006 is 40.866 ¢ per therm, a decrease of 24.601¢ per therm from last month.

Preliminary Statement, Part VIII, Gas Cost Incentive Mechanism (GCIM) Revision

SoCalGas filed AL 3556 on November 30, 2005 to update the Core Procurement cost of gas for December 2005 and to implement the CARE Discount for Winter Hedging and Storage Cushion Gas Withdrawal pursuant to D.05-10-043 and D.05-11-027. In compliance with Ordering Paragraph 3 of D.05-10-043, AL 3556 added the following language to Section B of SoCalGas' GCIM Preliminary Statement:

Pursuant to D.05-10-043, all costs and benefits associated with SoCalGas' hedging activities for the winter of 2005-2006 (November 2005 – March 2006) shall flow directly to core customers.

D.06-08-027, dated August 24, 2006, modified D.05-10-043 by approving hedging plans for the 2006-2007 winter. As a result, SoCalGas is revising its GCIM Preliminary Statement consistent with AL 3556.

In compliance with Ordering Paragraph 3 of D.05-10-043, as modified by D.06-08-027, the following will be added to Section B of SoCalGas' GCIM Preliminary Statement:

Pursuant to D.05-10-043, as modified by D.06-08-027, all costs and benefits associated with SoCalGas' hedging activities during the winter of 2005-2006 (November 2005 – March 2006) and the winter of 2006-2007 (November 2006 – March 2007) shall flow directly to core customers.

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. 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
Attn: 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 (jni@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

The Core Procurement Charge update part of this filing is in compliance with Ordering Paragraph 2 of D.98-07-068. The Winter Hedging part of this filing is in compliance with D.05-10-043, as modified by D.06-08-027. Therefore SoCalGas respectfully requests the tariff sheets filed herein become effective on October 1, 2006.

Notice

A copy of this advice letter is being sent to the parties listed on Attachment A, which includes the service list for R.04-01-025.

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: Connie Christensen

Phone #: (213) 244-3837

E-mail: cchristensen@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) #: 3665

Subject of AL: October 2006 Core Monthly Pricing Revision and Winter Hedging GCIM Revision

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

AL filing type: Monthly Quarterly Annual One-Time Other

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

D.98-07-068, D.05-10-043, D.06-02-034

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: 10/01/06

No. of tariff sheets: 37

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, PS-VIII, GR, GS, GM, GMB, GML, GO-SSA, GO-SSB, GO-AC, G-NGVR, GL, GN-10, GN-10L, G-AC, G-EN, G-NGV, G-CP, & TOCs

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: 3660, 3661

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Southern California Gas Company

Attention: Sid Newsom

555 West Fifth Street, ML GT14D6

Los Angeles, CA 90013-4957

snewsom@semprautilities.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3665

(See Attached Service Lists)

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ATTACHMENT B
Advice No. 3665

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41030-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 40984-G
Revised 41031-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 40985-G
Revised 41032-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 40986-G
Revised 41033-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 4	Revised 40987-G
Revised 41034-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 41025-G
Revised 41035-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 11	Revised 40954-G
Revised 41036-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 12	Revised 40955-G
Revised 41037-G	PRELIMINARY STATEMENT, PART VIII, GAS COST INCENTIVE MECHANISM, Sheet 1	Revised 39896-G
Revised 41038-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 40989-G
Revised 41039-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 2	Revised 40957-G
Revised 41040-G	Schedule No. GS, SUBMETERED MULTI- FAMILY SERVICE, (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates), Sheet 2	Revised 40990-G
Revised 41041-G	Schedule No. GM, MULTI-FAMILY SERVICE, Sheet 2	Revised 40959-G
Revised 41042-G	Schedule No. GMB, LARGE MULTI-FAMILY SERVICE, Sheet 2	Revised 40960-G
Revised 41043-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 40993-G
Revised 41044-G	Schedule No. GML, MULTI-FAMILY SERVICE, INCOME QUALIFIED, (Includes	Revised 40994-G

ATTACHMENT B
Advice No. 3665

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
	GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates), Sheet 3	
Revised 41045-G	Schedule No. GO-SSA, SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 2	Revised 40963-G
Revised 41046-G	Schedule No. GO-SSB, SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING , NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 2	Revised 40964-G
Revised 41047-G	SCHEDULE NO. GO-AC, OPTIONAL RATES FOR CUSTOMERS PURCHASING NEW GAS, AIR CONDITIONING EQUIPMENT (Includes GO-AC and GTO-AC Rates), Sheet 1	Revised 40965-G
Revised 41048-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 40995-G
Revised 41049-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 2	Revised 40967-G
Revised 41050-G	Schedule No. GL, STREET AND OUTDOOR LIGHTING, NATURAL GAS SERVICE, Sheet 1	Revised 40968-G
Revised 41051-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 40969-G
Revised 41052-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40996-G
Revised 41053-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 4	Revised 40997-G
Revised 41054-G	Schedule No. GN-10, CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL, Sheet 5	Revised 40998-G
Revised 41055-G	Schedule No. GN-10L, CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED, Sheet 3	Revised 40973-G

