



J. Steve Rahon
Director
Tariffs & Regulatory Accounts

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

December 29, 2006

Advice No. 3697
(U 904 G)

Public Utilities Commission of the State of California

Subject: January 2007 Core Procurement Charge Update

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 January 2007.

Information

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 January 2007 Core Procurement Charge is 54.884¢ per therm, a decrease of 10.229¢ 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 January 2007 is 54.187 ¢ per therm, a decrease of 12.766¢ per therm from last month.

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 Maria Salinas (mas@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 and therefore SoCalGas requests the tariff sheets filed herein to become effective on January 1, 2007.

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: _____

Contact Person: Connie Christensen

ELC

GAS

Phone #: (213) 244-3837

PLC

HEAT

WATER

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) #: 3697

Subject of AL: January 2007 Core Monthly Pricing Revision per D.98-07-068

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

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: 1/01/07

No. of tariff sheets: 33

Estimated system annual revenue effect: (%): N/A

Estimated system average rate effect (%): N/A

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

Tariff schedules affected: PS-II, GR, GS, GM, GML, GO-SSA, GO-SSB, GO-AC, G-NGVR, GL, 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: 3672, 3678, 3682, 3682, 3686, 3688, 3695

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. 3697

(See Attached Service List)

Aglet Consumer Alliance
James Weil
jweil@aglet.org

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

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

Ancillary Services Coalition
Jo Maxwell
jomaxwell@ascoalition.com

Ancillary Services Coalition
Terry Rich
TRich@ascoalition.com

BP Amoco, Reg. Affairs
Marianne Jones
501 West Lake Park Blvd.
Houston, TX 77079

Barkovich & Yap
Catherine E. Yap
ceyap@earthlink.net

Beta Consulting
John Burkholder
burkee@cts.com

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

CPUC
Energy Rate Design & Econ.
505 Van Ness Ave., Rm. 4002
San Francisco, CA 94102

CPUC
Pearlie Sabino
pzs@cpuc.ca.gov

CPUC - DRA
Galen Dunham
gsd@cpuc.ca.gov

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

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

California Energy Market
Lulu Weinzimer
luluw@newsdata.com

Calpine Corp
Avis Clark
aclark@calpine.com

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

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

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

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

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

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

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

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

City of Riverside
Joanne Snowden
jsnowden@riversideca.gov

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

Commerce Energy
Brian Patrick
BPatrick@commerceenergy.com

Commerce Energy
Gary Morrow
GMorrow@commerceenergy.com

Commerce Energy
Glenn Kinser
gkinser@commerceenergy.com

Commerce Energy
Lynelle Lund
llund@commerceenergy.com

Commerce Energy
Tony Cusati
TCusati@commerceenergy.com

Commerce Energy
Pat Darish
pdarish@commerceenergy.com

Commerce Energy
Chet Parker
CParker@commerceenergy.com

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

Crossborder Energy
Tom Beach
tomb@crossborderenergy.com

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

DGS
Henry Nanjo
Henry.Nanjo@dgs.ca.gov

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

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

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

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

Douglass & Liddell
Dan Douglass
douglass@energyattorney.com

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

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

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

Dynegy
Joseph M. Paul
jmpa@dynegy.com

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

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

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

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

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

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

JBS Energy
Jeff Nahigian
jeff@jbsenergy.com

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

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

LADWP
Nevenka Ubavich
nevenka.ubavich@ladwp.com

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

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

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

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

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

MRW & Associates
Robert Weisenmiller
mrw@mrwassoc.com

Manatt Phelps Phillips
Randy Keen
rkeen@manatt.com

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

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

Matthew Brady & Associates
Matthew Brady
matt@bradylawus.com

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

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

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

Praxair Inc
Rick Noger
rick_noger@praxair.com

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

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

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

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

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

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

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

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

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

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

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

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

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

TURN
Marcel Hawiger
marcel@turn.org

TURN
Mike Florio
mflorio@turn.org

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

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

ATTACHMENT B
Advice No. 3697

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41422-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 41350-G
Revised 41423-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 41351-G
Revised 41424-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 41352-G
Revised 41425-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 4	Revised 41353-G
Revised 41426-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 41417-G
Revised 41427-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 11	Revised 41357-G
Revised 41428-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 12	Revised 41358-G
Revised 41429-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 41363-G
Revised 41430-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 2	Revised 41364-G
Revised 41431-G	Schedule No. GS, SUBMETERED MULTI- FAMILY SERVICE, (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates), Sheet 2	Revised 41365-G
Revised 41432-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 41366-G
Revised 41433-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 41367-G
Revised 41434-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 41368-G
Revised 41435-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 41369-G

