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December 6, 2006

Advice No. 3688
(U 904 G)

Public Utilities Commission of the State of California

Subject: Cross-Over Rate for December 2006

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

Purpose

This routine monthly filing revises the listed tariff rate schedules showing the Cross-Over Rate for applicable residential and core commercial and industrial customers for December 2006, as authorized by the California Public Utilities Commission's (Commission) approval of SoCalGas' Advice No. (AL) 3188-A on September 4, 2003, by Resolution G-3351. AL 3188-A was filed pursuant to Commission Decision (D.) 02-08-065 issued on August 22, 2002, authorizing SoCalGas to implement revised uniform rules for noncore customers requesting core service, and core customers with an annual consumption over 50,000 therms who elect to switch from a Core Aggregation Transportation (CAT) marketer to utility procurement service.

Background

The Cross-Over Rate, as set forth in Schedule No. G-CP will be the higher of 1) the posted monthly core procurement rate or 2) an Adjusted California Border Price. The Border Price adjustment will reflect the fact that interstate transportation costs are included in the core transportation rate, as opposed to the core procurement rate, and therefore must be removed from the Border Price in order to make for a proper comparison (and to avoid charging cross-over customers twice for interstate transportation). Similarly, the core procurement rate does not include intrastate backbone costs which are also a component of the core transportation rate.

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates.

This Cross-Over Rate will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except the following

customers: a) noncore customers who have been served under Schedule No. G-CS since January 1, 2001, or b) noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The Cross-Over Rate will be filed on or before the 9th calendar day of each month, to be effective the 10th calendar day of each month.

Requested Rate Revision

The Cross-Over Rate for December 2006 is 69.442 cents per therm, which is the Adjusted California Border Price. The Adjusted California Border Price is higher than the Core Procurement rate as filed by AL 3686 on November 30, 2006. The workpaper showing the calculation of the Cross-Over Rate is incorporated herein as Attachment C.

Protest

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

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

Copies of the protest should also be sent via e-mail to the attention of both Maria Salinas (mas@cpuc.ca.gov) and 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

Effective Date

In compliance with Advice No. 3188-A, approved on September 4, 2003 by Resolution G-3351, the tariff sheets filed herein are to be effective for service on and after December 10, 2006.

Notice

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

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SOUTHERN CALIFORNIA GAS COMPANY/ U 904 G**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Nena Maralit

Phone #: (213) 244-2822

E-mail: nmaralit@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3688

Subject of AL: December 2006 Cross-Over Rate

Keywords (choose from CPUC listing): Preliminary Statement; Procurement

AL filing type: Monthly Quarterly Annual One-Time Other

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

G-3351

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: December 10, 2006 No. of tariff sheets: 22

Estimated system annual revenue effect: (%): _____

Estimated system average rate effect (%): _____

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: PS II, GR, GS, GM, GML, G-NGVR, G-10, G-AC, G-EN, G-NGV, G-CP & TOCs

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: 3686, 3678

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. 3688

(See Attached Service List)

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ATTACHMENT B
Advice No. 3688

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41309-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 41273-G
Revised 41310-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 41274-G
Revised 41311-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 41275-G
Revised 41312-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 4	Revised 41276-G
Revised 41313-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 41277-G
Revised 41314-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 41280-G
Revised 41315-G	Schedule No. GS, SUBMETERED MULTI- FAMILY SERVICE, (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates), Sheet 2	Revised 41282-G
Revised 41316-G	Schedule No. GM, MULTI-FAMILY SERVICE, (Includes GM-E, GM-C, GM-EC, GM-CC, GT- ME, GT-MC and all GMB Rates), Sheet 2	Revised 41283-G
Revised 41317-G	Schedule No. GM, MULTI-FAMILY SERVICE, (Includes GM-E, GM-C, GM-EC, GM-CC, GT- ME, GT-MC and all GMB Rates), Sheet 3	Revised 41284-G
Revised 41318-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 41285-G
Revised 41319-G	Schedule No. GML, MULTI-FAMILY SERVICE, INCOME QUALIFIED, (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates), Sheet 3	Revised 41286-G
Revised 41320-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 41290-G
Revised 41321-G	Schedule No. G-10, CORE COMMERCIAL AND INDUSTRIAL SERVICE, (Includes GN-	Revised 41293-G

