PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



April 25, 2007

Advice Letter 3712

Mr. Sid Newsom Regulatory Tariff Administration Southern California Gas Company – GT14D6 555 West Fifth Street Los Angeles, CA 90013-4957

Subject: Daily Balancing Standby Rates for February 1-8 2007

RECEIVED

REGULATORY TARIFFS

Dear Mr. Newsom:

Advice Letter 3712 is effective February 09, 2007. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director

5 W Shaph

Energy Division





J. Steve Rahon
Director
Tariffs & Regulatory Accounts

8330 Century Park Court CP32C San Diego, CA 92123-1548 Tel: 858.654.1773 Fax 858.654.1788 srahon@SempraUtilities.com

February 9, 2007

Advice No. 3712 (U 904 G)

Public Utilities Commission of the State of California

Subject: Daily Balancing Standby Rates for February 1 - 8, 2007

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

<u>Purpose</u>

This routine filing updates the Daily Balancing Standby Rates for the period of February 1, 2007 through February 8, 2007 in Schedule No. G-IMB, Transportation Imbalance Service, as authorized by the Commission's approval of SoCalGas' Advice Nos. 2651, 2651-A and 2651-B on December 26, 1997, which were filed in compliance with Decision (D.) 97-11-070, dated November 19, 1997, which modified Capacity Brokering Decision D.90-09-089 by adopting modifications to SoCalGas' balancing rules.

Background

As authorized in Schedule No. G-IMB, customers will be subject to balancing rules during the winter operating period. From November through March, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 50% of burn over a five day period. As the Utility's total inventory in storage declines to the peak day minimum + 20 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 70% of burn daily. As the Utility's total inventory in storage declines to the peak day minimum + 5 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 90% of burn daily. Volumes not in compliance with the minimum delivery requirements will be purchased at the daily balancing standby rates described below. Imbalance trading and as-available withdrawal may not be used to offset the minimum delivery requirements. A complete description of the winter minimum delivery requirements is specified in Rule No. 30, Transportation of Customer-Owned Gas.

The Daily Balancing Standby Rates are calculated as follows:

- 1. During November through March customers are required to deliver (flowing supply and firm storage withdrawal) at a minimum of 50% of burn during a five-day period. Volumes not in compliance with the 50% five-day minimum delivery requirement are purchased at the daily balancing standby rate. The daily balancing standby rate is calculated as 150% of the highest Southern California Border price during the five-day period as published in "NGI's Daily Gas Price Index" including authorized franchise fees and, for retail customers, uncollectible expenses (F&U), and an authorized brokerage fee.
- 2. When the Utility's total inventory in storage declines to the "peak day minimum + 20 Bcf trigger", the minimum daily delivery requirement increases to 70%. The five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's Daily Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 70% delivery requirement.
- 3. When the Utility's total inventory in storage declines to the "peak day minimum + 5 Bcf trigger", the minimum delivery requirement increases to 90% daily. Similar to the 70% regime, the five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily* Gas Price Index for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 90% delivery requirement.

As further authorized in Schedule No. G-IMB, by the Commission's approval of SoCalGas' Advice No. 3018 on June 6, 2001, the Daily Balancing Standby Rates may be filed weekly to become effective immediately. In any event, the Daily Balancing Standby Rates shall be filed on or before the fifth business day of each month.

Requested Tariff Revisions

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets. The note at the end of the Daily Balancing Standby Rates section is revised to state that for the days of February 1-8, 2007 the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies. The workpaper showing the calculation of these rates is incorporated herein as Attachment C.

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 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

> 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

As authorized in Schedule No. G-IMB, the tariff sheets filed herein are to be effective for service on and after February 9, 2007, which is the date filed, and are to be applicable to the period of February 1, 2007 through February 8, 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:	Utility type: Contact Person: Connie Christensen			
☐ ELC ☐ GAS	Phone #: (213) 244-3837			
☐ PLC ☐ HEAT ☐ WATER	E-mail: cchriste	nsen@semprautilities.com		
EXPLANATION OF UTILITY T	EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)			
ELC = Electric GAS = Gas				
•	WATER = Water			
Advice Letter (AL) #: 3712				
Subject of AL: Daily Balancing St.	andby Rates for Feb	oruary 1 - 8, 2007		
Keywords (choose from CPUC listing	g): Compliance, No	n-Core, Procurement		
AL filing type: Monthly Quarte	orly \(\sqrt{\text{Annual}} \(\sqrt{\text{O}} \)	ne-Time 🕅 OtherWeekly		
	<u> </u>	cate relevant Decision/Resolution #:		
D.97-11-070	iiiiissioii order, iiidi	tate relevant Decision/ Resolution #.		
Does AL replace a withdrawn or reje	octad AI2 If so idar	ntify the prior AI		
Summarize differences between the		v I		
Summarize differences between the	AL and the prior wi	thurawn or rejected AL.		
Resolution Required? Yes No				
Requested effective date: 02/09/07 No. of tariff sheets: 4				
Estimated system annual revenue e				
Estimated system average rate effec				
When rates are affected by AL, inclu	ide attachment in A	L showing average rate effects on customer		
classes (residential, small commercial, large C/I, agricultural, lighting).				
Tariff schedules affected: Schedule G-IMB, and Tables of Contents				
Service affected and changes proposed ¹ :				
Pending advice letters that revise the same tariff sheets: 3698, 3700, 3701, 3705, 3709				
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		outhern California Gas Company tention: Sid Newsom		
505 Van Ness Avenue		55 West Fifth Street, ML GT14D6		
San Francisco, CA 94102 Los Angeles, CA 90013-4957				
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov		newsom@semprautilities.com		