ATTACHMENT B
Advice No. 3665

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41056-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 41000-G
Revised 41057-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 3	Revised 40975-G
Revised 41058-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 41001-G
Revised 41059-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 41002-G
Revised 41060-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 41003-G
Revised 41061-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 41004-G
Revised 41062-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 4	Revised 40980-G
Revised 41063-G	TABLE OF CONTENTS	Revised 41005-G
Revised 41064-G	TABLE OF CONTENTS	Revised 40938-G
Revised 41065-G	TABLE OF CONTENTS	Revised 41029-G
Revised 41066-G	TABLE OF CONTENTS	Original 40930-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⁾	66.871¢	85.011¢	16.438¢	R,R
GR-C ⁽²⁾	91.472¢	109.612¢	16.438¢	
GT-R	25.121¢	43.261¢	16.438¢	
GRL ⁽³⁾	53.497¢	68.009¢	13.151¢	R,R
GT-RL ⁽³⁾	20.097¢	34.609¢	13.151¢	

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

GS ⁽¹⁾	66.871¢	85.011¢	16.438¢	R,R
GS-C ⁽²⁾	91.472¢	109.612¢	16.438¢	
GT-S	25.121¢	43.261¢	16.438¢	
GSL ⁽³⁾	53.497¢	68.009¢	13.151¢	R,R
GSL-C ⁽³⁾	73.177¢	87.689¢	13.151¢	
GT-SL ⁽³⁾	20.097¢	34.609¢	13.151¢	

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

GML-E ⁽³⁾	53.497¢	68.009¢	13.151¢	R,R
GML-EC ⁽³⁾	73.177¢	87.689¢	13.151¢	
GT-MLE ⁽³⁾	20.097¢	34.609¢	13.151¢	
GML-C ⁽³⁾	N/A	68.009¢	13.151¢	R
GML-CC ⁽³⁾	N/A	87.689¢	13.151¢	
GT-MLC ⁽³⁾	N/A	34.609¢	13.151¢	
GMBL-E ⁽³⁾	47.589¢	53.360¢	\$7.874	R,R
GMBL-EC ⁽³⁾	67.269¢	73.040¢	\$7.874	
GT-MBLE ⁽³⁾	14.189¢	19.960¢	\$7.874	
GMBL-C ⁽³⁾	N/A	53.360¢	\$7.874	R
GMBL-CC ⁽³⁾	N/A	73.040¢	\$7.874	
GT-MBLC ⁽³⁾	N/A	19.960¢	\$7.874	

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 41.067¢/therm which includes the core brokerage fee. R
- (2) The residential cross-over rate as set forth in Schedule No. G-CP is 65.668¢/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. 3665
 DECISION NO. 98-07-068, 05-10-043 &
 1H11 06-08-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Sep 29, 2006
 EFFECTIVE Oct 1, 2006
 RESOLUTION NO. _____

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⁾	54.410¢	32.877¢	R
G-NGVRC ⁽²⁾	79.011¢	32.877¢	
GT-NGVR	12.660¢	32.877¢	
G-NGVRL ⁽³⁾	43.528¢	26.301¢	R
GT-NGVRL ⁽³⁾	10.128¢	26.301¢	

RESIDENTIAL CORE SALES SERVICE (1) (2)

Commodity Charge

Schedules GM

Baseline Usage	66.871¢	R
Non-Baseline Usage	85.011¢	R
Cross-Over Rate Baseline Usage.....	91.472¢	
Cross-Over Rate Non-Baseline Usage	109.612¢	
Customer Charge: 16.438¢/meter/day		

Schedule GMB

Baseline Usage	59.486¢	R
Non-Baseline Usage	66.700¢	R
Cross-Over Rate Baseline Usage.....	84.087¢	
Cross-Over Rate Non-Baseline Usage	91.301¢	
Customer Charge: \$9.842/meter/day		

- (1) The residential core procurement charge as set forth in Schedule No. G-CP is 41.067¢/therm which includes the core brokerage fee. R
- (2) The residential cross-over rate as set forth in Schedule No. G-CP is 65.668¢/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. 3665
 DECISION NO. 98-07-068, 05-10-043 &
 2H10 06-08-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Sep 29, 2006
 EFFECTIVE Oct 1, 2006
 RESOLUTION NO. _____