ATTACHMENT B
Advice No. 3688

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41322-G	10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates), Sheet 2 Schedule No. G-10, CORE COMMERCIAL AND INDUSTRIAL SERVICE, (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates), Sheet 3	Revised 41294-G
Revised 41323-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 41296-G
Revised 41324-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 41298-G
Revised 41325-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 41299-G
Revised 41326-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 41300-G
Revised 41327-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 41301-G
Revised 41328-G	TABLE OF CONTENTS	Revised 41303-G
Revised 41329-G	TABLE OF CONTENTS	Revised 41304-G
Revised 41330-G	TABLE OF CONTENTS	Revised 41308-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 Usage	Non-Baseline Usage	Customer Charge per meter, per day	
GR ^{1/}	90.917¢	109.057¢	16.438¢	
GR-C ^{2/}	95.246¢	113.386¢	16.438¢	R,R
GT-R	25.121¢	43.261¢	16.438¢	
GRL ^{3/}	72.733¢	87.245¢	13.151¢	
GT-RL ^{3/}	20.097¢	34.609¢	13.151¢	

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

	Baseline Usage	Non-Baseline Usage	Customer Charge per meter, per day	
GS ^{1/}	90.917¢	109.057¢	16.438¢	
GS-C ^{2/}	95.246¢	113.386¢	16.438¢	R,R
GT-S	25.121¢	43.261¢	16.438¢	
GSL ^{3/}	72.733¢	87.245¢	13.151¢	
GSL-C ^{3/}	76.197¢	90.709¢	13.151¢	R,R
GT-SL ^{3/}	20.097¢	34.609¢	13.151¢	

Schedule GM (Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC, and all GMB Rates)

	Baseline Usage	Non-Baseline Usage	Customer Charge per meter, per day	
GM-E ^{1/}	90.917¢	109.057¢	16.438¢	
GM-C ^{1/}	N/A	109.057¢	16.438¢	
GM-EC ^{2/}	95.246¢	113.386¢	16.438¢	R,R
GM-CC ^{2/}	N/A	113.386¢	16.438¢	R
GT-ME	25.121¢	43.261¢	16.438¢	
GT-MC	N/A	43.261¢	16.438¢	
GM-BE ^{1/}	83.532¢	90.746¢	9.842¢	
GM-BC ^{1/}	N/A	90.746¢	9.842¢	
GM-BEC ^{2/}	87.861¢	95.075¢	9.842¢	R,R
GM-BCC ^{2/}	N/A	95.075¢	9.842¢	R
GT-MBE	17.736¢	24.950¢	9.842¢	
GT-MBC	N/A	24.950¢	9.842¢	

^{1/} The residential core procurement charge as set forth in Schedule No. G-CP is 65.113¢/therm which includes the core brokerage fee.

^{2/} The residential cross-over rate as set forth in Schedule No. G-CP is 69.442¢/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. 3688
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

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

PRELIMINARY STATEMENT
 PART II
 SUMMARY OF RATES AND CHARGES

Sheet 2

(Continued)

RESIDENTIAL CORE SERVICE (Continued)

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

	Baseline <u>Usage</u>	Non-Baseline <u>Usage</u>	Customer Charge <u>per meter, per day</u>
GML-E ^{3/}	72.733¢	87.245¢	13.151¢
GML-C ^{3/}	N/A	87.245¢	13.151¢
GML-EC ^{3/}	76.197¢	90.709¢	13.151¢
GML-CC ^{3/}	N/A	90.709¢	13.151¢
GT-MLE ^{3/}	20.097¢	34.609¢	13.151¢
GT-MLC ^{3/}	N/A	34.609¢	13.151¢
GMBL-E ^{3/}	66.825¢	72.596¢	\$7.874
GMBL-C ^{3/}	N/A	72.596¢	\$7.874
GMBL-EC ^{3/}	70.289¢	76.060¢	\$7.874
GMBL-CC ^{3/}	N/A	76.060¢	\$7.874
GT-MBLE ^{3/}	14.189¢	19.960¢	\$7.874
GT-MBLC ^{3/}	N/A	19.960¢	\$7.874