ATTACHMENT B
Advice No. 3697

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41436-G	Schedule No. GO-SSA, SUMMER SAVER OPTIONAL RATE, FOR OWNERS OF EXISTING GAS EQUIPMENT, Sheet 2	Revised 41371-G
Revised 41437-G	Schedule No. GO-SSB, SUMMER SAVER OPTIONAL RATE FOR CUSTOMERS PURCHASING , NEW GAS EQUIPMENT OR REPAIRING INOPERABLE EQUIPMENT, Sheet 2	Revised 41374-G
Revised 41438-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 41377-G
Revised 41439-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 41379-G
Revised 41440-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 41380-G
Revised 41441-G	Schedule No. GL, STREET AND OUTDOOR LIGHTING, NATURAL GAS SERVICE, Sheet 1	Revised 41381-G
Revised 41442-G	Schedule No. G-10, CORE COMMERCIAL AND INDUSTRIAL SERVICE, (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates), Sheet 2	Revised 41382-G
Revised 41443-G	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 41383-G
Revised 41444-G	Schedule No. G-10, CORE COMMERCIAL AND INDUSTRIAL SERVICE, (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates), Sheet 4	Revised 41384-G
Revised 41445-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 41385-G
Revised 41446-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR	Revised 41386-G

ATTACHMENT B
Advice No. 3697

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
	COMMERCIAL AND INDUSTRIAL, Sheet 3	
Revised 41447-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 41389-G
Revised 41448-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, Sheet 2	Revised 41391-G
Revised 41449-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 41326-G
Revised 41450-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 41327-G
Revised 41451-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 4	Revised 41302-G
Revised 41452-G	TABLE OF CONTENTS	Revised 41412-G
Revised 41453-G	TABLE OF CONTENTS	Revised 41413-G
Revised 41454-G	TABLE OF CONTENTS	Revised 41415-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/}	83.353¢	101.641¢	16.438¢	R,R
GR-C ^{2/}	97.911¢	116.199¢	16.438¢	
GT-R	28.418¢	46.706¢	16.438¢	R,R
GRL ^{3/}	67.634¢	82.265¢	13.151¢	R,R
GT-RL ^{3/}	22.734¢	37.365¢	13.151¢	

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

GS ^{1/}	83.353¢	101.641¢	16.438¢	R,R
GS-C ^{2/}	97.911¢	116.199¢	16.438¢	
GT-S	28.418¢	46.706¢	16.438¢	
GSL ^{3/}	67.634¢	82.265¢	13.151¢	R,R
GSL-C ^{3/}	79.281¢	93.912¢	13.151¢	
GT-SL ^{3/}	22.734¢	37.365¢	13.151¢	

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

GM-E ^{1/}	83.353¢	101.641¢	16.438¢	R,R
GM-C ^{1/}	N/A	101.641¢	16.438¢	R
GM-EC ^{2/}	97.911¢	116.199¢	16.438¢	
GM-CC ^{2/}	N/A	116.199¢	16.438¢	
GT-ME	28.418¢	46.706¢	16.438¢	
GT-MC	N/A	46.706¢	16.438¢	
GM-BE ^{1/}	75.229¢	83.219¢	\$10.102	R,R
GM-BC ^{1/}	N/A	83.219¢	\$10.102	R
GM-BEC ^{2/}	89.787¢	97.777¢	\$10.102	
GM-BCC ^{2/}	N/A	97.777¢	\$10.102	
GT-MBE	20.294¢	28.284¢	\$10.102	
GT-MBC	N/A	28.284¢	\$10.102	

