

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 9, 2008

Advice Letter 3864

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

Subject: Cross-Over Rate for May 2008

Dear Mr. Deremer:

Advice Letter 3864 is effective May 10, 2008.

Sincerely,

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

Sean H. Gallagher, Director
Energy Division



Ken Deremer
Director
Tariffs & Regulatory Accounts

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San Diego, CA 92123-1548
Tel: 858.654.1756
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KDeremer@SempraUtilities.com

May 6, 2008

Advice No. 3864
(U 904 G)

Public Utilities Commission of the State of California

Subject: Cross-Over Rate for May 2008

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 revises the listed tariff rate schedules showing the Cross-Over Rate for applicable residential and core commercial and industrial customers for May 2008, as authorized by the California Public Utilities Commission's (Commission) approval of SoCalGas' Advice No. (AL) 3188-A on September 4, 2003, by Resolution G-3351. AL 3188-A was filed pursuant to Commission Decision (D.) 02-08-065 issued on August 22, 2002, authorizing SoCalGas to implement revised uniform rules for noncore customers requesting core service, and core customers with an annual consumption over 50,000 therms who elect to switch from a Core Aggregation Transportation (CAT) marketer to utility procurement service.

Background

The Cross-Over Rate, as set forth in Schedule No. G-CP will be the higher of 1) the posted monthly core procurement rate or 2) an Adjusted California Border Price. The Border Price adjustment will reflect the fact that interstate transportation costs are included in the core transportation rate, as opposed to the core procurement rate, and therefore must be removed from the Border Price in order to make for a proper comparison (and to avoid charging cross-over customers twice for interstate transportation). Similarly, the core procurement rate does not include intrastate backbone costs which are also a component of the core transportation rate.

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates.

This Cross-Over Rate will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except the following customers: a) noncore customers who have been served under Schedule No. G-CS since January 1, 2001, or b) noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The Cross-Over Rate will be filed on or before the 9th calendar day of each month, to be effective the 10th calendar day of each month.

Requested Rate Revision

The Cross-Over Rate for May 2008 is 108.444 cents per therm, which is the same as the Core Procurement rate as filed by AL 3861 on April 30, 2008. The workpaper showing the calculation of the Cross-Over Rate is incorporated herein as Attachment C.

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 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

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 should 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.

In compliance with Advice No. 3188-A, approved on September 4, 2003 by Resolution G-3351, the tariff sheets filed herein are to be effective for service on and after May 10, 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. **SOUTHERN CALIFORNIA GAS COMPANY (U 904 G)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Sid Newsom

Phone #: (213) 244-2846

E-mail: snewsom@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) #: 3864

Subject of AL: May 2008 Cross-Over Rate

Keywords (choose from CPUC listing): Preliminary Statement, Procurement

AL filing type: Monthly Quarterly Annual One-Time Other

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

G-3351

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL

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

Does AL request confidential treatment? If so, provide explanation:

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: May 10, 2008

No. of tariff sheets: 23

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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: PS II, GR, GS, GM, GML, G-NGVR, G-10, G-AC, G-EN, G-NGV, G-CP, TOCs

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets: 3849, 3855, and 3861

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 Ave.,

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 90013-1011

snewsom@semprautilities.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 3864

(See Attached Service List)

Aglet Consumer Alliance
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jweil@aglet.org

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ATTACHMENT B
Advice No. 3864

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 43413-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 1	Revised 43268-G
Revised 43414-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 2	Revised 43269-G
Revised 43415-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 3	Revised 43270-G
Revised 43416-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 4	Revised 43271-G
Revised 43417-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 43272-G
Revised 43418-G	Schedule No. GR, RESIDENTIAL SERVICE, (Includes GR, GR-C, GT-R, GRL and GT-RL Rates), Sheet 1	Revised 43275-G
Revised 43419-G	Schedule No. GS, SUBMETERED MULTI- FAMILY SERVICE, (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates), Sheet 2	Revised 43277-G
Revised 43420-G	Schedule No. GM, MULTI-FAMILY SERVICE, (Includes GM-E, GM-C, GM-EC, GM-CC, GT- ME, GT-MC and all GMB Rates), Sheet 2	Revised 43278-G
Revised 43421-G	Schedule No. GM, MULTI-FAMILY SERVICE, (Includes GM-E, GM-C, GM-EC, GM-CC, GT- ME, GT-MC and all GMB Rates), Sheet 3	Revised 43279-G
Revised 43422-G	Schedule No. GML, MULTI-FAMILY SERVICE, INCOME QUALIFIED, (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates), Sheet 2	Revised 43280-G
Revised 43423-G	Schedule No. GML, MULTI-FAMILY SERVICE, INCOME QUALIFIED, (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates), Sheet 3	Revised 43281-G
Revised 43424-G	Schedule No. G-NGVR, NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES, (Includes G-NGVR, G- NGVRC, GT-NGVR, G-NGVRL and GT- NGVRL Rates), Sheet 1	Revised 43283-G
Revised 43425-G	Schedule No. G-10, CORE COMMERCIAL AND INDUSTRIAL SERVICE, (Includes GN-	Revised 43286-G