R,R
R

R,R
R

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

	All <u>Usage</u>	Customer Charge <u>per meter, per day</u>
G-NGVR ^{1/}	78.456¢	32.877¢
G-NGVRC ^{2/}	82.785¢	32.877¢
GT-NGVR	12.660¢	32.877¢
G-NGVRL ^{3/}	62.764¢	26.301¢
GT-NGVRL ^{3/}	10.128¢	26.301¢

R

^{1/} The residential core procurement charge as set forth in Schedule No. G-CP is 65.113¢/therm which includes the core brokerage fee.
^{2/} The residential cross-over rate as set forth in Schedule No. G-CP is 69.442¢/therm which includes the core brokerage fee.
^{3/} The CARE rate reflects a 20% discount on all customer, commodity, and transportation charges.

R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3688
 DECISION NO.
 2H7

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

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

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 3

(Continued)

NON-RESIDENTIAL CORE SERVICE ^{1/ 2/}

Schedule G-10 ^{3/} (Includes GN-10, GN-10C, GT-10, GN-10V, GN-10VC, GT-10V, and all 10L Rates)

	<u>Tier I</u>	<u>Tier II</u>	<u>Tier III</u>
GN-10	107.814¢	86.872¢	71.720¢
GN-10C	112.143¢	91.201¢	76.049¢
GT-10	42.018¢	21.076¢	5.924¢
GN-10V	107.814¢	83.435¢	71.720¢
GN-10VC	112.143¢	87.764¢	76.049¢
GT-10V	42.018¢	17.639¢	5.924¢
GN-10L	86.251¢	69.497¢	57.376¢
GT-10L	33.614¢	16.861¢	4.739¢

R,R,R

R,R,R

Customer Charge
 Per meter, per day:

	<u>Customer's Annual Usage</u>		<u>CARE Eligible</u> <u>Customer's Annual Usage</u>	
	<1,000 th/yr	≥1,000 th/yr	<1,000 th/yr	≥1,000 th/yr
All customers except "Space Heating Only"	32.877¢	49.315¢	26.301¢	39.452¢
"Space Heating Only" customers:				
Beginning Dec. 1 through Mar. 31	\$0.99174	\$1.48760	\$0.79339	\$1.19008
Beginning Apr. 1 through Nov. 30	None	None	None	None

^{1/} The non-residential core procurement charge as set forth in Schedule No. G-CP is 65.113¢/therm which includes the core brokerage fee.

^{2/} The non-residential cross over rate as set forth in Schedule No. G-CP is 69.442¢/therm which includes the core brokerage fee.

^{3/} Schedule GL rates are set commensurate with GN-10 rate in Schedule G-10.

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(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3688
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

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

PRELIMINARY STATEMENT
PART II
SUMMARY OF RATES AND CHARGES

Sheet 4

(Continued)

NON-RESIDENTIAL CORE SERVICE (Continued) ^{1/ 2/}

Commodity Charge
 (per therm)

Schedule G-AC

G-AC: rate per therm	73.646¢	
G-ACC: rate per therm	77.975¢	R
G-ACL: rate per therm	58.916¢	
Customer Charge: \$150/month		R

Schedule G-EN

G-EN: rate per therm	76.542¢	
G-ENC: rate per therm	80.871¢	R
Customer Charge: \$50/month		

Schedule G-NGV

G-NGU: rate per therm	71.876¢	
G-NGUC: rate per therm	76.205¢	R
G-NGU plus G-NGC Compression Surcharge	146.500¢	
G-NGUC plus G-NGC Compression Surcharge	150.829¢	R
P-1 Customer Charge: \$13/month		
P-2A Customer Charge: \$65/month		

(Continued)

(TO BE INSERTED BY UTILITY)
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Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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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	65.113¢
Non-Residential Cross-Over Rate, per therm	69.442¢
Residential Core Procurement Charge, per therm	65.113¢
Residential Cross-Over Rate, per therm	69.442¢
Adjusted Core Procurement Charge, per therm	66.953¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

September 2006	96.351¢
October 2006	111.089¢
November 2006	TBD*

Noncore Retail Standby (SP-NR)

September 2006	96.416¢
October 2006	111.154¢
November 2006	TBD*

Wholesale Standby (SP-W)

September 2006	96.416¢
October 2006	111.154¢
November 2006	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

September 2006	32.734¢
October 2006	20.433¢
November 2006	35.120¢

Wholesale (BR-W)

September 2006	32.625¢
October 2006	20.365¢
November 2006	35.003¢

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

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3688
 DECISION NO.