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	25.121¢
Non-Baseline Usage	43.261¢
Customer Charge: 16.438¢/meter/day	

Schedule GT-MB

Baseline Usage	17.736¢
Non-Baseline Usage	24.950¢
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	83.768¢
Tier II	62.826¢
Tier III	47.674¢
GN-10C: Tier I	108.369¢
Tier II	87.427¢
Tier III	72.275¢
GN-10V: Tier I	83.768¢
Tier II	59.389¢
Tier III	47.674¢
GN-10VC: Tier I	108.369¢
Tier II	83.990¢
Tier III	72.275¢

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 41.067¢/therm which includes the core brokerage fee.
- (2) The non-residential cross over rate as set forth in Schedule No. G-CP is 65.668¢/therm which includes the core brokerage fee.
- (3) Schedule GL rates are set commensurate with Rate Schedule GN-10.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3665
 DECISION NO. 98-07-068, 05-10-043 &
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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	67.015¢	R
Tier II	50.261¢	
Tier III	38.140¢	R

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	49.600¢	R
G-ACC: rate per therm	74.201¢	
G-ACL: rate per therm	39.680¢	R
Customer Charge: \$150/month		

Schedule G-EN

G-EN: rate per therm	52.496¢	R
G-ENC: rate per therm	77.097¢	
Customer Charge: \$50/month		

Schedule G-NGV

G-NGU: rate per therm	47.830¢	R
G-NGUC: rate per therm	72.431¢	
G-NGU plus G-NGC Compression Surcharge	122.454¢	R
G-NGUC plus G-NGC Compression Surcharge	147.055¢	
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	42.018¢
Tier II	21.076¢
Tier III	5.924¢
GT-10V: Tier I	42.018¢
Tier II	17.639¢
Tier III	5.924¢

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)

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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	41.067¢	R
Non-Residential Cross-Over Rate, per therm	65.668¢	
Residential Core Procurement Charge, per therm	41.067¢	R
Residential Cross-Over Rate, per therm	65.668¢	
Adjusted Core Procurement Charge, per therm	40.866¢	R

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

July 2006	116.526¢
August 2006	116.526¢
September 2006	TBD*

Noncore Retail Standby (SP-NR)

July 2006	116.591¢
August 2006	116.591¢
September 2006	TBD*

Wholesale Standby (SP-W)

July 2006	116.591¢
August 2006	116.591¢
September 2006	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

July 2006	27.150¢
August 2006	29.856¢
September 2006	32.734¢

Wholesale (BR-W)

July 2006	27.059¢
August 2006	29.756¢
September 2006	32.625¢

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

(Continued)

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PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 11

(Continued)

RATE COMPONENT SUMMARY

CORE

Residential Sales Service

Charge
(per therm)

Base Margin	43.885¢	
Other Operating Costs/Revenues	0.833¢	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(1.507¢)	
Core Averaging/Other Noncore	(1.080¢)	
Procurement Rate (w/o Brokerage Fee)	40.866¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	83.248¢	R

Non-Residential - Commercial/Industrial

Charge
(per therm)

Base Margin	24.431¢	
Other Operating Costs/Revenues	(0.042¢)	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(1.175¢)	
Core Averaging/Other Noncore	3.296¢	
Procurement Rate (w/o Brokerage Fee)	40.866¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	67.629¢	R

(Continued)

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PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 12

(Continued)

RATE COMPONENT SUMMARY (Continued)

CORE (Continued)

Non-Residential - Air Conditioning

Charge
(per therm)

Base Margin	12.237¢	
Other Operating Costs/Revenues	(0.085¢)	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(0.971¢)	
Procurement Rate (w/o Brokerage Fee)	40.866¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	52.300¢	R

Non-Residential - Gas Engine

Charge
(per therm)

Base Margin	15.043¢	
Other Operating Costs/Revenues	(0.035¢)	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(1.020¢)	
Procurement Rate (w/o Brokerage Fee)	40.866¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	55.107¢	R

(Continued)

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PRELIMINARY STATEMENT
PART VIII
GAS COST INCENTIVE MECHANISM

Sheet 1

A. GENERAL

The Gas Cost Incentive Mechanism (GCIM) replaces the Reasonableness Review as a means of reviewing SoCalGas' natural gas purchasing activities for retail core (core) customers. The purpose of the GCIM is to provide market-based incentives to reduce the cost of gas to core customers and to provide appropriate objective standards against which to measure SoCalGas' performance in gas procurement and transportation functions on behalf of core customers.

