PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



February 21, 2008

Advice Letter 3819

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

Subject: December 2007 Standby Procurement Charges

Dear Mr. Newsom:

Advice Letter 3819 is effective January 23, 2008.

Sincerely,

Sean H. Gallagher, Director

Energy Division

I W Shalp L





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

January 23, 2008

Advice No. 3819 (U 904 G)

Public Utilities Commission of the State of California

Subject: December 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 December 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.

<u>Information</u>

For the "flow month" of December 2007 (covering the period December 1, 2007, to January 20, 2008), the highest daily border price index at the Southern California border is \$0.8030 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$1.20716 per therm for noncore retail service and all wholesale service, and \$1.20651 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 (ini@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 January 23, 2008, 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 January 25, 2008.

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 COMPLETED BY UTILITY (Attach additional pages as needed)			
Company name/CPUC Utility No. SOUTHERN CALIFORNIA GAS COMPANY (U 904G)			
Utility type:			
☐ ELC ☐ GAS	Phone #: (213) 24	Phone #: (213) <u>244-2846</u>	
☐ PLC ☐ HEAT ☐ WATER	E-mail: SNewsom@semprautilities.com		
EXPLANATION OF UTILITY TY	EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat V	s Heat WATER = Water		
Advice Letter (AL) #: 3819			
Subject of AL: December 2007 Stand	dby Procurement (Charges	
Keywords (choose from CPUC listing)): <u>Preliminary Sta</u>	tement; Procurement	
AL filing type: $oxtimes$ Monthly $oxtimes$ Quarte	rly 🗌 Annual 🔲 C	One-Time 🗌 Other	
If AL filed in compliance with a Comp G-3316			
	cted AL? If so ide	ntify the prior AL <u>No</u>	
_		ithdrawn or rejected AL¹: N/A	
Summarize uniforcinees setween the .	and the prior w	The state of the s	
Does AL request confidential treatme	ent? If so, provide o	explanation: No	
Resolution Required? \square Yes \boxtimes No Tier Designation: \boxtimes 1 \square 2 \square 3			
Requested effective date: <u>January 23, 20</u> 08 No. of tariff sheets: <u>4</u>			
Estimated system annual revenue ef	fect: (%): <u>N/A</u>		
Estimated system average rate effect	(%): <u>N/A</u>		
When rates are affected by AL, include	de attachment in A	L showing average rate effects on customer	
classes (residential, small commercia	al, large C/I, agricu	ıltural, lighting).	
Tariff schedules affected: <u>Preliminar</u>	y Statement, Part	II; Schedule G-IMB; and TOCs	
Service affected and changes proposed¹: N/A			
Pending advice letters that revise the same tariff sheets: <u>3809</u>			
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		o .	
		_	

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

ATTACHMENT A

Advice No. 3819

(See Attached Service List)

Aglet Consumer Alliance James Weil

jweil@aglet.org

Ancillary Services Coalition

Jo Maxwell

jomaxwell@ascoalition.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

Colton, CA 92324

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

City of Pasadena - Water and Power

Dept. G Bawa

GBawa@cityofpasadena.net

Commerce Energy Brian Patrick

BPatrick@commerceenergy.com

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

Ancillary Services Coalition

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nplanson@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

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aclark@calpine.com

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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 Kari Harteloo klc@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 Glenn Kinser

gkinser@commerceenergy.com

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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MRW & Associates Robert Weisenmiller mrw@mrwassoc.com Law Offices of William H. Booth William Booth wbooth@booth-law.com

Manatt Phelps Phillips Randy Keen rkeen@manatt.com Manatt, Phelps & Phillips, LLP

David Huard

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March Joint Powers Authority

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Jim Boyle

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Ray Welch

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Catherine Elder
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Vancouver, WA 98660

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wtobin@sempraglobal.com

Sierra Pacific Company Christopher A. Hilen chilen@sppc.com

Southern California Edison Co

Fileroom Supervisor

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Rosemead, CA 91770

Southern California Edison Co

Karyn Gansecki

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Western Manufactured Housing Communities Assoc.