7H7

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R
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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¢

Baseline Rate, per therm (baseline usage defined in Special Conditions 3 and 4):

<u>Procurement Charge</u> : ^{2/}	65.113¢	69.442¢	N/A
<u>Transmission Charge</u> : ^{3/}	25.804¢	25.804¢	25.121¢
<u>Total Baseline Charge</u> :	90.917¢	95.246¢	25.121¢

R

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

<u>Procurement Charge</u> : ^{2/}	65.113¢	69.442¢	N/A
<u>Transmission Charge</u> : ^{3/}	43.944¢	43.944¢	43.261¢
<u>Total Non-Baseline Charge</u> :	109.057¢	113.386¢	43.261¢

R

R

Rates for CARE-Eligible Customers

	<u>GRL</u>	<u>GT-RL</u>
<u>Customer Charge</u> , per meter per day: ^{1/}	13.151¢	13.151¢

^{1/} For "Space Heating Only" customers, a daily Customer Charge of 33.149¢ per day for GR, GR-C and GT-R and 26.519¢ per day for GRL and GT-RL applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, with some exceptions, usage will be accumulated to at least 20 one hundred cubic feet (Ccf) before billing. (Footnotes continue next page.)

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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/}	65.113¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>25.804¢</u>	<u>25.804¢</u>	<u>25.121¢</u>	
Total Baseline Charge:	90.917¢	95.246¢	25.121¢	R

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	65.113¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>43.944¢</u>	<u>43.944¢</u>	<u>43.261¢</u>	
Total Non-Baseline Charge:	109.057¢	113.386¢	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/}	52.090¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>20.643¢</u>	<u>20.643¢</u>	<u>20.097¢</u>	
Total Baseline Charge:	72.733¢	76.197¢	20.097¢	R

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	52.090¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>35.155¢</u>	<u>35.155¢</u>	<u>34.609¢</u>	
Total Non-Baseline Charge:	87.245¢	90.709¢	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

(Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC and all GMB Rates)

(Continued)

RATES

	<u>GM/GT-M</u>	<u>GMB/GT-MB</u>
Customer Charge, per meter, per day:	16.438¢ ^{1/}	\$9.842

GM

	<u>GM-E</u>	<u>GM-EC</u> ^{4/}	<u>GT-ME</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	65.113¢	69.442¢	N/A	R
Transmission Charge: ^{3/}	25.804¢	25.804¢	25.121¢	
Total Baseline Charge (all usage):	90.917¢	95.246¢	25.212¢	R
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	65.113¢	69.442¢	N/A	R
Transmission Charge: ^{3/}	43.944¢	43.944¢	43.261¢	
Total Non Baseline Charge (all usage):.....	109.057¢	113.386¢	43.261¢	R
	<u>GM-C</u>	<u>GM-CC</u> ^{4/}	<u>GT-MC</u>	
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	65.113¢	69.442¢	N/A	R
Transmission Charge: ^{3/}	43.944¢	43.944¢	43.261¢	
Total Non Baseline Charge (all usage):.....	109.057¢	113.386¢	43.261¢	R

^{1/} For "Space Heating Only" customers, a daily Customer Charge of 33.149¢ per day for GM and GT-M 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 GM-E, GM-EC, GM-BE, GM-BEC, GM-C, GM-CC, GM-BC and GM-BCC customers is equal to the GT-R 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.

^{4/} These Cross-Over Rate charges will be applicable for only the first 12 months of service for residential core transportation customers who consumed over 50,000 therms: (1) in the last 12 months and who have transferred from procuring their gas commodity from an Energy Service Provider (ESP) to utility procurement unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California; and (2) who return to core procurement service for up to 90 days while deciding whether to switch to a different ESP.