 $^{^{\}scriptscriptstyle 1}$ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3712

(See Attached Service List)

Aglet Consumer Alliance James Weil

jweil@aglet.org

Ancillary Services Coalition

Jo Maxwell

jomaxwell@ascoalition.com

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

CPUC Pearlie Sabino pzs@cpuc.ca.gov

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

Calpine Corp Avis Clark aclark@calpine.com

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

City of Long Beach, Gas & Oil Dept. **Chris Garner**

2400 East Spring Street Long Beach, CA 90806

City of Riverside Joanne Snowden

jsnowden@riversideca.gov

Commerce Energy Tony Cusati

TCusati@commerceenergy.com

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

Ancillary Services Coalition

Terry Rich

TRich@ascoalition.com

Beta Consulting John Burkholder burkee@cts.com

CPUC

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

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

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

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

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

City of Vernon **Daniel Garcia**

dgarcia@ci.vernon.ca.us

Commerce Energy Lynelle Lund

Ilund@commerceenergy.com

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

BP Amoco, Reg. Affairs

Marianne Jones

501 West Lake Park Blvd. Houston, TX 77079

CPUC

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

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

California Energy Market

Lulu Weinzimer luluw@newsdata.com

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

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

City of Pasadena - Water and Power

Dept.

Robert Sherick

rsherick@cityofpasadena.net

Commerce Energy Brian Patrick

BPatrick@commerceenergy.com

Commerce Energy Glenn Kinser

gkinser@commerceenergy.com

Los Angeles, CA 90051-0100

wbooth@booth-law.com

William Booth

Law Offices of William H. Booth

County of Los Angeles Culver City Utilities Crossborder Energy Stephen Crouch Tom Beach **Heustace Lewis** 1100 N. Eastern Ave., Room 300 tomb@crossborderenergy.com Heustace.Lewis@culvercity.org Los Angeles, CA 90063 **DGS Davis Wright Tremaine, LLP Davis Wright Tremaine, LLP Henry Nanjo** Christopher Hilen Edward W. O'Neill Henry.Nanjo@dgs.ca.gov chrishilen@dwt.com One Embarcadero Center, #600 San Francisco, CA 94111-3834 Davis, Wright, Tremaine **Dept. of General Services** Douglass & Liddell Judy Pau **Celia Torres** Dan Douglass judypau@dwt.com celia.torres@dgs.ca.gov douglass@energyattorney.com **Douglass & Liddell** Downey, Brand, Seymour & Rohwer Downey, Brand, Seymour & Rohwer Donald C. Liddell **Ann Trowbridge** Dan Carroll liddell@energyattorney.com atrowbridge@downeybrand.com dcarroll@downeybrand.com **Gas Purchasing Gas Transmission Northwest Dynegy** Corporation Joseph M. Paul BC Gas Utility Ltd. Bevin Hong impa@dynegy.com 16705 Fraser Highway Bevin Hong@transcanada.com Surrey, British Columbia, V3S 2X7 **General Services Administration** Goodin, MacBride, Squeri, Ritchie & Goodin, MacBride, Squeri, Ritchie & Day, LLP Day, LLP **Facilities Management (9PM-FT)** J. H. Patrick James D. Squeri 450 Golden Gate Ave. hpatrick@gmssr.com jsqueri@gmssr.com San Francisco, CA 94102-3611 **Hanna & Morton Imperial Irrigation District** JBS Energy Norman A. Pedersen, Esq. K. S. Noller Jeff Nahigian npedersen@hanmor.com P. O. Box 937 jeff@jbsenergy.com Imperial, CA 92251 Jeffer, Mangels, Butler & Marmaro **Kern River Gas Transmission Company LADWP** 2 Embarcaero Center, 5th Floor Janie Nielsen Nevenka Ubavich Janie.Nielsen@KernRiverGas.com San Francisco, CA 94111 nevenka.ubavich@ladwp.com Law Offices of Diane I. Fellman **LADWP** LS Power (took over Duke Energy) Diane Fellman Randy Howard A Hartmann P. O. Box 51111, Rm. 956 AHartmann@LSPower.com diane_fellman@fpl.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

Julie Morris

Julie.Morris@PPMEnergy.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

viger Mike Flo

The Mehle Law Firm PLLC

Colette B. Mehle

cmehle@mehlelaw.com

Western Manufactured Housing

Communities Assoc.