Sheila Day

sheila@wma.org

ATTACHMENT B Advice No. 3819

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 42890-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 42735-G
Revised 42891-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 42684-G
Revised 42892-G	TABLE OF CONTENTS	Revised 42760-G
Revised 42893-G	TABLE OF CONTENTS	Revised 42761-G

LOS ANGELES, CALIFORNIA CANCELING Revised

Revised

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

42890-G 42735-G

Sheet 7

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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	2.799¢
ITCS-VRN	(0.005c)

PROCUREMENT CHARGE

to cortained in	
0 1 1 1 0 00	
Schodula (+ C'P	
Schedule G-CP	

Non-Residential Core Procurement Charge, per therm	68.351¢
Non-Residential Cross-Over Rate, per therm	68.830¢
Residential Core Procurement Charge, per therm	68.351¢
Residential Cross-Over Rate, per therm	68.830¢
Adjusted Core Procurement Charge, per therm	67.220¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

cord rectain stander (SI CII)	
October 2007	107.901¢
November 2007	109.439¢
December 2007	120.651¢
Noncore Retail Standby (SP-NR)	
October 2007	107.966¢
November 2007	109.504¢
December 2007	120.716¢
Wholesale Standby (SP-W)	·
October 2007	107.966¢
November 2007	109.504¢
December 2007	120.7164

Buy-Back Rate

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

November 2007	30.394¢
December 2007	35.144¢
Wholesale (BR-W)	
October 2007	13.110¢
November 2007	30.394¢
December 2007	35 026¢

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3819 DECISION NO.

7H8

ISSUED BY Lee Schavrien Senior Vice President

(TO BE INSERTED BY CAL. PUC) Jan 23, 2008 DATE FILED Jan 23, 2008 **EFFECTIVE**

RESOLUTION NO. G-3316

Regulatory Affairs

LOS ANGELES, CALIFORNIA CANCELING Revi

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

42891-G 42684-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	Refail	Service:
COLC	ixcian	DCI VICC.

SP-CR Standby Rate, per therm	
October 2007	107.901¢
November 2007	109.439¢
December 2007	120.651¢
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
October 2007	107.966¢
November 2007	109.504¢
December 2007	120.716¢
Wholesale Service:	
SP-W Standby Rate per therm	
October 2007	107.966¢
November 2007	109.504¢
December 2007	120.716¢

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)

 $\begin{array}{ll} \mbox{(TO BE INSERTED BY UTILITY)} \\ \mbox{ADVICE LETTER NO.} & 3819 \\ \mbox{DECISION NO.} \end{array}$

2H8

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & Jan 23, 2008 \\ \text{EFFECTIVE} & Jan 23, 2008 \\ \end{array}$

RESOLUTION NO. G-3316

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TABLE OF CONTENTS

(Continued)
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	(Continued)		
G-IMB	Transportation Imbalance Service		
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		
0 255	37961-G,37962-G,37963-G,37964-G		
G-AUC	Auction Storage Service		
Grice	32712-G,32713-G,36314-G,32715-G		
G-LTS	Long-Term Storage Service		
O LIB	32720-G,32721-G,37965-G,37966-G		
G-TBS	Transaction Based Storage Service		
0 125	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		
- 2	Utilities Reimbursement Account		
G-MHPS	Surcharge to Fund Public Utilities Commission		
	Master Metered Mobile Home Park Gas Safety		
	Inspection and Enforcement Program		
G-MSUR	Transported Gas Municipal Surcharge		
GIT	Interruptible Interutility Transportation		
GLT	Long-Term Transportation of Customer-Owned		
	Natural Gas		
GLT-1	Transportation of Customer-Owned Natural Gas 24572-G,24573-G,24574-G		
	24575-G,24576-G,24577-G		
GLT-2	Transportation of Customer-Owned Natural Gas 24578-G,24579-G,24580-G		
	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) ADVICE LETTER NO. 3819 DECISION NO.

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Jan 23, 2008

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DATE FILED Jan 23, 2008 EFFECTIVE RESOLUTION NO. G-3316

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	42893-G,42008-G,42682-G
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-C	G,27026-G,27027-G,42637-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) 3819 ADVICE LETTER NO. DECISION NO. 1H10

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Jan 23, 2008 DATE FILED Jan 23, 2008 **EFFECTIVE** RESOLUTION NO. G-3316

42893-G

42761-G

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ATTACHMENT C

ADVICE NO. 3819

RATE CALCULATION WORKPAPER SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING EFFECTIVE DECEMBER 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 December 19 and 20, 2007

12/19/07 & 12/20/07 NGI's Daily Gas Price Index (NDGPI) = \$0.8030 per therm

12/19/07 & 12/20/07 Gas Daily's Daily Price Survey (GDDPS) = \$0.8030 per therm

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

HDBPI = \$0.80300 per therm

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

SP-CR = 150% x \$0.80300 + \$0.00201 = **\$1.20651**

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

SP-NR = 150% x \$0.80300 + \$0.00266 = **\$1.20716**

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

SP-W = 150% x \$0.80300 + \$0.00266 = **\$1.20716**