(Continued)

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Schedule No. GM

Sheet 3

MULTI-FAMILY SERVICE

(Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC and all GMB Rates)

(Continued)

RATES (Continued)

GMB

	<u>GM-BE</u>	<u>GM-BEC</u> ^{4/}	<u>GT-MBE</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	65.113¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>18.419¢</u>	<u>18.419¢</u>	<u>17.736¢</u>	
Total Baseline Charge (all usage):.....	83.532¢	87.861¢	17.736¢	R
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	65.113¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>25.633¢</u>	<u>25.633¢</u>	<u>24.950¢</u>	
Total Non-Baseline Charge (all usage):	90.746¢	95.075¢	24.950¢	R
	<u>GM-BC</u>	<u>GM-BCC</u> ^{4/}	<u>GT-MBC</u>	
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	65.113¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>25.633¢</u>	<u>25.633¢</u>	<u>24.950¢</u>	
Total Non Baseline Charge (all usage):.....	90.746¢	95.075¢	24.950¢	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.

(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/}	65.113¢	69.442¢	N/A
<u>Transmission Charge</u> ^{2/}	<u>13.343¢</u>	<u>13.343¢</u>	<u>12.660¢</u>
Commodity Charge	78.456¢	82.785¢	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-10

Sheet 2

CORE COMMERCIAL AND INDUSTRIAL SERVICE
 (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates)

(Continued)

RATES (Continued)

All Procurement, Transmission, and Commodity Charges are billed per therm.

GN-10: Applicable to natural gas procurement service to non-residential core customers, including service not provided under any other rate schedule.

		<u>Tier I^{2/}</u>	<u>Tier II^{2/}</u>	<u>Tier III^{2/}</u>
Procurement Charge: ^{3/}	G-CPNR	65.113¢	65.113¢	65.113¢
<u>Transmission Charge:</u> ^{4/}	GPT-10	<u>42.701¢</u>	<u>21.759¢</u>	<u>6.607¢</u>
Commodity Charge:	GN-10	107.814¢	86.872¢	71.720¢

GN-10C: Core procurement service for previous non-residential transportation-only customers returning to core procurement service, including CAT customers with annual consumption over 50,000 therms, as further defined in Schedule No. G-CP.

Procurement Charge: ^{3/}	G-CPNRC	69.442¢	69.442¢	69.442¢
<u>Transmission Charge:</u> ^{4/}	GPT-10	<u>42.701¢</u>	<u>21.759¢</u>	<u>6.607¢</u>
Commodity Charge:	GN-10C	112.143¢	91.201¢	76.049¢

R,R,R

R,R,R

GT-10: Applicable to non-residential transportation-only service including CAT service, as set forth in Special Condition 13.

Transmission Charge:	GT-10	42.018¢ ^{5/}	21.076¢ ^{5/}	5.924¢ ^{5/}
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^{2/} Tier I rates are applicable for the first 100 therms used during summer months and the first 250 therms used during winter months. Tier II rates are applicable for usage above Tier I quantities and up through 4,167 therms per month. Tier III rates are applicable for all usage above 4,167 therms per month. 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.

^{3/} This charge is applicable for service to Utility Procurement Customers as shown in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly, as set forth in Special Condition 5.

^{4/} This charge for GN-10, GN-10C, GN-10V, GN-10VC and GN-10L customers is equal to the GT-10 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.

(Footnotes continue next page.)

(Continued)

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Schedule No. G-10

Sheet 3

CORE COMMERCIAL AND INDUSTRIAL SERVICE
 (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates)

(Continued)

RATES (Continued)

City of Vernon

GN-10V: Applicable to natural gas procurement service to non-residential core customers located in the City of Vernon, as defined in Special Condition 11.

		<u>Tier I^{2/}</u>	<u>Tier II^{2/}</u>	<u>Tier III^{2/}</u>
Procurement Charge: ^{3/}	G-CPNR	65.113¢	65.113¢	65.113¢
<u>Transmission Charge:</u> ^{4/}	GPT-10V	<u>42.701¢</u>	<u>18.322¢</u>	<u>6.607¢</u>
Commodity Charge:	GN-10V	107.814¢	83.435¢	71.720¢

GN-10VC: Core procurement service for previous non-residential transportation-only customers returning to utility procurement service located in the City of Vernon, including CAT customers with annual consumption over 50,000 therms, as further defined in Schedule No. G-CP.