On an annual basis, the GCIM provides SoCalGas with an incentive to achieve a cost of gas that is at or below the prevailing market price for gas, by establishing an annual benchmark budget. The actual gas costs incurred to meet the needs of core customers are measured against the annual benchmark budget. If the actual total gas cost is less than the annual benchmark budget, the cost savings is shared between ratepayers and shareholders based on a tiered formula with ratepayers receiving a progressively greater percentage of the GCIM gain over certain tolerances and within established sharing bands, subject to a cap on shareholders' benefit (see Section C.9). If the actual total gas cost is greater than the annual benchmark budget plus a specified tolerance, the excess cost penalty is split equally between shareholders and ratepayers. See Section C. for the detailed methodology used to calculate these components.

The commodity costs under the GCIM are recorded to SoCalGas' Purchased Gas Account (PGA). The transportation reservation charges for capacity reserved for the core are recorded to the Core Fixed Cost Account (CFCA). Any additional interstate capacity acquired in excess of that reserved for the core and intended for the core use will be treated similar to other gas commodity charges and included in the PGA.

B. EFFECTIVE DATES

1. A three-year experimental GCIM was approved in D.94-03-076, effective April 1, 1994. The GCIM program was modified and extended for two years by D.97-06-061, effective April 1, 1997. The GCIM program extension remained in effect through March 31, 1999.
2. Pursuant to D.98-12-057, the GCIM is extended on an annual basis for 12-month cycles, beginning in Year 6, the period April 1, 1999 through March 31, 2000, unless the mechanism is modified or discontinued by further order of the Commission.
3. D.02-06-023 approved a Settlement Agreement sponsored by the Commission's Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN) and SoCalGas, with amendments, which further modifies the GCIM and extended it for Year 7 (April 1, 2000 through March 31, 2001) and beyond, on an annual basis until further modified or terminated upon Commission Order.
4. Pursuant to D.05-10-043, as modified by D.06-08-027, all costs and benefits associated with SoCalGas' hedging activities during the winter of 2005-2006 (November 2005 – March 2006) and the winter of 2006-2007 (November 2006 – March 2007) shall flow directly to core customers.

(Continued)

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Schedule No. GR
RESIDENTIAL SERVICE

Sheet 1

(Includes GR, GR-C, GT-R, GRL and GT-RL Rates)

APPLICABILITY

The GR rate is applicable to natural gas procurement service to individually metered residential customers.

The GR-C, cross-over rate, is a core procurement option for individually metered residential core transportation customers with annual consumption over 50,000 therms, as set forth in Special Condition 10.

The GT-R rate is applicable to Core Aggregation Transportation (CAT) service to individually metered residential customers, as set forth in Special Condition 11.

The GRL procurement rate and GT-RL (CAT) rates are applicable to income-qualified households that meet the requirements for the California Alternate Rates for Energy (CARE) as set forth in Schedule G-CARE. The CARE discount of 20% is reflected in the GRL and GT-RL rates shown below. Pursuant to D.05-11-027, as modified by D.06-02-034, benefits from cushion gas withdrawal may be applied in order to keep the CARE commodity rate in any winter month from exceeding 80 cents per therm, provided that all benefits have been applied by March 31, 2008.

TERRITORY

Applicable throughout the service territory.

RATES

	<u>GR</u>	<u>GR-C</u>	<u>GT-R</u>	
<u>Customer Charge</u> , per meter per day: ^{1/}	16.438¢	16.438¢	16.438¢	
<u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	41.067¢	65.668¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>25.804¢</u>	<u>25.804¢</u>	<u>25.121¢</u>	
Total Baseline Charge:	66.871¢	91.472¢	25.121¢	R
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	41.067¢	65.668¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>43.944¢</u>	<u>43.944¢</u>	<u>43.261¢</u>	
Total Non-Baseline Charge:	85.011¢	109.612¢	43.261¢	R
<u>Rates for CARE-Eligible Customers</u>				
	<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)

Schedule No. GR
RESIDENTIAL SERVICE

Sheet 2

(Includes GR, GR-C, GT-R, GRL and GT-RL Rates)

(Continued)

RATES (Continued)

Rates for CARE-Eligible Customers (Continued)

	<u>GRL</u>	<u>GT-RL</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	32.854¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>20.643¢</u>	<u>20.097¢</u>	R
Total Baseline Charge:	53.497¢	20.097¢	R
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	32.854¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>35.155¢</u>	<u>34.609¢</u>	R
Total Non-Baseline Charge:	68.009¢	34.609¢	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.

(Footnotes continued from previous page.)