ATTACHMENT B
Advice No. 3864

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 43426-G	10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates), Sheet 2 Schedule No. G-10, CORE COMMERCIAL AND INDUSTRIAL SERVICE, (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates), Sheet 3	Revised 43287-G
Revised 43427-G	Schedule No. G-AC, CORE AIR CONDITIONING SERVICE, FOR COMMERCIAL AND INDUSTRIAL, Sheet 2	Revised 43289-G
Revised 43428-G	Schedule No. G-EN, CORE GAS ENGINE SERVICE, FOR WATER PUMPING, Sheet 2	Revised 43291-G
Revised 43429-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates), Sheet 1	Revised 43292-G
Revised 43430-G	Schedule No. G-NGV, NATURAL GAS SERVICE FOR MOTOR VEHICLES, (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates), Sheet 2	Revised 43293-G
Revised 43431-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 2	Revised 43294-G
Revised 43432-G	Schedule No. G-CP, CORE PROCUREMENT SERVICE, Sheet 3	Revised 43295-G
Revised 43433-G	TABLE OF CONTENTS	Revised 43297-G
Revised 43434-G	TABLE OF CONTENTS	Revised 43298-G
Revised 43435-G	TABLE OF CONTENTS	Revised 43299-G

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 1

RESIDENTIAL CORE SERVICE

Schedule GR (Includes GR, GR-C, GT-R, GRL and GT-RL Rates)

	Baseline Usage	Non-Baseline Usage	Customer Charge per meter, per day	
GR ^{1/}	137.571¢	155.904¢	16.438¢	
GR-C ^{2/}	137.571¢	155.904¢	16.438¢	I,I
GT-R	29.127¢	47.460¢	16.438¢	
GRL ^{3/}	110.659¢	125.325¢	13.151¢	
GT-RL ^{3/}	23.302¢	37.968¢	13.151¢	

Schedule GS (Includes GS, GS-C, GT-S, GSL,GSL-C and GT-SL Rates)

GS ^{1/}	137.571¢	155.904¢	16.438¢	
GS-C ^{2/}	137.571¢	155.904¢	16.438¢	I,I
GT-S	29.127¢	47.460¢	16.438¢	
GSL ^{3/}	110.659¢	125.325¢	13.151¢	
GSL-C ^{3/}	110.659¢	125.325¢	13.151¢	I,I
GT-SL ^{3/}	23.302¢	37.968¢	13.151¢	

Schedule GM (Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC, and all GMB Rates)

GM-E ^{1/}	137.571¢	155.904¢	16.438¢	
GM-C ^{1/}	N/A	155.904¢	16.438¢	
GM-EC ^{2/}	137.571¢	155.904¢	16.438¢	I,I
GM-CC ^{2/}	N/A	155.904¢	16.438¢	I
GT-ME	29.127¢	47.460¢	16.438¢	
GT-MC	N/A	47.460¢	16.438¢	
GM-BE ^{1/}	129.268¢	137.538¢	\$10.156	
GM-BC ^{1/}	N/A	137.538¢	\$10.156	
GM-BEC ^{2/}	129.268¢	137.538¢	\$10.156	I,I
GM-BCC ^{2/}	N/A	137.538¢	\$10.156	I
GT-MBE	20.824¢	29.094¢	\$10.156	
GT-MBC	N/A	29.094¢	\$10.156	

^{1/} The residential core procurement charge as set forth in Schedule No. G-CP is 108.444¢/therm which includes the core brokerage fee.

^{2/} The residential cross-over rate as set forth in Schedule No. G-CP is 108.444¢/therm which includes the core brokerage fee.

^{3/} The CARE rate reflects a 20% discount on all customer, commodity, and transportation charges.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3864
 DECISION NO.

