PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



May 22, 2008

Advice Letter 3858

Ken Deremer Director Tariffs & Regulatory Accounts 8330 Century Park Court CP32C San Diego, CA 92123-1548

Subject: March 2008 Standby Procurement Charges

Dear Mr. Deremer:

Advice Letter 3858 is effective April 22, 2008.

Sincerely,

Sean H. Gallagher, Director

Energy Division

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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

April 22, 2008

Advice No. 3858 (U 904 G)

Public Utilities Commission of the State of California

Subject: March 2008 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 March 2008.

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."
- 2. 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 March 2008 (covering the period March 1, 2008, to April 20, 2008), the highest daily border price index at the Southern California border is \$0.98700 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$1.48316 per therm for noncore retail service and all wholesale service, and \$1.48251 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 April 22, 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 April 25, 2008.

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 COMPLETED BY UTILITY (Attach additional pages as needed)			
Company name/CPUC Utility No. SO	UTHERN CALIFO	RNIA GAS COMPANY (U 904G)	
Utility type:			
☐ ELC ☐ GAS	Phone #: (213) <u>24</u>	4-2846	
☐ PLC ☐ HEAT ☐ WATER	E-mail: SNewsom	@semprautilities.com	
EXPLANATION OF UTILITY TY	PE	(Date Filed/ Received Stamp by CPUC)	
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat W	VATER = Water		
Advice Letter (AL) #: 3858	<u> </u>		
Subject of AL: March 2008 Standby	Procurement Cha	rges	
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 #:	
Does AL replace a withdrawn or rejec	eted AL? If so, ider	ntify the prior AL <u>No</u>	
Summarize differences between the A	AL and the prior wi	ithdrawn or rejected AL¹: <u>N/A</u>	
Does AL request confidential treatme	nt? If so, provide ϵ	explanation: No	
Resolution Required? \square Yes \boxtimes No Tier Designation: \boxtimes 1 \square 2 \square 3			
Requested effective date: <u>April 22, 2008</u> 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 : <u>N/A</u>			
Pending advice letters that revise the same tariff sheets: 3844 and 3848			
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	
·		555 West 5 th Street, GT14D6 Los Angeles, CA 90013-1011	
mas@cpuc.ca.gov and jnj@cpuc.ca.gov SNewsom@semprautilities.com			

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

ATTACHMENT A

Advice No. 3858

(See Attached Service List)

Aglet Consumer Alliance James Weil

jweil@aglet.org

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CPUC

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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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Commerce Energy
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Sheila Day sheila@wma.org

ATTACHMENT B Advice No. 3858

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 43259-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 43230-G
Revised 43260-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 43185-G
Revised 43261-G	TABLE OF CONTENTS	Revised 43224-G*
Revised 43262-G	TABLE OF CONTENTS	Revised 43248-G

LOS ANGELES, CALIFORNIA CANCELING Revised

CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO. 43259-G 43230-G

Sheet 7

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

(Continued)

WHOLESALE SERVICE (Continued)

Schedule GW-VRN (City of Vernon, GT-F10 & GT-I10)	
Transmission Charge	2.799¢
ITCS-VRN	(0.005c)

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm	95.747¢
Non-Residential Cross-Over Rate, per therm	95.747¢
Residential Core Procurement Charge, per therm	95.747¢
Residential Cross-Over Rate, per therm	95.747¢
Adjusted Core Procurement Charge, per therm	95.559¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)	
January 2008	128.564¢
February 2008	141.314¢
March 2008	148.251¢
Noncore Retail Standby (SP-NR)	
January 2008	128.629¢

Noncore Retail Standby (SP-NR)	
January 2008	128.629¢
February 2008	
March 2008	148.316¢
Wholesale Standby (SP-W)	
January 2008	128.629¢
February 2008	

1 coldary 2000	 111.5776
March 2008	 148.316¢

Buy-Back Rate

Core and Noncore Retail (BR-R)	
January 2008	33.610¢
February 2008	39.277¢
March 2008	
	,

Wholesale	(BR-W)
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January 2008	33.498¢
February 2008	
March 2008	44.363¢

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3858 DECISION NO.

7H6

ISSUED BY Lee Schavrien Senior Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) DATE FILED Apr 22, 2008 Apr 22, 2008 **EFFECTIVE** RESOLUTION NO. G-3316

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LOS ANGELES, CALIFORNIA CANCELING Revi

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

43260-G 43185-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."

Core Retail Service:

SP-CR Standby Rate, per therm	
January 2008	128.564¢
February 2008	141.314¢
March 2008	148.251¢
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
January 2008	128.629¢
February 2008	141.379¢
March 2008	148.316¢
Wholesale Service:	
SP-W Standby Rate per therm	
January 2008	128.629¢
February 2008	
March 2008	·

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)

 $\begin{array}{ll} \mbox{(TO BE INSERTED BY UTILITY)} \\ \mbox{ADVICE LETTER NO.} & 3858 \\ \mbox{DECISION NO.} \end{array}$

2H6

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED Apr 22, 2008
EFFECTIVE Apr 22, 2008
RESOLUTION NO. G-3316

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	(Continued)
G-IMB	Transportation Imbalance Service
	43223-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
	43049-G,43050-G,43051-G
G-AUC	Auction Storage Service
	32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service
	43053-G,43054-G,43055-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
	Utilities Reimbursement Account
G-MHPS	Surcharge to Fund Public Utilities Commission
	Master Metered Mobile Home Park Gas Safety
G 1.49775	Inspection and Enforcement Program
G-MSUR	Transported Gas Municipal Surcharge
GIT	Interruptible Interutility Transportation
GLT	Long-Term Transportation of Customer-Owned
CIT 1	Natural Gas
GLT-1	Transportation of Customer-Owned Natural Gas 24572-G,24573-G,24574-G
GLT-2	24575-G,24576-G,24577-G Transportation of Customer-Owned Natural Gas
GL1-2	24578-G,24582-G,24583-G
G-LOAN	
G-LOAN G-PRK	Hub Loaning42675-GHub Parking42676-G
G-PKK G-WHL	Hub Wheeling 42677-G
G-WHL G-FIG	Fiber Optic Cable in Gas Pipelines
0-1 10	11001 Optic Caute in Gas 1 iperines 40020-0,40031-0

(TO BE INSERTED BY UTILITY) 3858 ADVICE LETTER NO. DECISION NO.

3H6

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Apr 22, 2008 DATE FILED Apr 22, 2008 EFFECTIVE RESOLUTION NO. G-3316

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	. 43262-G,42901-G,43180-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-	G,27026-G,27027-G,42637-G
Part IV Income Tax Component of Contributions and Advances	43036-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)

 $\begin{array}{ll} \mbox{(TO BE INSERTED BY UTILITY)} \\ \mbox{ADVICE LETTER NO.} & 3858 \\ \mbox{DECISION NO.} \end{array}$

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

ATTACHMENT C

ADVICE NO. 3858

RATE CALCULATION WORKPAPER SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING EFFECTIVE MARCH 2008

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 April 18, 2008

04/18/08 NGI's Daily Gas Price Index (NDGPI) = \$0.9870 per therm

04/18/08 Gas Daily's Daily Price Survey (GDDPS) = \$0.9870 per therm

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

HDBPI = \$0.98700 per therm

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

SP-CR = 150% x \$0.98700 + \$0.00201 = **\$1.48251**

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

SP-NR = 150% x \$0.98700 + \$0.00266 = **\$1.48316**

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

 $SP-W = 150\% \times \$0.98700 + \$0.00266 = \$1.48316$