^{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 GR and GR-C customers is equal to the GT-R Transmission Charge (excluding the El Paso Settlement proceeds refund to GT-R and GT-RL core aggregation customers pursuant to D.03-10-087) plus the procurement carrying cost of storage inventory charge.

(Continued)

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 Regulatory Affairs

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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/}	41.067¢	65.668¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>25.804¢</u>	<u>25.804¢</u>	<u>25.121¢</u>	
Total Baseline Charge:	66.871¢	91.472¢	25.121¢	R

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	41.067¢	65.668¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>43.944¢</u>	<u>43.944¢</u>	<u>43.261¢</u>	
Total Non-Baseline Charge:	85.011¢	109.612¢	43.261¢	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/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>20.643¢</u>	<u>20.643¢</u>	<u>20.097¢</u>	
Total Baseline Charge:	53.497¢	73.177¢	20.097¢	R

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>35.155¢</u>	<u>35.155¢</u>	<u>34.609¢</u>	
Total Non-Baseline Charge:	68.009¢	87.689¢	34.609¢	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)

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Schedule No. GM
MULTI-FAMILY SERVICE

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges

GM-E and GM-C

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; (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.

The 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 9.

GM-E

Baseline Rate

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

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>25.804¢</u>	R
Commodity Charge:	GM-E	66.871¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-ME</u>	<u>43.944¢</u>	R
Commodity Charge:	GM-E	85.011¢	R

GM-C

All usage, per therm.

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-MC</u>	<u>43.944¢</u>	R
Commodity Charge:	GM-C	85.011¢	R

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SCHEDULE NO. GO-AC

Sheet 1

OPTIONAL RATES FOR CUSTOMERS PURCHASING NEW GAS
 AIR CONDITIONING EQUIPMENT (Includes GO-AC and GTO-AC Rates)

APPLICABILITY

The Gas Air Conditioning (AC) optional rate program is for residential customers who 1) would normally qualify for service under Schedule No. GR, and 2) have, within 12 months prior to sign-up, purchased a newly constructed home with gas AC, installed gas AC equipment in a newly constructed home, or replaced an existing gas AC unit with a new, more efficient gas AC unit.

The GO-AC rate is applicable to natural gas procurement service for individually metered residential customers.

The GTO-AC rate is applicable to Core Aggregation Transportation (CAT) service to individually metered residential customers.

TERRITORY

Applicable throughout the service territory.

RATES

	<u>GO-AC</u>	<u>GTO-AC^{2/}</u>	
<u>Customer Charge</u> , per meter per day: ^{1/}	16.438¢	16.438¢	
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Condition 3):			
<u>Procurement Charge</u> : ^{3/}	41.067¢	N/A	R
<u>Transmission Charge</u> :	<u>25.804¢^{4/}</u>	<u>25.121¢^{5/}</u>	
<u>Total Baseline Charge</u> :	66.871¢	25.121¢	R
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
<u>Procurement Charge</u> : ^{3/}	41.067¢	N/A	R
<u>Transmission Charge</u> :	<u>43.944¢^{4/}</u>	<u>43.261¢^{5/}</u>	
<u>Total Non-Baseline Charge</u> :	85.011¢	43.261¢	R

^{1/} The Customer Charge is the Customer Charge as set forth in Schedule No. GR. If Customer Charge is collected under another rate schedule, no duplicate charge is collected hereunder.

^{2/} Applicable to Core Aggregation Transportation service.

^{3/} This charge is applicable for service 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 7. (Footnotes continue next page.)

(Continued)

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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/}	41.067¢	65.668¢	N/A
<u>Transmission Charge</u> ^{2/}	<u>13.343¢</u>	<u>13.343¢</u>	<u>12.660¢</u>
Commodity Charge	54.410¢	79.011¢	12.660¢

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.

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Schedule No. G-NGVR

Sheet 2

NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES
 (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)

(Continued)

RATES (Continued)

	<u>Rates for CARE-Eligible Customers</u>	
	<u>G-NGVRL</u>	<u>GT-NGVRL</u>
<u>Customer Charge</u> , per meter per day	26.301¢	26.301¢
 <u>Rate, per therm</u>		
Procurement Charge	32.854¢	N/A
<u>Transmission Charge</u>	<u>10.674¢</u>	<u>10.128¢</u>
Commodity Charge	43.528¢	10.128¢