Procurement Charge: ^{3/}	G-CPNRC	69.442¢	69.442¢	69.442¢	R,R,R
<u>Transmission Charge:</u> ^{4/}	GPT-10V	<u>42.701¢</u>	<u>18.322¢</u>	<u>6.607¢</u>	
Commodity Charge:	GN-10VC	112.143¢	87.764¢	76.049¢	R,R,R

GT-10V: Applicable to non-residential transportation-only and CAT customers located in the City of Vernon as set forth in Special Conditions 11 and 13.

Transmission Charge:	GT-10V	42.018¢ ^{6/}	17.639¢ ^{6/}	5.924¢ ^{6/}
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(Footnotes continued from previous page.)

^{5/} These charges are equal to the core commodity rate less the following three components as approved in D.97-04-082: (1) the weighted average cost of gas; (2) the core brokerage fee; and (3) the procurement carrying cost of storage inventory. This charge includes the El Paso Settlement proceeds refund pursuant to D.03-10-087 and approved by Advice No. 3416.

^{6/} These charges are equal to the core commodity rate less the following four components as approved in D.97-04-082: (1) the weighted average cost of gas; (2) the core brokerage fee; (3) the procurement carrying cost of storage inventory; and (4) an amount to implement the SoCalGas-Vernon Stipulation and Settlement Agreement approved by D.96-09-104. This charge includes the El Paso Settlement proceeds refund pursuant to D.03-10-087 and approved by Advice No. 3416.

(Continued)

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

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges

G-AC

This charge is for service as defined above and consists of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; (2) the GT-AC transmission charge, excluding the El Paso Settlement proceeds refund to core aggregation customers pursuant to D.03-10-087 and Advice No. 3416, as set forth in Schedule No. GT-AC; and (3) the procurement carrying cost of storage inventory charge.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 10.

Rate, per therm.

Procurement Charge:	G-CPNR	65.113¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>8.533¢</u>
Commodity Charge:	G-AC	73.646¢

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	69.442¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>8.533¢</u>
Commodity Charge:	G-ACC	77.975¢

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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	65.113¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>11.429¢</u>
Commodity Charge:	G-EN	76.542¢

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	69.442¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>11.429¢</u>
Commodity Charge:	G-ENC	80.871¢

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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)

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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	65.113¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>6.763¢</u>
Commodity Charge:	G-NGU	71.876¢

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	69.442¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>6.763¢</u>
Commodity Charge:	G-NGUC	76.205¢

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R

Utility-Funded Fueling Station

G-NGC Compression Surcharge per therm 74.624¢

The G-NGC Compression Surcharge will be added to the G-NGU Uncompressed rate per therm, or the G-NGUC Uncompressed rate per therm as applicable, as indicated in the Customer-Funded Fueling Station section above. The resultant total compressed rate is:

G-NGU plus G-NGC, compressed per therm	146.500¢
G-NGUC plus G-NGC, compressed per therm	150.829¢

R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3688
 DECISION NO.
 2H7

ISSUED BY
Lee Schavrien
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 Regulatory Affairs

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

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	64.912¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	65.113¢

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	69.241¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	69.442¢	R

G-CPR

This charge is for residential service. Pursuant to D.96-08-037, Utility was authorized to change the residential gas procurement charge monthly concurrent with its implementation of the 1996 BCAP Decision (D.97-04-082).

(Continued)

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 RESOLUTION NO. G-3351

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 3

(Continued)

RATES (Continued)

G-CPR (Continued)

The monthly residential gas procurement charge is comprised of: (1) the weighted average cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068, including reservation charges associated with interstate pipeline capacity contracts entered into by the Utility pursuant to D.04-09-022 and D.02-06-023; (2) authorized franchise fees and uncollectible expenses; (3) authorized core brokerage fee; (4) any adjustments for over- or under- collection imbalance in the Core Purchased Gas Account (CPGA) imbalance band as defined and approved in D.98-07-068; and (5) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

Cost of Gas, per therm	64.912¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	65.113¢

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	69.241¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	69.442¢	R

The Border Price will be posted on the Utility's Internet web site at <http://www.socalgas.com>.