^{1/} The residential core procurement charge as set forth in Schedule No. G-CP is 54.884¢/therm which includes the core brokerage fee. R
^{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. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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 Usage	Non-Baseline Usage	Customer Charge per meter, per day	
GML-E ^{3/}	67.634¢	82.265¢	13.151¢	R,R
GML-C ^{3/}	N/A	82.265¢	13.151¢	R
GML-EC ^{3/}	79.281¢	93.912¢	13.151¢	
GML-CC ^{3/}	N/A	93.912¢	13.151¢	
GT-MLE ^{3/}	22.734¢	37.365¢	13.151¢	
GT-MLC ^{3/}	N/A	37.365¢	13.151¢	
GMBL-E ^{3/}	61.135¢	67.527¢	\$8.082	R,R
GMBL-C ^{3/}	N/A	67.527¢	\$8.082	R
GMBL-EC ^{3/}	72.782¢	79.174¢	\$8.082	
GMBL-CC ^{3/}	N/A	79.174¢	\$8.082	
GT-MBLE ^{3/}	16.235¢	22.627¢	\$8.082	
GT-MBLC ^{3/}	N/A	22.627¢	\$8.082	

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

	All Usage	Customer Charge per meter, per day	
G-NGVR ^{1/}	70.441¢	32.877¢	R
G-NGVRC ^{2/}	84.999¢	32.877¢	
GT-NGVR	15.506¢	32.877¢	
G-NGVRL ^{3/}	57.305¢	26.301¢	R
GT-NGVRL ^{3/}	12.405¢	26.301¢	

^{1/} The residential core procurement charge as set forth in Schedule No. G-CP is 54.884¢/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)
 ADVISE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	100.815¢	78.694¢	61.089¢	R,R,R
GN-10C	115.373¢	93.252¢	75.647¢	
GT-10	45.880¢	23.759¢	6.154¢	
GN-10V	100.815¢	75.245¢	61.089¢	R,R,R
GN-10VC	115.373¢	89.803¢	75.647¢	
GT-10V	45.880¢	20.310¢	6.154¢	
GN-10L	81.604¢	63.907¢	49.823¢	R,R,R
GT-10L	36.704¢	19.007¢	4.923¢	

Customer Charge
 Per meter, per day:

	<u>Customer's Annual Usage</u>		<u>CARE Eligible 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 54.884¢/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.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	64.649¢	R
G-ACC: rate per therm	79.207¢	R
G-ACL: rate per therm	52.671¢	R
Customer Charge: \$150/month		

Schedule G-EN

G-EN: rate per therm	65.285¢	R
G-ENC: rate per therm	79.843¢	R
Customer Charge: \$50/month		

Schedule G-NGV

G-NGU: rate per therm	62.818¢	R
G-NGUC: rate per therm	77.376¢	R
G-NGU plus G-NGC Compression Surcharge	137.442¢	R
G-NGUC plus G-NGC Compression Surcharge	152.000¢	R
P-1 Customer Charge: \$13/month		
P-2A Customer Charge: \$65/month		

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	2.756¢
ITCS-VRN	(0.033¢)

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm	54.884¢	R
Non-Residential Cross-Over Rate, per therm	69.442¢	
Residential Core Procurement Charge, per therm	54.884¢	R
Residential Cross-Over Rate, per therm	69.442¢	
Adjusted Core Procurement Charge, per therm	54.187¢	R

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

October 2006	111.089¢
November 2006	119.414¢
December 2006	TBD*

Noncore Retail Standby (SP-NR)

October 2006	111.154¢
November 2006	119.479¢
December 2006	TBD*

Wholesale Standby (SP-W)

October 2006	111.154¢
November 2006	119.479¢
December 2006	TBD*

Buy-Back Rate

Core and Noncore Retail (BR-R)

October 2006	20.433¢
November 2006	35.120¢
December 2006	33.477¢

Wholesale (BR-W)

October 2006	20.365¢
November 2006	35.003¢
December 2006	33.365¢

*To be determined (TBD). Pursuant to Resolution G-3316, the December Standby Procurement charge will be filed by separate advice letter at least one day prior to January 25, 2007.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

PRELIMINARY STATEMENT
PART II
SUMMARY OF RATES AND CHARGES

Sheet 11

(Continued)

RATE COMPONENT SUMMARY

CORE

Residential Sales Service

Charge
(per therm)

Base Margin	45.031¢	
Other Operating Costs/Revenues	0.833¢	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	0.057¢	
Core Averaging/Other Noncore	(1.084¢)	
Procurement Rate (w/o Brokerage Fee)	54.683¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	99.772¢	R

Non-Residential - Commercial/Industrial

Charge
(per therm)