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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.
3. Required Contract: As a condition precedent to service under this schedule, an executed NGV Home Refueling Authorization Agreement (Form 6150) shall be required. As part of the Agreement, the customer certifies that he qualifies under the terms and conditions of this schedule.
4. CPUC Oversight: All contracts, rates, and conditions are subject to revision and modification as a result of CPUC order.
5. CARB Fuel Regulations: Due to California Air Resources Board (CARB) fuel specification regulations, the Utility may not be able to provide natural gas for motor vehicle refueling in some areas of its service territory. Therefore customers intending to provide or use natural gas as a motor vehicle fuel must inform and obtain written approval from the Utility prior to such provision or use. The Utility will determine which areas of its service territory can satisfy CARB fuel regulations for the provision of NGV service and whether the Utility can provide natural gas for this purpose.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3665
 DECISION NO. 98-07-068, 05-10-043 &
 2H10 06-08-027

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Sep 29, 2006
 EFFECTIVE Oct 1, 2006
 RESOLUTION NO. _____

Schedule No. GL
STREET AND OUTDOOR LIGHTING
NATURAL GAS SERVICE

Sheet 1

APPLICABILITY

Applicable to natural gas service supplied from the Utility's core portfolio, as defined in Rule No. 1, for continuous street and outdoor lighting in lighting devices approved by the Utility. Service under this schedule is conditional upon arrangements mutually satisfactory to the customer and the Utility for connection of customer's lighting devices to Utility's facilities.

The minimum term of service hereunder is one month, as described in Special Condition 2.

TERRITORY

Applicable throughout the system.

RATES

The charges are based upon the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and the GN-10 class average transportation rate.

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 3.

Rate "X" Lighting only service

<u>Hourly Lamp Rating in Cu.Ft.</u>	<u>Charge</u> <u>Per Lamp Per Month</u> (<u>\$</u>)
1.99 cu.ft. per hr. or less	10.06
2.00 - 2.49 cu.ft. per hr	11.39
2.50 - 2.99 cu.ft. per hr	13.93
3.00 - 3.99 cu.ft. per hr	17.72
4.00 - 4.99 cu.ft. per hr	22.79
5.00 - 7.49 cu.ft. per hr	31.65
7.50 - 10.00 cu.ft. per hr	44.31
For each cu.ft. per hour of total capacity in excess of 10 cu.ft. per hour	5.06

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(Continued)

(TO BE INSERTED BY UTILITY)
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 1H10 06-08-027

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Schedule No. G-AC
CORE AIR CONDITIONING SERVICE
FOR COMMERCIAL AND INDUSTRIAL

(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	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>8.533¢</u>	
Commodity Charge:	G-AC	49.600¢	R

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	65.668¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>8.533¢</u>
Commodity Charge:	G-ACC	74.201¢

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3665
 DECISION NO. 98-07-068, 05-10-043 &
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Schedule No. G-AC

Sheet 3

CORE AIR CONDITIONING SERVICE
 FOR COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (Continued)

Commodity Charges (Continued)

G-ACL

This charge is for service as defined above and consists of: (1) the discounted monthly non-residential procurement charge, as described below; (2) the GT-ACL transmission charge, excluding the discounted El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-AC; and (3) the discounted 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. The procurement charge shown below has been discounted by 20 percent. Pursuant to D.05-11-027, as modified by D.06-02-034, benefits from cushion gas withdrawal may be applied in order to keep the CARE commodity rate in any winter month from exceeding 80 cents per therm, provided that all benefits have been applied by March 31, 2008.

Rate, per therm.

Procurement Charge:	G-CPNRL	32.854¢	
<u>Transmission Charge:</u>	<u>GPT-ACL</u>	<u>6.826¢</u>	R
Commodity Charge:	G-ACL	39.680¢	R

Rate Limiter Provision

The cumulative percentage rate of change in the customer charge and transmission-charge portion of the commodity charge will not exceed the national rate of inflation as measured by the Consumer Price Index as defined in Rule No. 1. This provision expires October 31, 1998.

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.

SPECIAL CONDITIONS

General

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

(Continued)

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	41.067¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>11.429¢</u>
Commodity Charge:	G-EN	52.496¢

R

R

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	65.668¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>11.429¢</u>
Commodity Charge:	G-ENC	77.097¢

Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3665
 DECISION NO. 98-07-068, 05-10-043 &
 2H10 06-08-027

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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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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	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>6.763¢</u>	
Commodity Charge:	G-NGU	47.830¢	R

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	65.668¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>6.763¢</u>
Commodity Charge:	G-NGUC	72.431¢

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	122.454¢	R
G-NGUC plus G-NGC, compressed per therm	147.055¢	

(Continued)

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	40.866¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	41.067¢	R

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	65.467¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	65.668¢

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. 3665
 DECISION NO. 98-07-068, 05-10-043 &
 06-08-027
 2H10

