PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



December 18, 2007

Advice Letter 3794

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

Subject: October 2007 Standby Procurement Charges

Dear Mr. Newsom:

Advice Letter 3794 is effective November 21, 2007.

Sincerely,

Supple

Sean H. Gallagher, Director

Energy Division





Ken Deremer
Director
Tariffs & Regulatory Accounts

8330 Century Park Court CP32C San Diego, CA 92123-1548 Tel: 858.654.1756 Fax: 858.654.1788

KDeremer@SempraUtilities.com

November 21, 2007

Advice No. 3794 (U 904 G)

Public Utilities Commission of the State of California

Subject: October 2007 Standby Procurement Charges

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

Purpose

This routine monthly filing updates the Standby Procurement Charges in Schedule No. G-IMB for October 2007.

Background

Resolution G-3316, dated May 24, 2001, revised the Schedule No. G-IMB Standby Procurement Charge for negative monthly transportation imbalances that exceed the 10% tolerance band. The Standby Procurement Charges are:

- 1. Calculated at 150% of the highest daily border price index at the Southern California border for the period plus a Brokerage Fee of 0.266¢ per therm for noncore retail service and all wholesale service, and 0.201¢ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index Southern California Border Average" and "Gas Daily's Daily Price Survey SoCal Gas Midpoint."
- Calculated for a period that begins from the first day of the "flow month" (the month that the imbalance is incurred) and ends five days prior to the start of the imbalance trading period.
- 3. Posted at least one day in advance of the imbalance trading period.

Information

For the "flow month" of October 2007 (covering the period October 1, 2007 to November 20, 2007), the highest daily border price index at the Southern California border is \$0.71800 per therm. The resultant Standby Procurement Charges, calculated in the

manner set forth above, are \$1.07966 per therm for noncore retail service and all wholesale service, and \$1.07901 per therm for core retail service. The workpaper showing details of 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 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 this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B. SoCalGas respectfully requests that the tariff sheets filed herein be made effective November 21, 2007, the date filed, in order to comply with the Resolution G-3316 requirement that the rates be posted at least one day in advance of the start of the imbalance trading period, which is November 25, 2007.

Notice

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

KEN DEREMER
Director
Tariffs and Regulatory Accounts

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLE	TED BY UTILITY (At	tach additional pages as needed)	
Company name/CPUC Utility No. SO	UTHERN CALIFO	RNIA GAS COMPANY (U 904G)	
Utility type:	Contact Person: S	Sid Newsom	
□ ELC □ GAS	Phone #: (213) 244-2846		
☐ PLC ☐ HEAT ☐ WATER			
EXPLANATION OF UTILITY TY	EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat V	VATER = Water		
Advice Letter (AL) #: 3794	VIII VVator		
Subject of AL: October 2007 Standb	— v Procurement Cha	arges	
Keywords (choose from CPUC listing)	: Preliminary Sta	tement; Procurement	
AL filing type: Monthly Quarter	rly 🗌 Annual 🗌 C	One-Time 🗌 Other	
If AL filed in compliance with a Comp G-3316	nission order, indi	cate relevant Decision/Resolution #:	
	cted AL? If so, ider	ntify the prior AL No	
Summarize differences between the A	AL and the prior wi	ithdrawn or rejected AL¹: <u>N/A</u>	
Does AL request confidential treatme	ent? If so, provide e	explanation: No	
Resolution Required? \square Yes \boxtimes No		Tier Designation: 🛛 1 🔲 2 🔲 3	
Requested effective date: <u>November</u>	<u>21, 2</u> 007	No. of tariff sheets: <u>4</u>	
Estimated system annual revenue eff	fect: (%): <u>N/A</u>		
Estimated system average rate effect	(%): <u>N/A</u>		
		L showing average rate effects on customer	
classes (residential, small commercia			
Tariff schedules affected: Preliminary Statement, Part II; Schedule G-IMB; and TOCs			
Service affected and changes proposed ¹ : N/A			
Pending advice letters that revise the same tariff sheets: 3782 and 3784			
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		Southern California Gas Company	
Attention: Tariff Unit		Attention: Sid Newsom	
505 Van Ness Ave., San Francisco, CA 94102		555 West 5 th Street, GT14D6 Los Angeles, CA 90013-1011	
mas@cpuc.ca.gov and jnj@cpuc.ca.gov SNewsom@semprautilities.com		_	
<u> </u>			