Base Margin	25.063¢	
Other Operating Costs/Revenues	(0.042¢)	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(0.020¢)	
Core Averaging/Other Noncore	3.308¢	
Procurement Rate (w/o Brokerage Fee)	54.683¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	83.244¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	12.554¢	
Other Operating Costs/Revenues	(0.085¢)	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(0.055¢)	
Procurement Rate (w/o Brokerage Fee)	54.683¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	67.349¢	R

Non-Residential - Gas Engine

Charge
(per therm)

Base Margin	13.049¢	
Other Operating Costs/Revenues	(0.034¢)	
Transition Costs	0.000¢	
Balancing/Tracking Account Amortization	(0.054¢)	
Procurement Rate (w/o Brokerage Fee)	54.683¢	R
Core Brokerage Fee Adjustment	0.201¢	
Procurement Carrying Cost of Storage Inventory	0.051¢	

Total Costs	67.896¢	R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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/}	54.884¢	69.442¢	N/A
<u>Transmission Charge</u> : ^{3/}	28.469¢	28.469¢	28.418¢
<u>Total Baseline Charge</u> :	83.353¢	97.911¢	28.418¢

R
R

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

<u>Procurement Charge</u> : ^{2/}	54.884¢	69.442¢	N/A
<u>Transmission Charge</u> : ^{3/}	46.757¢	46.757¢	46.706¢
<u>Total Non-Baseline Charge</u> :	101.641¢	116.199¢	46.706¢

R
R

Rates for CARE-Eligible Customers

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

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

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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)

The Transmission Charges for CARE-eligible procurement customers shown below include an additional charge of 0.952 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

	<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/}	43.907¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>23.727¢</u>	<u>22.734¢</u>	
Total Baseline Charge:	67.634¢	22.734¢	R
 <u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	43.907¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>38.358¢</u>	<u>37.365¢</u>	
Total Non-Baseline Charge:	82.265¢	37.365¢	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.

(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 plus the procurement carrying cost of storage inventory charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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, per therm</u> (baseline usage defined in Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge:</u> ^{3/}	<u>28.469¢</u>	<u>28.469¢</u>	<u>28.418¢</u>	R
Total Baseline Charge:	83.353¢	97.911¢	28.418¢	R

<u>Non-Baseline Rate, per therm</u> (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge:</u> ^{3/}	<u>46.757¢</u>	<u>46.757¢</u>	<u>46.706¢</u>	R
Total Non-Baseline Charge:	101.641¢	116.199¢	46.706¢	R

Rates for CARE-Eligible Customers

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

The Transmission Charges for CARE-eligible procurement customers shown below include an additional charge of 0.952 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

<u>Baseline Rate, per therm</u> (baseline usage defined per Special Conditions 3 and 4):				
Procurement Charge: ^{2/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge:</u> ^{3/}	<u>23.727¢</u>	<u>23.727¢</u>	<u>22.734¢</u>	R
Total Baseline Charge:	67.634¢	79.281¢	22.734¢	R

<u>Non-Baseline Rate, per therm</u> (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge:</u> ^{3/}	<u>38.358¢</u>	<u>38.358¢</u>	<u>37.365¢</u>	R
Total Non-Baseline Charge:	82.265¢	93.912¢	37.365¢	R

^{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 8.

^{3/} This charge for GS and GS-C customers is equal to the GT-S Transmission Charge and the procurement carrying cost of storage inventory charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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/}	\$10.102

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/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	28.469¢	28.469¢	28.418¢	
Total Baseline Charge (all usage):	83.353¢	97.911¢	28.418¢	R

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	46.757¢	46.757¢	46.706¢	
Total Non Baseline Charge (all usage):.....	101.641¢	116.199¢	46.706¢	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/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	46.757¢	46.757¢	46.706¢	
Total Non Baseline Charge (all usage):.....	101.641¢	116.199¢	46.706¢	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 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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>20.345¢</u>	<u>20.345¢</u>	<u>20.294¢</u>	
Total Baseline Charge (all usage):.....	75.229¢	89.787¢	20.294¢	R
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):				
Procurement Charge: ^{2/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>28.335¢</u>	<u>28.335¢</u>	<u>28.284¢</u>	
Total Non-Baseline Charge (all usage):	83.219¢	97.777¢	28.284¢	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/}	54.884¢	69.442¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>28.335¢</u>	<u>28.335¢</u>	<u>28.284¢</u>	
Total Non Baseline Charge (all usage):.....	83.219¢	97.777¢	28.284¢	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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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/}	54.884¢	N/A	R
<u>Transmission Charge</u> :	<u>28.469¢^{4/}</u>	<u>28.418¢</u>	
<u>Total Baseline Charge</u> :	83.353¢	28.418¢	R
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
<u>Procurement Charge</u> : ^{3/}	54.884¢	N/A	R
<u>Transmission Charge</u> :	<u>46.757¢^{4/}</u>	<u>46.706¢</u>	
<u>Total Non-Baseline Charge</u> :	101.641¢	46.706¢	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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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/}	54.884¢	69.442¢	N/A
<u>Transmission Charge</u> ^{2/}	<u>15.557¢</u>	<u>15.557¢</u>	<u>15.506¢</u>
Commodity Charge	70.441¢	84.999¢	15.506¢