ISSUED BY
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 Vice President
 Regulatory Affairs

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Schedule No. G-CP
CORE PROCUREMENT SERVICE

(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	40.866¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	41.067¢	R

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	65.467¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	65.668¢

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. 3665
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 3H10 06-08-027

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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 4

(Continued)

RATES (Continued)

G-CPA

This rate is for the purposes of calculating the municipal surcharge as defined in Schedule No. G-MSUR; the Buy-Back Rates as defined in Schedule No. G-IMB; involuntary diversions; and VCPPA deliveries as defined in Rule No. 23 and purchases of storage gas as defined in Rule No. 32. This rate is equivalent to the Core Subscription Procurement Charge, previously reported in Schedule No. G-CS, that was eliminated pursuant to Decision 01-12-018 and Resolution G-3357, effective December 1, 2003.

The monthly adjusted 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) 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 (4) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The charge is exclusive of (1) core storage gas withdrawals and (2) authorized core brokerage fee. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

Adjusted Core Procurement Charge, per therm 40.866¢

R

The current procurement charge will be posted on the Utility's Electronic Bulletin Board (EBB), as defined in Rule No. 1, and Internet web site at <http://www.socalgas.com/regulatory>.

The Utility will reflect all applicable taxes, fees, and surcharges and/or credits imposed as a result of providing service hereunder.

The number of therms to be billed will be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this rate schedule and the Utility's other tariffs are provided in Rule No. 1.
2. Service provided hereunder is subject to the terms and conditions of the Utility's tariff schedules on file with the Commission. Charges for transmission service will be in accordance with the Utility's core transportation rate schedules. The terms and conditions in the customer's otherwise-applicable core procurement schedule apply.

(Continued)

Schedule No. GMB
LARGE MULTI-FAMILY SERVICE

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges

GM-BE and GM-BC

These charges are for service as defined above and consist of: (1) the monthly residential procurement charge, as set forth in Schedule No. G-CP; (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.

The 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 9.

GM-BE

Baseline Rate

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

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>18.419¢</u>	R
Commodity Charge:	GM-BE	59.486¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-MBE</u>	<u>25.633¢</u>	R
Commodity Charge:	GM-BE	66.700¢	R

GM-BC

All usage, per therm.

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-MBC</u>	<u>25.633¢</u>	R
Commodity Charge:	GM-BC	66.700¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
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Schedule No. GN-10
CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

Sheet 2

(Continued)

RATES (Continued)

Minimum Charge

Per meter, per day: _

Annual usage of less than 1,000 therms per year: _

All customers except "space heating only"	32.877¢
"Space heating only" customers:	
Beginning December 1 through March 31	\$0.99174
Beginning April 1 through November 30	None

Annual usage of 1,000 therms per year or more: _

All customers except "space heating only"	49.315¢
"Space heating only" customers: _	
Beginning December 1 through March 31	\$1.48760
Beginning April 1 through November 30	None

Commodity Charges

GN-10

These charges are for service as defined above and consist of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; (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.

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	41.067¢	
<u>Transmission Charge: GPT-10</u>	<u>42.701¢</u>	
Commodity Charge: GN-10	83.768¢	

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(Continued)

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Schedule No. GN-10

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	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>21.759¢</u>	
Commodity Charge:	GN-10	62.826¢	R

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

Procurement Charge:	G-CPNR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>6.607¢</u>	
Commodity Charge:	GN-10	47.674¢	R

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	65.668¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>42.701¢</u>
Commodity Charge:	GN-10C	108.369¢

(Continued)

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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	65.668¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>21.759¢</u>
Commodity Charge:	GN-10C	87.427¢

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

Procurement Charge:	G-CPNRC	65.668¢
<u>Transmission Charge:</u>	<u>GPT-10</u>	<u>6.607¢</u>
Commodity Charge:	GN-10C	72.275¢

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	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>42.701¢</u>	R
Commodity Charge:	GN-10V	83.768¢	R

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

Procurement Charge:	G-CPNR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>18.322¢</u>	R
Commodity Charge:	GN-10V	59.389¢	R

(Continued)

Schedule No. GN-10

CORE SERVICE FOR SMALL COMMERCIAL AND INDUSTRIAL

(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	41.067¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>6.607¢</u>
Commodity Charge:	GN-10V	47.674¢

R
R

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	65.668¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>42.701¢</u>
Commodity Charge:	GN-10VC	108.369¢

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

Procurement Charge:	G-CPNRC	65.668¢
<u>Transmission Charge:</u>	<u>GPT-10V</u>	<u>18.322¢</u>
Commodity Charge:	GN-10VC	83.990¢