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 RESOLUTION NO. G-3351

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/}	52.090¢	55.554¢	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):	72.733¢	76.197¢	20.097¢	R

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

Procurement Charge: ^{2/}	52.090¢	55.554¢	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):.....	87.245¢	90.709¢	34.609¢	R

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

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

Procurement Charge: ^{2/}	52.090¢	55.554¢	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):.....	87.245¢	90.709¢	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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 2H7

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 EFFECTIVE Dec 10, 2006
 RESOLUTION NO. G-3351

Schedule No. GML

Sheet 3

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

(Continued)

RATES (Continued)

GMBL

	<u>GMBL-E</u>	<u>GMBL-EC</u>	<u>GT-MBLE</u>	
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	52.090¢	55.554¢	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):.....	66.825¢	70.289¢	14.189¢	R

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

Procurement Charge: ^{2/}	52.090¢	55.554¢	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):	72.596¢	76.060¢	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/}	52.090¢	55.554¢	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):.....	72.596¢	76.060¢	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.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3688
 DECISION NO.

347

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 Vice President
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DATE FILED Dec 6, 2006
 EFFECTIVE Dec 10, 2006
 RESOLUTION NO. G-3351

TABLE OF CONTENTS

(Continued)

<u>Schedule Number</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>	
GR	Residential Service (Includes GR, GR-C, GRL, GT-R and GT-RL Rates)	41314-G,41281-G,39254-G,39255-G,39144-G	T
GS	Submetered Multi-Family Service (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates)	40471-G,41315-G,40473-G,40474-G 40475-G,40476-G	T
GM	Multi-Family Service (Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC and all GMB Rates)	41011-G,41316-G,41317-G,41014-G 41015-G,41016-G,41017-G,41018-G	T
GML	Multi-Family Service, Income Qualified.....	40239-G,41318-G,41319-G 40242-G,40243-G,40244-G,40245-G	T
G-CARE	California Alternate Rates for Energy (CARE) Program	39257-G,40550-G 40551-G,40398-G,40399-G,40400-G,40401-G	
GO-SSA	Summer Saver Optional Rate for Owners of Existing Gas Equipment	39617-G,41287-G,37655-G,37656-G,31253-G	
GTO-SSA	Transportation-Only Summer Saver Optional Rate for Owners of Existing Gas Equipment	38243-G,40747-G,37657-G,36806-G,31258-G	
GO-SSB	SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	39620-G,41288-G,37658-G,37659-G,31263-G	
GTO-SSB	Transportation-Only SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	38568-G,40749-G,37661-G,31583-G,31268-G	
GO-AC	Optional Rate for Customers Purchasing New Gas Air Conditioning Equipment (Includes GO-AC and GTO-AC Rates)	41289-G,40643-G 40644-G,40645-G,40646-G	
G-NGVR	Natural Gas Service for Home Refueling of Motor Vehicles (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)	41320-G,41291-G,40097-G,40098-G	T

(Continued)

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 DECISION NO.
 1H7

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

TABLE OF CONTENTS

(Continued)

GL	Street and Outdoor Lighting Natural Gas Service	41292-G,31022-G	
G-10	Core Commercial and Industrial Service (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates)	41070-G,41321-G,41322-G,41295-G 41074-G,41075-G,41076-G,41077-G	T
G-AC	Core Air Conditioning Service for Commercial and Industrial	36674-G,41323-G,41297-G,36677-G,37928-G,36679-G 40556-G,38158-G	T
GT-AC	Core Transportation-only Air Conditioning Service for Commercial and Industrial	36682-G,40766-G,36683-G,36684-G 40557-G,39809-G,37929-G,38159-G	
G-EN	Core Gas Engine Service for Agricultural Water Pumping	39640-G,41324-G,37931-G,38160-G	T
GT-EN	Core Transportation-only Gas Engine Service for Agricultural Water Pumping	40768-G,36694-G,38161-G	
G-NGV	Natural Gas Service for Motor Vehicles	39643-G,41325-G,39148-G,36698-G	T
GT-NGV	Transportation of Customer-Owned Gas for Motor Vehicle Service	40770-G,40771-G,39149-G,36813-G	
GO-ET	Emerging Technologies Optional Rate for Core Commercial and Industrial	30200-G,39647-G,30202-G	
GTO-ET	Transportation-Only Emerging Technologies Optional Rate for Core Commercial and Industrial	30203-G,39648-G,30205-G	
GO-IR	Incremental Rate for Existing Equipment for Core Commercial and Industrial	30206-G,39649-G,30208-G	
GTO-IR	Transportation-Only Incremental Rate for Existing Equipment for Core Commercial and Industrial	30209-G,39650-G,30211-G	
G-CP	Core Procurement Service	39578-G,41326-G,41327-G,41302-G,37933-G	T
GT-F	Firm Intrastate Transmission Service	40032-G,40033-G,36705-G,40458-G 32664-G,32665-G,34838-G,38162-G,38163-G,38164-G	
GT-I	Interruptible Intrastate Transmission Service	40034-G,40035-G,32670-G 40459-G,34839-G,36527-G	