1H8

ISSUED BY

Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 6, 2008
 EFFECTIVE May 10, 2008
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 2

(Continued)

RESIDENTIAL CORE SERVICE (Continued)

Schedule GML (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates)

	Baseline <u>Usage</u>	Non-Baseline <u>Usage</u>	Customer Charge <u>per meter, per day</u>
GML-E ^{3/}	110.659¢	125.325¢	13.151¢
GML-C ^{3/}	N/A	125.325¢	13.151¢
GML-EC ^{3/}	110.659¢	125.325¢	13.151¢
GML-CC ^{3/}	N/A	125.325¢	13.151¢
GT-MLE ^{3/}	23.302¢	37.968¢	13.151¢
GT-MLC ^{3/}	N/A	37.968¢	13.151¢
GMBL-E ^{3/}	104.016¢	110.632¢	\$8.125
GMBL-C ^{3/}	N/A	110.632¢	\$8.125
GMBL-EC ^{3/}	104.016¢	110.632¢	\$8.125
GMBL-CC ^{3/}	N/A	110.632¢	\$8.125
GT-MBLE ^{3/}	16.659¢	23.275¢	\$8.125
GT-MBLC ^{3/}	N/A	23.275¢	\$8.125

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Schedule G-NGVR (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)

	All <u>Usage</u>	Customer Charge <u>per meter, per day</u>
G-NGVR ^{1/}	125.325¢	32.877¢
G-NGVRC ^{2/}	125.325¢	32.877¢
GT-NGVR	16.881¢	32.877¢
G-NGVRL ^{3/}	100.862¢	26.301¢
GT-NGVRL ^{3/}	13.505¢	26.301¢

I

^{1/} The residential core procurement charge as set forth in Schedule No. G-CP is 108.444¢/therm which includes the core brokerage fee.
^{2/} The residential cross-over rate as set forth in Schedule No. G-CP is 108.444¢/therm which includes the core brokerage fee.
^{3/} The CARE rate reflects a 20% discount on all customer, commodity, and transportation charges.

I

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3864
 DECISION NO.
 2H7

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 6, 2008
 EFFECTIVE May 10, 2008
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 3

(Continued)

NON-RESIDENTIAL CORE SERVICE ^{1/ 2/}

Schedule G-10 ^{3/} (Includes GN-10, GN-10C, GT-10, GN-10V, GN-10VC, GT-10V, and all 10L Rates)

	<u>Tier I</u>	<u>Tier II</u>	<u>Tier III</u>	
GN-10	155.427¢	133.099¢	114.102¢	
GN-10C	155.427¢	133.099¢	114.102¢	I,I,I
GT-10	46.983¢	24.655¢	5.658¢	
GN-10V	155.427¢	129.787¢	114.102¢	
GN-10VC	155.427¢	129.787¢	114.102¢	I,I,I
GT-10V	46.983¢	21.343¢	5.658¢	
GN-10L	124.943¢	107.081¢	91.883¢	
GT-10L	37.586¢	19.724¢	4.526¢	

Customer Charge
 Per meter, per day:

	<u>Customer's Annual Usage</u>		<u>CARE Eligible Customer's Annual Usage</u>	
	<1,000 th/yr	≥1,000 th/yr	<1,000 th/yr	≥1,000 th/yr
All customers except "Space Heating Only"	32.877¢	49.315¢	26.301¢	39.452¢
"Space Heating Only" customers:				
Beginning Dec. 1 through Mar. 31	\$0.99174	\$1.48760	\$0.79339	\$1.19008
Beginning Apr. 1 through Nov. 30	None	None	None	None

^{1/} The non-residential core procurement charge as set forth in Schedule No. G-CP is 108.444¢/therm which includes the core brokerage fee.

^{2/} The non-residential cross over rate as set forth in Schedule No. G-CP is 108.444¢/therm which includes the core brokerage fee.

^{3/} Schedule GL rates are set commensurate with GN-10 rate in Schedule G-10.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3864
 DECISION NO.