(Continued)

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Schedule No. GN-10L

Sheet 3

CORE COMMERCIAL AND INDUSTRIAL SERVICE, INCOME-QUALIFIED

(Continued)

RATES (Continued)

Commodity Charges

GN-10L

These charges are for service as defined above and consist of (1) the discounted monthly non-residential procurement charge, as described below; (2) the GT-10L transmission charges, excluding the discounted El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-10L; and (3) the discounted 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 6. The procurement charge shown below has been discounted by 20 percent. Pursuant to D.05-11-027, as modified by D.06-02-034, benefits from cushion gas withdrawal may be applied in order to keep the CARE commodity rate in any winter month from exceeding 80 cents per therm, provided that all benefits have been applied by March 31, 2008.

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-CPNRL	32.854¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u>	<u>34.161¢</u>	
Commodity Charge:	GN-10L	67.015¢	R

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

Procurement Charge:	G-CPNRL	32.854¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u>	<u>17.407¢</u>	
Commodity Charge:	GN-10L	50.261¢	R

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

Procurement Charge:	G-CPNRL	32.854¢	R
<u>Transmission Charge:</u>	<u>GPT-10L</u>	<u>5.286¢</u>	
Commodity Charge:	GN-10L	38.140¢	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.

(Continued)

Schedule No. GO-SSA
SUMMER SAVER OPTIONAL RATE
FOR OWNERS OF EXISTING GAS EQUIPMENT

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges (Continued)

The transmission charges are the GPT-R transmission charges for billing periods during the months of November through April. For billing periods for the months of May through October, the transmission charges are the GPT-R transmission charges for all usage less than or equal to the base year volume. Base volumes are the customer's volumes in the same billing period in the base year, the year prior to program sign-up. For non-baseline usage in the current year above base volumes in the billing period, the customer receives a SummerSaver credit equal to a discount of twenty cents (\$0.20) per therm off the GPT-R non-baseline transmission charge.

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

GO-SSA

Baseline Rate

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

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>25.804¢</u>	
Commodity Charge:	GR	66.871¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>43.944¢</u>	
Commodity Charge:	GR	85.011¢	R

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

(Continued)

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Schedule No. GO-SSB

Sheet 2

SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING
 NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT

(Continued)

RATES (Continued)

Commodity Charges (Continued)

The base year is defined as the 12 months preceding the beginning of the customer's participation in the SummerSaver optional rate program and remains unchanged as long as the customer is receiving service under this Schedule.

GO-SSB

Baseline Rate

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

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>25.804¢</u>	
Commodity Charge:	GR	66.871¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	41.067¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>43.944¢</u>	
Commodity Charge:	GR	85.011¢	R

SummerSaver Rate

All non-baseline gas usage above base year volumes in billing periods from May to October will be discounted by 20 cents per therm. The discount will be shown on the customer's bill as a credit.

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. GML

Sheet 2

MULTI-FAMILY SERVICE, INCOME QUALIFIED

(Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, 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-MLE</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>20.643¢</u>	<u>20.643¢</u>	<u>20.097¢</u>	
Total Baseline Charge (all usage):	53.497¢	73.177¢	20.097¢	R

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

Procurement Charge: ^{2/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>35.155¢</u>	<u>35.155¢</u>	<u>34.609¢</u>	
Total Non Baseline Charge (all usage):.....	68.009¢	87.689¢	34.609¢	R

	<u>GML-C</u>	<u>GML-CC</u>	<u>GT-MLC</u>	
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Non-Baseline Rate, per therm (usage in excess of baseline usage):

Procurement Charge: ^{2/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>35.155¢</u>	<u>35.155¢</u>	<u>34.609¢</u>	
Total Non Baseline Charge (all usage):.....	68.009¢	87.689¢	34.609¢	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)

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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/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>14.735¢</u>	<u>14.735¢</u>	<u>14.189¢</u>	
Total Baseline Charge (all usage):.....	47.589¢	67.269¢	14.189¢	R

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

Procurement Charge: ^{2/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>20.506¢</u>	<u>20.506¢</u>	<u>19.960¢</u>	
Total Non-Baseline Charge (all usage):	53.360¢	73.040¢	19.960¢	R

	<u>GMBL-C</u>	<u>GMBL-CC</u>	<u>GT-MBLC</u>	
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Non-Baseline Rate, per therm (usage in excess of baseline usage):

Procurement Charge: ^{2/}	32.854¢	52.534¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>20.506¢</u>	<u>20.506¢</u>	<u>19.960¢</u>	
Total Non Baseline Charge (all usage):.....	53.360¢	73.040¢	19.960¢	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.

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