(Continued)

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 DECISION NO.

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 EFFECTIVE Dec 10, 2006
 RESOLUTION NO. G-3351

TABLE OF CONTENTS

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

<u>GENERAL</u>	<u>Cal. P.U.C. Sheet No.</u>
Title Page	40864-G
Table of Contents--General and Preliminary Statement	41330-G,41160-G,41066-G
Table of Contents--Service Area Maps and Descriptions	40434-G
Table of Contents--Rate Schedules	41328-G,41329-G,41333-G
Table of Contents--List of Cities and Communities Served	40149.1-G
Table of Contents--List of Contracts and Deviations	40149.1-G
Table of Contents--Rules	40826-G,41157-G
Table of Contents--Sample Forms	40358-G,39748-G,39142-G,41158-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	41309-G,41310-G,41311-G,41312-G,41069-G,40230-G 41313-G,40232-G,40233-G,40234-G,41278-G,41279-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 Balancing Accounts	
Description and Listing of Balancing Accounts	40865-G
Purchased Gas Account (PGA)	40866-G,40867-G
Core Fixed Cost Account (CFCA)	40868-G
Noncore Fixed Cost Account (NFCA)	40869-G
Enhanced Oil Recovery Account (EORA)	40870-G
Noncore Storage Balancing Account (NSBA)	40871-G
California Alternate Rates for Energy Account (CAREA)	40872-G,40873-G
Brokerage Fee Account (BFA)	40874-G
Hazardous Substance Cost Recovery Account (HSCRA)	40875-G, 40876-G,40877-G
Natural Gas Vehicle Account (NGVA)	40878-G,40879-G
El Paso Turned-Back Capacity Balancing Account (EPTCBA)	40880-G
Gas Cost Rewards and Penalties Account (GCRPA)	40881-G
Pension Balancing Account (PBA)	40882-G,40883-G

(Continued)

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 DECISION NO.

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ATTACHMENT C

ADVICE NO. 3688

**G-CPNRC & G-CPRC RATE CALCULATION WORKPAPER
SCHEDULE NO. G-CP CROSS-OVER RATE FILING
EFFECTIVE DECEMBER 10, 2006**

Border Price Index (BPI)

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence (NGI) and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week (NGW)

November 2006 NGI's Price Index (NGIPI) = \$0.67800 per therm

November 2006 NGW's Price Index (NGWPI) = \$0.68100 per therm

**Border Price Index (BPI) = (NGIPI + NGWPI) / 2
BPI = \$0.67950 per therm**

Adjusted Border Price Index (ABPI)

**Remove Core Pipeline Demand Costs from BPI
ABPI = \$0.67950 - \$0.00013 = \$0.67937 per therm**

Core Procurement Cost of Gas (CPC)

12/1/06 G-CPNR & G-CPR Cost of Gas (without Brokerage Fee) = \$0.64912

Adjusted Core Procurement Cost of Gas (ACPC)

**Remove 1.9187% Franchise Fee and Uncollectibles (FF&U)
ACPC = \$0.64912 / 1.019187 = \$0.63690 per therm**

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

Higher of ACPC or ABPI = ABPI = \$0.67937

**Include 1.9187% Franchise Fee and Uncollectibles (FF&U)
G-CPNRC & G-CPRC Cost of Gas = \$0.67937 * 1.019187 = \$0.69241 per therm**