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

ATTACHMENT A

Advice No. 3794

(See Attached Service List)

Aglet Consumer Alliance James Weil

jweil@aglet.org

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Ancillary Services Coalition

Nick Planson

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Ancillary Services Coalition

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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**

Pearlie Sabino pzs@cpuc.ca.gov

CPUC

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

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R. Mark Pocta
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Jacqueline Greig
jnm@cpuc.ca.gov

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luluw@newsdata.com

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Avis Clark

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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

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Chris Garner

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County of Los Angeles Commerce Energy Crossborder Energy Lynelle Lund Stephen Crouch Tom Beach Ilund@commerceenergy.com 1100 N. Eastern Ave., Room 300 tomb@crossborderenergy.com Los Angeles, CA 90063 **Culver City Utilities** DGS **Davis Wright Tremaine, LLP Heustace Lewis Henry Nanjo** Edward W. O'Neill Heustace.Lewis@culvercity.org Henry.Nanjo@dgs.ca.gov 505 Montgomery Street, Ste 800 San Francisco, CA 94111 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 **LADWP** Law Offices of Diane I. Fellman Law Offices of William H. Booth

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

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R. W. Beck, Inc.

Catherine Elder

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John Clarke

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

TURN Mike Florio mflorio@turn.org March Joint Powers Authority Lori Stone PO Box 7480.

Moreno Valley, CA 92552

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Jim Boyle
One Maynard Drive, P. O. Box 71

One Maynard Drive, P. O. Box 712 Park Ridge, NJ 07656-0712

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

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Rosemead, CA 91770

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

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

TURN Marcel Hawiger marcel@turn.org

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

ATTACHMENT B Advice No. 3794

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 42513-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 42469-G
Revised 42514-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 42425-G
Revised 42515-G	TABLE OF CONTENTS	Revised 42507-G
Revised 42516-G	TABLE OF CONTENTS	Revised 42508-G

LOS ANGELES, CALIFORNIA CANCELING Revised

Revised

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

42513-G 42469-G

Sheet 7

PRELIMINARY STATEMENT **PART II SUMMARY OF RATES AND CHARGES**

(Continued)

WHOLESALE SERVICE	(Continued)
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Schedule GW-VRN (City of Vernon, GT-F10 & GT-I10)	
Transmission Charge	2.756¢
ITCS-VRN	

PROCUREMENT CHARGE

Calcadad	- 0	CD
Schedul	e G	·CP

Non-Residential Core Procurement Charge, per therm	63.555¢
Non-Residential Cross-Over Rate, per therm	65.721¢
Residential Core Procurement Charge, per therm	63.555¢
Residential Cross-Over Rate, per therm	65.721¢
Adjusted Core Procurement Charge, per therm	63.535¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)	
August 2007	100.139¢
September 2007	105.651¢
October 2007	107.901¢
Noncore Retail Standby (SP-NR)	
August 2007	100.204¢
September 2007	105.716¢
October 2007	107.966¢
Wholesale Standby (SP-W)	
August 2007	100.204¢

Buy-Back Rate

Core and	Noncore	Retail	(BR-R)
----------	---------	--------	--------

Core and Noncore Retain (BR R)	
August 2007	7.204¢
September 2007	
October 2007	
Wholesale (BR-W)	,
August 2007	7.204¢
September 2007	
2 ep (4 111 e 1 2 0 0)	

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3794 DECISION NO.