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 plus the procurement carrying cost of storage inventory charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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¢

The Transmission Charge for CARE-eligible procurement customers shown below includes an additional charge of 0.952 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

Rate, per therm

Procurement Charge	43.907¢	N/A
<u>Transmission Charge</u>	<u>13.398¢</u>	<u>12.405¢</u>
Commodity Charge	57.305¢	12.405¢

R
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.
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.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 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	12.38
2.00 - 2.49 cu.ft. per hr	14.02
2.50 - 2.99 cu.ft. per hr	17.14
3.00 - 3.99 cu.ft. per hr	21.82
4.00 - 4.99 cu.ft. per hr	28.05
5.00 - 7.49 cu.ft. per hr	38.96
7.50 - 10.00 cu.ft. per hr	54.54
For each cu.ft. per hour of total capacity in excess of 10 cu.ft. per hour	6.23

R
|
|
|
|
|
R
R

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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.

		<u>Tier I</u> ^{2/}	<u>Tier II</u> ^{2/}	<u>Tier III</u> ^{2/}	
<u>GN-10:</u>	Applicable to natural gas procurement service to non-residential core customers, including service not provided under any other rate schedule.				
	Procurement Charge: ^{3/} G-CPNR	54.884¢	54.884¢	54.884¢	R,R,R
	<u>Transmission Charge:</u> ^{4/} GPT-10	<u>45.931¢</u>	<u>23.810¢</u>	<u>6.205¢</u>	
	Commodity Charge: GN-10	100.815¢	78.694¢	61.089¢	R,R,R
<u>GN-10C:</u>	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>45.931¢</u>	<u>23.810¢</u>	<u>6.205¢</u>	
	Commodity Charge: GN-10C	115.373¢	93.252¢	75.647¢	
<u>GT-10:</u>	Applicable to non-residential transportation-only service including CAT service, as set forth in Special Condition 13.				
	Transmission Charge: GT-10	45.880¢ ^{5/}	23.759¢ ^{5/}	6.154¢ ^{5/}	

^{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 and the procurement carrying cost of storage inventory charge.

(Footnotes continue next page.)

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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

		<u>Tier I^{2/}</u>	<u>Tier II^{2/}</u>	<u>Tier III^{2/}</u>	
<u>GN-10V:</u>	Applicable to natural gas procurement service to non-residential core customers located in the City of Vernon, as defined in Special Condition 11.				
	Procurement Charge: ^{3/} G-CPNR	54.884¢	54.884¢	54.884¢	R,R,R
	<u>Transmission Charge:</u> ^{4/} GPT-10V	<u>45.931¢</u>	<u>20.361¢</u>	<u>6.205¢</u>	
	Commodity Charge: GN-10V	100.815¢	75.245¢	61.089¢	R,R,R
<u>GN-10VC:</u>	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¢	
	<u>Transmission Charge:</u> ^{4/} GPT-10V	<u>45.931¢</u>	<u>20.361¢</u>	<u>6.205¢</u>	
	Commodity Charge: GN-10VC	115.373¢	89.803¢	75.647¢	
<u>GT-10V:</u>	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	45.880¢ ^{6/}	20.310¢ ^{6/}	6.154¢ ^{6/}	

(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.

^{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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

Schedule No. G-10

Sheet 4

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

(Continued)

RATES (Continued)

CARE Eligible Customers

The GN-10L procurement rate and GT-10L transportation-only and CAT rates are applicable to Nonprofit Group Living Facilities and Qualified Agricultural Employee Housing Facilities (migrant farmworker housing centers, privately owned employee housing, and agricultural employee housing operated by nonprofit entities) that meet the requirements for California Alternate Rates for Energy (CARE) as set forth in Schedule G-CARE. The CARE discount of 20% is reflected in the GN-10L and GT-10L rates shown below.