Sheila Day

sheila@wma.org

TURN
Mike Florio
mflorio@turn.org

ATTACHMENT B Advice No. 3712

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41654-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 4	Revised 41496-G
Revised 41655-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 41629-G
Revised 41656-G	TABLE OF CONTENTS	Revised 41630-G
Revised 41657-G	TABLE OF CONTENTS	Revised 41631-G

Revised LOS ANGELES, CALIFORNIA CANCELING Revised

CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

41654-G 41496-G

Sheet 4

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

(Continued)

RATES (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm

February 2007 <u>Day</u>	Core Retail <u>DB-CR</u>	Noncore Retail <u>DB-NR</u>	Wholesale <u>DB-W</u>	Т
<u>Day</u>	<u>DD-CR</u>	DD-TVK	DD- W	
1	\$1.13178	\$1.13243	\$1.12865	C
2	\$1.15471	\$1.15536	\$1.15151	
3	\$1.14554	\$1.14619	\$1.14236	li
4	\$1.14554	\$1.14619	\$1.14236	li
5	\$1.14554	\$1.14619	\$1.14236	$\stackrel{\downarrow}{\mathbf{C}}$
Period 1 High	\$1.15471	\$1.15536	\$1.15151	C
6	\$1.20669	\$1.20734	\$1.20331	C
7	\$1.14248	\$1.14313	\$1.13932	
8	\$1.12566	\$1.12631	\$1.12256	Ċ
9	N/A	N/A	N/A	T
10	N/A	N/A	N/A	T
Period 2 High	N/A	N/A	N/A	Т
11	N/A	N/A	N/A	$ _{\mathrm{T}}$
12	N/A	N/A	N/A	11
13	N/A	N/A	N/A	li
14	N/A	N/A	N/A	li
15	N/A	N/A	N/A	T
Period 3 High	N/A	N/A	N/A	Т
16	N/A	N/A	N/A	$ _{\mathrm{T}}$
17	N/A	N/A	N/A	11
18	N/A	N/A	N/A	li
19	N/A	N/A	N/A	11
20	N/A	N/A	N/A	T
Period 4 High	N/A	N/A	N/A	Т

(Continued)

(TO BE INSERTED BY UTILITY) 3712 ADVICE LETTER NO. 97-11-070 DECISION NO.

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Feb 9, 2007 DATE FILED Feb 9, 2007 **EFFECTIVE** RESOLUTION NO.

Sheet 5

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

(Continued)

RATES (Continued)

<u>Daily Balancing Standby Rates</u> (Continued)

Daily Balancing Standby Rate, per therm (Continued)

February 2007 <u>Day</u>	Core Retail <u>DB-CR</u>	Noncore Retail <u>DB-NR</u>	Wholesale <u>DB-W</u>	Т
21	N/A	N/A	N/A	Т
22	N/A	N/A	N/A	
23	N/A	N/A	N/A	
24	N/A	N/A	N/A	lι
25	N/A	N/A	N/A	Т
Period 5 High	N/A	N/A	N/A	Т
26	N/A	N/A	N/A	Т
27	N/A	N/A	N/A	lι
28	N/A	N/A	N/A	Т
				D
Period 6 High	N/A	N/A	N/A	Т

Note: For the days of February 1-8, 2007 the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies.

Revision of Rates

The Standby Procurement Charge and the Buy-Back Rate shall be established effective the last day of each month. The Daily Balancing Standby Rate shall be established on NGI's Daily Gas Price Index. Utility may file the Daily Balancing Standby Rate weekly to become effective immediately. In any event, the Daily Balancing Standby Rate shall be filed on or before the fifth business day of each month.

SPECIAL CONDITIONS

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

(Continued)

(TO BE INSERTED BY UTILITY) 3712 ADVICE LETTER NO. 97-11-070 DECISION NO.

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Feb 9, 2007 DATE FILED Feb 9, 2007 **EFFECTIVE** RESOLUTION NO.

