

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 25, 2007

Advice Letter 3726

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



Subject: Tariff Integration – Rule No. 6: Establishment and Re-Establishment of Credit

Dear Mr. Newsom:

Advice Letter 3726 is effective April 20, 2007. A copy of the advice letter is returned herewith for your records.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean H. Gallagher".

Sean H. Gallagher, Director
Energy Division



J. Steve Rahon
Director
Tariffs & Regulatory Accounts

8330 Century Park Court CP32C
San Diego, CA 92123-1548
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March 21, 2007

Advice No. 3726
(U 904 G)

Public Utilities Commission of the State of California

Subject: Tariff Integration: Rule No. 6 – Establishment and Re-Establishment of Credit

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) revisions to its Rule No. 6, Establishment and Re-Establishment of Credit, as shown on Attachment B.

Purpose

In this filing, SoCalGas proposes to bring its Rule No. 6 into conformance with San Diego Gas & Electric Company's (SDG&E) gas and electric Rule 6, Establishment and Re-Establishment of Credit. SDG&E is concurrently filing an advice letter to revise its gas and electric Rule 6. This filing responds to the Commission's expressed desire for statewide consistency in utility tariffs to the extent possible. These revisions promote tariff simplicity, respond to customer needs, and provide ease in administering the tariff.

Information

SoCalGas' Rule No. 6 is being conformed to SDG&E's gas and electric Rule 6 in order to present the information more clearly and to make it more understandable. The herein proposed Rule No. 6 sets forth the methods by which applicants for service can establish or re-establish credit.

Proposed Rule Changes

The following major changes to Rule No. 6 have been made:

- In order to read more clearly and without changing its meaning and intent, the entire Rule has been rewritten and reflects current practice.
- The superfluous lead paragraph has been deleted.

- The references to credit application in both the residential and non-residential sections have been deleted because these are no longer used.
- To accommodate any other methods of establishing credit not specifically mentioned in the Rule, the residential and non-residential sections now contain a new item: "By otherwise establishing credit to the satisfaction of the Utility."
- A new sentence has been added to item C.2 to clarify that whether or not service has been discontinued due to nonpayment, a current customer whose bill became past due may be required to re-establish credit.
- Item C.3 has been modified to clarify that a non-residential customer with multiple service locations whose bill became past due at one or more locations may be required to re-establish credit for any or all locations. This modification comports with Rule No. 9, Section C.10.
- A new item C.4 has been added to state that if a residential customer left another utility's service territory with an unpaid closing bill, the customer may be required to re-establish credit. SDG&E has this language as an unnumbered paragraph under B.2 of its current and effective Rule 6.

This filing will not result in an increase or decrease in any rate or charge, conflict with any rate schedules or any other rules, or cause the withdrawal of service.

Protest

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

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

Copies of the protest should also be sent via e-mail to the attention of both Maria Salinas (mas@cpuc.ca.gov) and Honesto Gatchalian (jnj@cpuc.ca.gov) of the Energy Division. A copy of the protest shall 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

SoCalGas believes that this filing is subject to Energy Division disposition and therefore respectfully requests that this advice letter become effective April 20, 2007, which is 30 calendar days after the date filed.

Notice

A copy of this Advice Letter is being sent to the parties listed on Attachment A.

J. STEVE RAHON
Director
Tariffs and Regulatory Accounts

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

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

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

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Nena Maralit

Phone #: (213) 244-2822

E-mail: nmaralit@semprautilities.com

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3726

Subject of AL: Tariff Integration - Rule No. 6: Establishment and Re-Establishment of Credit

Keywords (choose from CPUC listing): Rules, Credit

AL filing type: Monthly Quarterly Annual One-Time Other _____

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

N/A

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Resolution Required? Yes No

Requested effective date: 4/20/07 No. of tariff sheets: 4

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: Rules, TOC Rules and TOC General

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: None

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

mas@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. 3726

(See Attached Service List)

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ATTACHMENT B
Advice No. 3726

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 41756-G	Rule No. 06, ESTABLISHMENT AND RE- ESTABLISHMENT OF CREDIT, Sheet 1	Revised 28448-G
Revised 41757-G	Rule No. 06, ESTABLISHMENT AND RE- ESTABLISHMENT OF CREDIT, Sheet 2	Revised 28449-G
Revised 41758-G	TABLE OF CONTENTS	Revised 41265-G
Revised 41759-G	TABLE OF CONTENTS	Revised 41751-G

ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

A. ESTABLISHMENT OF CREDIT – RESIDENTIAL SERVICE

Before receiving residential service, each applicant shall be required to establish credit as follows:

1. By providing credit information to the satisfaction of the Utility; or
2. By making a cash deposit as prescribed in Rule No. 7; or
3. By furnishing a qualified guarantor to secure payment of bills as prescribed in Rule No. 7; or
4. By having been a residential customer within the last two years and having paid all bills for gas service in accordance with the provisions of Rule No. 9, for the most recent 12 consecutive months of such service, provided, however, the credit of the applicant is unimpaired in the opinion of the Utility.
5. By any of the above methods, tenants of single metered multi-family dwellings have the right to become Utility customers in place of the landlord who fails to pay the gas bill. The Utility may require that one (or more) applicant(s) assume responsibility to the Utility for such payments; such applicant(s) must be willing and able to assume responsibility for the entire account to the satisfaction of the Utility. In addition, where prior service is being considered as a condition for establishing such credit, residency in the multi-family dwellings for the immediately preceding 12 months and proof of prompt payment of rent for this same period of time shall be a satisfactory equivalent; or
6. By otherwise establishing credit to the satisfaction of the Utility.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3726
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 21, 2007
 EFFECTIVE Apr 20, 2007
 RESOLUTION NO. _____