7H8

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) DATE FILED Nov 21, 2007 Nov 21, 2007 EFFECTIVE RESOLUTION NO. G-3316

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

42514-G 42425-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(Continued)

RATES (Continued)

Standby Procurement Charge

This charge is applied to customer's cumulative negative transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Standby Procurement Charge is posted at least one day in advance of each corresponding imbalance trading period for noncore/wholesale and core transport agents (CTAs). It is calculated at 150% of the highest daily border price index at the Southern California border beginning on the first day of the month that the imbalance is created to five days prior to the start of each corresponding imbalance trading period plus a Brokerage Fee of 0.266ϕ per therm for noncore retail service and all wholesale service, and 0.201ϕ per therm for core retail service. The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index – Southern California Border Average" and "Gas Daily's Daily Price Survey – SoCal gas, Midpoint."

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('Ore	Retail	Service:
COLC	ixcian	DCI VICC.

100.139¢
105.651¢
107.901¢
100.204¢
105.716¢
107.966¢
100.204¢
105.716¢
107.966¢

Buy-Back Rate

This rate is applied to customer's cumulative positive transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Buy-Back Rate is established effective the last day of each month and will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the excess imbalance was incurred; or 2) 50% of the applicable Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, during the month such excess imbalance was incurred.

(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 3794 \\ \text{DECISION NO.} \end{array}$

2H8

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED Nov 21, 2007
EFFECTIVE Nov 21, 2007
RESOLUTION NO. G-3316

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Revised LOS ANGELES, CALIFORNIA CANCELING Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

42515-G* 42511-G

42329-G*

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	(Continued)
G-IMB	Transportation Imbalance Service
	42510-G,36313-G,33498-G
G-RPA	Receipt Point Access42260-G,42261-G,42262-G,42263-G,42264-G,42265-G
	42266-G,42267-G,42268-G,42269-G,42270-G,42271-G
	42272-G,42273-G,42274-G,42275-G
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
C MIIDC	Utilities Reimbursement Account
G-MHPS	Surcharge to Fund Public Utilities Commission
	Master Metered Mobile Home Park Gas Safety
G-MSUR	Inspection and Enforcement Program
G-MSOR GIT	Interruptible Interutility Transportation
GLT	Long-Term Transportation of Customer-Owned
GLI	Natural Gas
GLT-1	Transportation of Customer-Owned Natural Gas
GET 1	24575-G,24576-G,24577-G
GLT-2	Transportation of Customer-Owned Natural Gas 24578-G,24579-G,24580-G
021 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

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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.

<u>GENERAL</u>	Cal. P.U.C. Sheet No.
Title Page	
PRELIMINARY STATEMENT	
Part I General Service Information	·G,24333-G,24334-G,24749-G
Part II Summary of Rates and Charges	
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 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)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3794
DECISION NO.

1H10

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED Nov 21, 2007
EFFECTIVE Nov 21, 2007
RESOLUTION NO. G-3316

ATTACHMENT C

ADVICE NO. 3794

RATE CALCULATION WORKPAPER SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING EFFECTIVE OCTOBER 2007

G-IMB Standby Procurement Charge Calculation

The highest daily border price index is an average of the highest prices from "NGI's Daily Gas Price Index - Southern California Border Average" and "Gas Daily's Daily Price Survey - SoCal Gas Midpoint."

The highest daily border price index for the period was on October 31, 2007

10/31/07 NGI's Daily Gas Price Index (NDGPI) = \$0.7180 per therm

10/31/07 Gas Daily's Daily Price Survey (GDDPS) = \$0.7180 per therm

Highest Daily Border Price Index (HDBPI) = (NDGPI + GDDPS) / 2

HDBPI = \$0.71800 per therm

SP-CR (Core Retail) = 150% x HDBPI + Core Brokerage Fee

SP-CR = 150% x \$0.71800 + \$0.00201 = **\$1.07901**

SP-NR (Noncore Retail) = 150% x HDBPI + Noncore Brokerage Fee

SP-NR = 150% x \$0.71800 + \$0.00266 = **\$1.07966**

SP-W (Wholesale) = 150% x HDBPI + Noncore Brokerage Fee

SP-W = 150% x \$0.71800 + \$0.00266 = **\$1.07966**