3H7

ISSUED BY

Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 6, 2008
 EFFECTIVE May 10, 2008
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
PART II
SUMMARY OF RATES AND CHARGES

Sheet 4

(Continued)

NON-RESIDENTIAL CORE SERVICE (Continued) ^{1/ 2/}

Commodity Charge
 (per therm)

Schedule G-AC

G-AC: rate per therm	118.810¢	
G-ACC: rate per therm	118.810¢	I
G-ACL: rate per therm	95.650¢	
Customer Charge: \$150/month		

Schedule G-EN

G-EN: rate per therm	117.997¢	
G-ENC: rate per therm	117.997¢	I
Customer Charge: \$50/month		

Schedule G-NGV

G-NGU: rate per therm	117.209¢	
G-NGUC: rate per therm	117.209¢	I
G-NGU plus G-NGC Compression Surcharge	191.833¢	
G-NGUC plus G-NGC Compression Surcharge	191.833¢	I
GT-NGU	8.765¢	
P-1 Customer Charge: \$13/month		
P-2A Customer Charge: \$65/month		

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3864
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 6, 2008
 EFFECTIVE May 10, 2008
 RESOLUTION NO. G-3351

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 7

(Continued)

WHOLESALE SERVICE (Continued)

Schedule GW-VRN (City of Vernon, GT-F10 & GT-I10)

Transmission Charge	2.799¢
ITCS-VRN	(0.005¢)

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm	108.444¢
Non-Residential Cross-Over Rate, per therm	108.444¢
Residential Core Procurement Charge, per therm	108.444¢
Residential Cross-Over Rate, per therm	108.444¢
Adjusted Core Procurement Charge, per therm	108.256¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

February 2008	141.314¢
March 2008	148.251¢
April 2008	TBD*

Noncore Retail Standby (SP-NR)

February 2008	141.379¢
March 2008	148.316¢
April 2008	TBD*

Wholesale Standby (SP-W)

February 2008	141.379¢
March 2008	148.316¢
April 2008	TBD*

*To be determined (TBD). Pursuant to Resolution G-3316, the April Standby Procurement Charge will be filed by a separate advice letter at least one day prior to May 25.

Buy-Back Rate

Core and Noncore Retail (BR-R)

February 2008.....	39.277¢
March 2008	44.512¢
April 2008	47.780¢

Wholesale (BR-W)

February 2008.....	39.146¢
March 2008	44.363¢
April 2008	47.620¢

(Continued)

(TO BE INSERTED BY UTILITY)

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Lee Schavrien
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(TO BE INSERTED BY CAL. PUC)

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 RESOLUTION NO. G-3351

Schedule No. GR
RESIDENTIAL SERVICE

Sheet 1

(Includes GR, GR-C, GT-R, GRL and GT-RL Rates)

APPLICABILITY

The GR rate is applicable to natural gas procurement service to individually metered residential customers.

The GR-C, cross-over rate, is a core procurement option for individually metered residential core transportation customers with annual consumption over 50,000 therms, as set forth in Special Condition 10.

The GT-R rate is applicable to Core Aggregation Transportation (CAT) service to individually metered residential customers, as set forth in Special Condition 11.

The GRL procurement rate and GT-RL (CAT) rates are applicable to income-qualified households that meet the requirements for the California Alternate Rates for Energy (CARE) as set forth in Schedule G-CARE. The CARE discount of 20% is reflected in the GRL and GT-RL rates shown below.

TERRITORY

Applicable throughout the service territory.

RATES

	<u>GR</u>	<u>GR-C</u>	<u>GT-R</u>
<u>Customer Charge</u> , per meter per day: ^{1/}	16.438¢	16.438¢	16.438¢

Baseline Rate, per therm (baseline usage defined in Special Conditions 3 and 4):

<u>Procurement Charge</u> : ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	<u>29.127¢</u>	<u>29.127¢</u>	<u>29.127¢</u>
<u>Total Baseline Charge</u> :	137.571¢	137.571¢	29.127¢

Non-Baseline Rate, per therm (usage in excess of baseline usage):

<u>Procurement Charge</u> : ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	<u>47.460¢</u>	<u>47.460¢</u>	<u>47.460¢</u>
<u>Total Non-Baseline Charge</u> :	155.904¢	155.904¢	47.460¢

Rates for CARE-Eligible Customers

	<u>GRL</u>	<u>GT-RL</u>
<u>Customer Charge</u> , per meter per day: ^{1/}	13.151¢	13.151¢

^{1/} For "Space Heating Only" customers, a daily Customer Charge of 33.149¢ per day for GR, GR-C and GT-R and 26.519¢ per day for GRL and GT-RL applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, with some exceptions, usage will be accumulated to at least 20 one hundred cubic feet (Ccf) before billing. (Footnotes continue next page.)