The Transmission Charges for CARE-eligible procurement customers shown below include an additional charge of 0.952 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

			<u>Tier I^{2/}</u>	<u>Tier II^{2/}</u>	<u>Tier III^{2/}</u>	
<u>GN-10L</u>	Procurement Charge: ^{3/}	G-CPNRL	43.907¢	43.907¢	43.907¢	R,R,R
	<u>Transmission Charge:</u> ^{4/}	GPT-10L	<u>37.697¢</u>	<u>20.000¢</u>	<u>5.916¢</u>	
	Commodity Charge:	GN-10L	81.604¢	63.907¢	49.823¢	R,R,R
<u>GT-10L</u>	Transmission Charge:	GT-10L	36.704¢ ^{7/}	19.007¢ ^{7/}	4.923¢ ^{7/}	

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

Late Payment Charge

A late payment charge may be added to a customer's bill whenever a customer fails to pay for services under this schedule as set forth in Rule No. 12, Payment of Bills, and for CAT customers, as set forth in Rule No. 32.

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.

^{7/} These charges are equal to the discounted core commodity rate less the following three components as approved in D.97-04-082: (1) the discounted weighted average cost of gas; (2) the discounted core brokerage fee; and (3) the discounted procurement carrying cost of storage inventory.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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, 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	54.884¢	
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>9.765¢</u>	
Commodity Charge:	G-AC	64.649¢	

R
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, 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>9.765¢</u>
Commodity Charge:	G-ACC	79.207¢

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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, 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.

The Transmission Charge for CARE-eligible procurement customers shown below includes an additional charge of 0.952 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

Rate, per therm.

Procurement Charge:	G-CPNRL	43.907¢	
<u>Transmission Charge:</u>	<u>GPT-ACL</u>	<u>8.764¢</u>	R
Commodity Charge:	G-ACL	52.671¢	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.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	54.884¢	
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>10.401¢</u>	
Commodity Charge:	G-EN	65.285¢	

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, 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>10.401¢</u>
Commodity Charge:	G-ENC	79.843¢

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. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	54.884¢	R
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>7.934¢</u>	
Commodity Charge:	G-NGU	62.818¢	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	69.442¢
<u>Transmission Charge:</u>	<u>GPT-NGU</u>	<u>7.934¢</u>
Commodity Charge:	G-NGUC	77.376¢

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	137.442¢	R
G-NGUC plus G-NGC, compressed per therm	152.000¢	

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	54.683¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	54.884¢	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	69.241¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	69.442¢

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. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	54.683¢	R
Brokerage Fee, per therm	<u>0.201¢</u>	
Total Core Procurement Charge, per therm	54.884¢	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	69.241¢
Brokerage Fee, per therm	<u>0.201¢</u>
Total Core Procurement Charge, per therm	69.442¢

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

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVISE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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 54.187¢

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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	54.884¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>28.469¢</u>	R
Commodity Charge:	GR	83.353¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	54.884¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>46.757¢</u>	R
Commodity Charge:	GR	101.641¢	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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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	54.884¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>28.469¢</u>	
Commodity Charge:	GR	83.353¢	R

Non-Baseline Rate

All usage, per therm.

Procurement Charge:	G-CPR	54.884¢	R
<u>Transmission Charge:</u>	<u>GPT-R</u>	<u>46.757¢</u>	
Commodity Charge:	GR	101.641¢	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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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/}	\$8.082

The Transmission Charges for CARE-eligible procurement customers shown below include an additional charge of 0.952 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

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/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>23.727¢</u>	<u>23.727¢</u>	<u>22.734¢</u>	
Total Baseline Charge (all usage):	67.634¢	79.281¢	22.734¢	R

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

Procurement Charge: ^{2/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>38.358¢</u>	<u>38.358¢</u>	<u>37.365¢</u>	
Total Non Baseline Charge (all usage):.....	82.265¢	93.912¢	37.365¢	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/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>38.358¢</u>	<u>38.358¢</u>	<u>37.365¢</u>	
Total Non Baseline Charge (all usage):.....	82.265¢	93.912¢	37.365¢	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. (Footnotes continued on next page.)