Rule No. 06

Sheet 2

ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

(Continued)

B. ESTABLISHMENT OF CREDIT – NON-RESIDENTIAL SERVICE

Before receiving such service, each applicant shall be required to establish credit as follows:

1. By making a cash deposit as prescribed in Rule No. 7; or
2. By furnishing a qualified guarantor to secure payment of bills as prescribed in Rule No.7; or
3. By having been a non-residential customer for a similar type of service within the last two years and having paid all bills for gas service in accordance with the provisions of Rule No. 9 for the most recent 12 consecutive months of such service, provided, however, that the credit of the applicant is unimpaired in the opinion of the Utility. The billing for gas consumed at the applicant’s former service location shall have been equal to at least 50 percent of billing estimated for the new service location; or
4. By otherwise establishing credit to the satisfaction of the Utility.

C. RE-ESTABLISHMENT OF CREDIT -- ALL CLASSES OF SERVICE

1. An applicant who is a former gas customer of the Utility and whose service was discontinued for nonpayment of bills at any time during the last 12 months of that service, may be required to re-establish credit by making a cash deposit in accordance with the provisions of Rule No. 7.
2. A current customer who fails to pay bills before becoming past due as set forth in Rule No. 9, may be required to pay such bills and to re-establish credit by making a cash deposit as prescribed in Rule No. 7. This rule will apply regardless of whether or not service has been discontinued for such nonpayment.
3. A customer using non-residential service may be required to re-establish credit at one or more of its locations in accordance with this Rule if the conditions of service or basis on which credit was originally established, in the opinion of the Utility, have materially changed or, the Utility believes, a condition of high risk exists.
4. Where the Utility has received information that a residential customer left another utility’s service territory with an unpaid closing bill, the customer may be required, as a condition of continued service, to re-establish credit in accordance with this Rule.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3726
 DECISION NO.
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ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Mar 21, 2007
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TABLE OF CONTENTS

RULES

<u>Rule Number</u>	<u>Title of Sheet</u>	<u>Cal. P.U.C. Sheet No.</u>
1	Definitions	33478-G,39810-G,39584-G,36706-G,36916-G,36917-G 36918-G,36919-G,36711-G,36712-G,41260-G,36714-G 40406-G,36716-G,36717-G,36718-G
2	Description of Service	35722-G,36011-G,36012-G 36013-G,35726-G,35727-G,35728-G
3	Application for Service	35524-G,35525-G,35526-G
4	Contracts	35529-G,35530-G
5	Special Information Required on Forms	33292-G,24601-G
6	Establishment and Re-Establishment of Credit	41756-G,41757-G
7	Deposits	39811-G
8	Return of Deposit--Interest on Deposit	26214-G
9	Discontinuance of Service	41229-G,41230-G,41231-G,41232-G 41233-G,41234-G,41235-G
10	Service Charges	39813-G,38903-G,38904-G,38905-G,38906-G
11	Disputed Bills	39418-G,39419-G
12	Payment of Bills	39814-G,39474-G
13	Meters and Appliances	24618-G,38338-G
14	Meter Reading	24620-G
15	Meter Tests	36872-G
16	Adjustment of Bills	36873-G,36874-G,36875-G
17	Reading of Separate Meters Not Combined	24626-G
18	Notices	38239-G
19	Rates and Optional Rates	40825-G
20	Gas Main Extensions	31800-G,31801-G,38506-G,38507-G,32375-G,32376-G 31806-G,31807-G,37767-G,37768-G,37769-G,37770-G,37771-G
21	Gas Service Extensions	31813-G,31814-G,31815-G,31816-G,31817-G,31818-G 31819-G,31820-G,38510-G,31822-G,31823-G,31824-G,31825-G
22	Temporary Service	24640-G,30294-G
23	Continuity of Service and Interruption of Delivery	40460-G,40461-G,33041-G,33042-G,34021-G,33044-G 36622-G,33046-G,33047-G,36721-G,37969-G,33050-G
24	Supply to Individual Premises and Resale of Gas	39422-G,39925-G,39926-G
25	Company's Right of Ingress to and Egress from the Consumer's Premises	24655-G

(Continued)

(TO BE INSERTED BY UTILITY)
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 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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 RESOLUTION NO. _____

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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	41759-G,41160-G,41416-G	T
Table of Contents--Service Area Maps and Descriptions	40434-G	
Table of Contents--Rate Schedules	41741-G,41742-G,41750-G	
Table of Contents--List of Cities and Communities Served	40149.1-G	
Table of Contents--List of Contracts and Deviations	40149.1-G	
Table of Contents--Rules	41758-G,41157-G	T
Table of Contents--Sample Forms	41661-G,39748-G,41266-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	41722-G,41723-G,41724-G,41725-G,41354-G,41355-G 41726-G,40232-G,40233-G,41161-G,41685-G,41686-G,41359-G,41360-G
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)	41658-G
Noncore Fixed Cost Account (NFCA)	41659-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)
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Lee Schavrien
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 Regulatory Affairs

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