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Schedule No. GS Sheet 2
SUBMETERED MULTI-FAMILY SERVICE
 (Includes GS, GS-C, GT-S, GSL, GSL-C and GT-SL Rates)
 (Continued)

RATES (Continued)

	<u>GS</u>	<u>GS-C</u>	<u>GT-S</u>
<u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	<u>29.127¢</u>	<u>29.127¢</u>	<u>29.127¢</u>
Total Baseline Charge:	137.571¢	137.571¢	29.127¢

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	<u>47.460¢</u>	<u>47.460¢</u>	<u>47.460¢</u>
Total Non-Baseline Charge:	155.904¢	155.904¢	47.460¢

	<u>Rates for CARE-Eligible Customers</u>		
	<u>GSL</u>	<u>GSL-C</u>	<u>GT-SL</u>
<u>Customer Charge</u> , per meter per day: ^{1/}	13.151¢	13.151¢	13.151¢

The Transmission Charges for CARE-eligible procurement customers shown below include an additional charge of 0.602 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>23.904¢</u>	<u>23.904¢</u>	<u>23.302¢</u>
Total Baseline Charge:	110.659¢	110.659¢	23.302¢

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>38.570¢</u>	<u>38.570¢</u>	<u>37.968¢</u>
Total Non-Baseline Charge:	125.325¢	125.325¢	37.981¢

^{2/} This charge is applicable to Utility Procurement Customers and includes the G-CPR Procurement Charge as shown in Schedule No. G-CP, which is subject to change monthly, as set forth in Special Condition 8.

(Continued)

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 DECISION NO.

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Schedule No. GM
MULTI-FAMILY SERVICE

Sheet 2

(Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC and all GMB Rates)

(Continued)

RATES

	<u>GM/GT-M</u>	<u>GMB/GT-MB</u>
Customer Charge, per meter, per day:	16.438¢ ^{1/}	\$10.156

GM

	<u>GM-E</u>	<u>GM-EC</u> ^{3/}	<u>GT-ME</u>
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	29.127¢	29.127¢	29.127¢
Total Baseline Charge (all usage):	137.571¢	137.571¢	29.127¢

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	47.460¢	47.460¢	47.460¢
Total Non Baseline Charge (all usage):.....	155.904¢	155.904¢	47.460¢

	<u>GM-C</u>	<u>GM-CC</u> ^{3/}	<u>GT-MC</u>
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	47.460¢	47.460¢	47.460¢
Total Non Baseline Charge (all usage):.....	155.904¢	155.904¢	47.460¢

^{1/} For "Space Heating Only" customers, a daily Customer Charge of 33.149¢ per day for GM and GT-M applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, with some exceptions, usage will be accumulated to at least 20 one hundred cubic feet (Ccf) before billing.

^{2/} This charge is applicable to Utility Procurement Customers and includes the G-CPR Procurement Charge as shown in Schedule No. G-CP, which is subject to change monthly, as set forth in Special Condition 7.

^{3/} These Cross-Over Rate charges will be applicable for only the first 12 months of service for residential core transportation customers who consumed over 50,000 therms: (1) in the last 12 months and who have transferred from procuring their gas commodity from an Energy Service Provider (ESP) to utility procurement unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California; and (2) who return to core procurement service for up to 90 days while deciding whether to switch to a different ESP.

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Schedule No. GM
MULTI-FAMILY SERVICE

Sheet 3

(Includes GM-E, GM-C, GM-EC, GM-CC, GT-ME, GT-MC and all GMB Rates)

(Continued)

RATES (Continued)

GMB

	<u>GM-BE</u>	<u>GM-BEC</u> ^{3/}	<u>GT-MBE</u>
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	<u>20.824¢</u>	<u>20.824¢</u>	<u>20.824¢</u>
Total Baseline Charge (all usage):.....	129.268¢	129.268¢	20.824¢

<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	<u>29.094¢</u>	<u>29.094¢</u>	<u>29.094¢</u>
Total Non-Baseline Charge (all usage):	137.538¢	137.538¢	29.094¢

	<u>GM-BC</u>	<u>GM-BCC</u> ^{3/}	<u>GT-MBC</u>
<u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage):			
Procurement Charge: ^{2/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	<u>29.094¢</u>	<u>29.094¢</u>	<u>29.094¢</u>
Total Non Baseline Charge (all usage):.....	137.538¢	137.538¢	29.094¢

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise fees or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

(Continued)

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Schedule No. G-NGVR

Sheet 1

NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES
 (Includes G-NGVR, G-NGVRC, GT-NGVR, G-NGVRL and GT-NGVRL Rates)

APPLICABILITY

The G-NGVR rate is applicable to natural gas procurement service to individually metered residential customers who have an installed natural gas vehicle (NGV) home refueling appliance, as set forth in Special Conditions 3 and 5.