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>17.228¢</u>	<u>17.228¢</u>	<u>16.235¢</u>	
Total Baseline Charge (all usage):.....	61.135¢	72.782¢	16.235¢	R

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

Procurement Charge: ^{2/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>23.620¢</u>	<u>23.620¢</u>	<u>22.627¢</u>	
Total Non-Baseline Charge (all usage):	67.527¢	79.174¢	22.627¢	R

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

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

Procurement Charge: ^{2/}	43.907¢	55.554¢	N/A	R
<u>Transmission Charge</u> : ^{3/}	<u>23.620¢</u>	<u>23.620¢</u>	<u>22.627¢</u>	
Total Non Baseline Charge (all usage):.....	67.527¢	79.174¢	22.627¢	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.

(Footnotes continued from previous page.)

^{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 and the procurement carrying cost of storage inventory charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVISE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

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)	41429-G,41430-G,41209-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,41431-G,41211-G,41212-G 41213-G,41214-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,41432-G,41433-G,41014-G 41015-G,41016-G,41017-G,41018-G	T
GML	Multi-Family Service, Income Qualified.....	40239-G,41434-G,41435-G 41217-G,41218-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	41370-G,41436-G,37655-G,37656-G,31253-G	T
GTO-SSA	Transportation-Only Summer Saver Optional Rate for Owners of Existing Gas Equipment	38243-G,41372-G,37657-G,36806-G,31258-G	
GO-SSB	SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	41373-G,41437-G,37658-G,37659-G,31263-G	T
GTO-SSB	Transportation-Only SummerSaver Optional Rate for Customers Purchasing New or Repairing Inoperable Equip.	41375-G,41376-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)	41438-G,41378-G 40644-G,40645-G,40646-G	T
G-NGVR	Natural Gas Service for Home Refueling of Motor Vehicles (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)	41439-G,41440-G,41220-G,41221-G	T

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

TABLE OF CONTENTS

(Continued)

GL	Street and Outdoor Lighting Natural Gas Service	41441-G,31022-G	T
G-10	Core Commercial and Industrial Service (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates)	41070-G,41442-G,41443-G,41444-G 41074-G,41075-G,41076-G,41077-G	T
G-AC	Core Air Conditioning Service for Commercial and Industrial	36674-G,41445-G,41446-G,41224-G,41225-G,36679-G 40556-G,38158-G	T
GT-AC	Core Transportation-only Air Conditioning Service for Commercial and Industrial	36682-G,41387-G,36683-G,36684-G 40557-G,39809-G,37929-G,38159-G	
G-EN	Core Gas Engine Service for Agricultural Water Pumping	41388-G,41447-G,37931-G,38160-G	T
GT-EN	Core Transportation-only Gas Engine Service for Agricultural Water Pumping	41390-G,36694-G,38161-G	T
G-NGV	Natural Gas Service for Motor Vehicles	39643-G,41448-G,39148-G,36698-G	T
GT-NGV	Transportation of Customer-Owned Gas for Motor Vehicle Service	41392-G,41393-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,41449-G,41450-G,41451-G,37933-G	T
GT-F	Firm Intrastate Transmission Service	41394-G,41395-G,36705-G,40458-G 32664-G,32665-G,34838-G,38162-G,38163-G,38164-G	
GT-I	Interruptible Intrastate Transmission Service	41396-G,41397-G,32670-G 40459-G,34839-G,36527-G	

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____

TABLE OF CONTENTS

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

GENERAL

Cal. P.U.C. Sheet No.

Title Page	40864-G	
Table of Contents--General and Preliminary Statement	41454-G,41160-G,41416-G	T
Table of Contents--Service Area Maps and Descriptions	40434-G	
Table of Contents--Rate Schedules	41452-G,41453-G,41414-G	T
Table of Contents--List of Cities and Communities Served	40149.1-G	
Table of Contents--List of Contracts and Deviations	40149.1-G	
Table of Contents--Rules	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	41422-G,41423-G,41424-G,41425-G,41354-G,41355-G 41426-G,40232-G,40233-G,41161-G,41427-G,41428-G,41359-G,41360-G	T T
Part III Cost Allocation and Revenue Requirement	27024-G,37920-G,27026-G,27027-G,41361-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)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3697
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 29, 2006
 EFFECTIVE Jan 1, 2007
 RESOLUTION NO. _____