T

5H7

LOS ANGELES, CALIFORNIA CANCELING Revised

TABLE OF CONTENTS

CT CD	Introdute Transmission Service 41209 C 20502 C 20504 C 26211 C
GT-SD GT-PS	Intrastate Transmission Service
G1-P3	Peaking Service
GW-LB	Wholesale Natural Gas Service
OW-LD	38063-G,38064-G
GW-SD	Wholesale Natural Gas Service
GW-SD	37951-G
GW-SWG	Wholesale Natural Gas Service
GW-VRN	Wholesale Natural Gas Service
	37959-G,37960-G
G-IMB	Transportation Imbalance Service
	41655-G,36313-G,33498-G
G-ITC	Interconnect Access Service
G-BSS	Basic Storage Service
	37961-G,37962-G,37963-G,37964-G
G-AUC	Auction Storage Service
	32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service
	32720-G,32721-G,37965-G,37966-G
G-TBS	Transaction Based Storage Service
	31929-G,36315-G,27378-G
G-CBS	UDC Consolidated Billing Service
G-PPPS	Public Purpose Programs Surcharge
G-SRF	Surcharge to Fund Public Utilities Commission
G MIDG	Utilities Reimbursement Account
G-MHPS	Surcharge to Fund Public Utilities Commission
	Master Metered Mobile Home Park Gas Safety
C MCIID	Inspection and Enforcement Program
G-MSUR GIT	Transported Gas Municipal Surcharge
GLT	Interruptible Interutility Transportation
GLI	Natural Gas
GLT-1	Transportation of Customer-Owned Natural Gas
GL1-1	24575-G,24576-G,24577-G
GLT-2	Transportation of Customer-Owned Natural Gas 24578-G,24579-G,24580-G
GET 2	24581-G,24582-G,24583-G
G-LOAN	Hub Loaning
G-PRK	Hub Parking
G-WHL	Hub Wheeling
G-FIG	Fiber Optic Cable in Gas Pipelines
	40832-G,40833-G,40834-G,40835-G,40836-G,40837-G

(TO BE INSERTED BY UTILITY)

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Feb 9, 2007 DATE FILED Feb 9, 2007 EFFECTIVE RESOLUTION NO.

T T

3H6

T

T

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>	Cal. P.U.C. Sheet No.
Title Page	41657-G,41160-G,41416-G
PRELIMINARY STATEMENT	
Part I General Service Information	G,24333-G,24334-G,24749-G
Part II Summary of Rates and Charges 41596-G,41597-G,41598-C 41600-G,40232-G,40233-G,41161-G,41601-C	
Part III Cost Allocation and Revenue Requirement 27024-G,37920-C	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 Purchased Gas Account (PGA) Core Fixed Cost Account (CFCA) Noncore Fixed Cost Account (NFCA) Enhanced Oil Recovery Account (EORA) Noncore Storage Balancing Account (NSBA) California Alternate Rates for Energy Account (CAREA) Brokerage Fee Account (BFA) Hazardous Substance Cost Recovery Account (HSCRA) Natural Gas Vehicle Account (NGVA) El Paso Turned-Back Capacity Balancing Account (EPTCBA) Gas Cost Rewards and Penalties Account (GCRPA) Pension Balancing Account (PBA)	

(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 3712 \\ \text{DECISION NO.} & 97\text{-}11\text{-}070 \\ \end{array}$

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & Feb \ 9, \ 2007 \\ \text{EFFECTIVE} & Feb \ 9, \ 2007 \\ \text{RESOLUTION NO.} \\ \end{array}$

ATTACHMENT C ADVICE NO. 3712 RATE CALCULATION WORKPAPER DAILY BALANCING STANDBY RATE FILING EFFECTIVE FEBRUARY 1-8, 2007

Daily Balancing Standby Rate = 150% x (NGI's Price Index + F&U Charge) + Brokerage Fee
F&U Charge is 1.9187% of NGI's Price Index for Retail and 1.5779% for Wholesale
Brokerage Fee is 0.201 cents for Core Retail; 0.266 cents for Noncore Retail/Wholesale

(All rates are per therm)

February	NGI's	Daily Balancing Standby Rates			
Day	Price Index	Core Retail	Noncore Retail	Wholesale	
1	\$0.73900	\$1.13178	\$1.13243	\$1.12865	
2	\$0.75400	\$1.15471	\$1.15536	\$1.15151	
3	\$0.74800	\$1.14554	\$1.14619	\$1.14236	
4	\$0.74800	\$1.14554	\$1.14619	\$1.14236	
5	\$0.74800	\$1.14554	\$1.14619	\$1.14236	
6	\$0.78800	\$1.20669	\$1.20734	\$1.20331	
7	\$0.74600	\$1.14248	\$1.14313	\$1.13932	
8	\$0.73500	\$1.12566	\$1.12631	\$1.12256	