The G-NGVRC, cross-over rate, is a core procurement option for individually metered residential core transportation customers with annual consumption over 50,000 therms, as set forth in Special Condition 10.

The GT-NGVR rate is applicable to Core Aggregation Transportation (CAT) service to individually metered residential customers, as set forth in Special Condition 11.

The G-NGVRL procurement rate and GT-NGVRL (CAT) rates are applicable to income-qualified households that meet the requirements for the California Alternate Rates for Energy (CARE) Program as set forth in Schedule No. G-CARE. The CARE discount of 20% is reflected in the G-NGVRL and GT-NGVRL rates shown below.

TERRITORY

Applicable throughout the service territory.

RATES

	<u>G-NGVR</u>	<u>G-NGVRC</u>	<u>GT-NGVR</u>
<u>Customer Charge</u> , per meter per day	32.877¢	32.877¢	32.877¢
<u>Rate</u> , per therm			
Procurement Charge ^{1/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u>	<u>16.881¢</u>	<u>16.881¢</u>	<u>16.881¢</u>
Commodity Charge	125.325¢	125.325¢	16.881¢

^{1/} This charge is applicable to Utility Procurement Customers and includes the G-CPR Procurement Charge as shown in Schedule No. G-CP, which is subject to change monthly, as set forth in Special Condition 7.

(Continued)

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Lee Schavrien
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Schedule No. G-10

Sheet 2

CORE COMMERCIAL AND INDUSTRIAL SERVICE
 (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates)

(Continued)

RATES (Continued)

All Procurement, Transmission, and Commodity Charges are billed per therm.

		<u>Tier I</u> ^{2/}	<u>Tier II</u> ^{2/}	<u>Tier III</u> ^{2/}
<u>GN-10:</u>	Applicable to natural gas procurement service to non-residential core customers, including service not provided under any other rate schedule.			
	Procurement Charge: ^{3/} G-CPNR	108.444¢	108.444¢	108.444¢
	<u>Transmission Charge:</u> GPT-10	<u>46.983¢</u>	<u>24.655¢</u>	<u>5.658¢</u>
	Commodity Charge: GN-10	155.427¢	133.099¢	114.102¢

GN-10C: Core procurement service for previous non-residential transportation-only customers returning to core procurement service, including CAT customers with annual consumption over 50,000 therms, as further defined in Schedule No. G-CP.

	Procurement Charge: ^{3/} G-CPNRC	108.444¢	108.444¢	108.444¢	I,I,I
	<u>Transmission Charge:</u> GPT-10	<u>46.983¢</u>	<u>24.655¢</u>	<u>5.658¢</u>	
	Commodity Charge: GN-10C	155.427¢	133.099¢	114.102¢	I,I,I

GT-10: Applicable to non-residential transportation-only service including CAT service, as set forth in Special Condition 13.

	Transmission Charge: GT-10	46.983¢ ^{4/}	24.655¢ ^{4/}	5.658¢ ^{4/}
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^{2/} Tier I rates are applicable for the first 100 therms used during summer months and the first 250 therms used during winter months. Tier II rates are applicable for usage above Tier I quantities and up through 4,167 therms per month. Tier III rates are applicable for all usage above 4,167 therms per month. Under this schedule, the winter season shall be defined as December 1 through March 31 and the summer season as April 1 through November 30.

^{3/} This charge is applicable for service to Utility Procurement Customers as shown in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly, as set forth in Special Condition 5.

^{4/} These charges are equal to the core commodity rate less the following two components as approved in D.97-04-082: (1) the weighted average cost of gas; and (2) the core brokerage fee.

(Footnotes continue next page.)

(Continued)

Schedule No. G-10

Sheet 3

CORE COMMERCIAL AND INDUSTRIAL SERVICE
 (Includes GN-10, 10C, 10V, 10VC, 10L, GT-10, 10V, and 10L Rates)

(Continued)

RATES (Continued)

City of Vernon

		<u>Tier I^{2/}</u>	<u>Tier II^{2/}</u>	<u>Tier III^{2/}</u>	
<u>GN-10V:</u>	Applicable to natural gas procurement service to non-residential core customers located in the City of Vernon, as defined in Special Condition 11.				
Procurement Charge: ^{3/}	G-CPNR	108.444¢	108.444¢	108.444¢	
<u>Transmission Charge:</u>	GPT-10V	<u>46.983¢</u>	<u>21.343¢</u>	<u>5.658¢</u>	
Commodity Charge:	GN-10V	155.427¢	129.787¢	114.102¢	
<u>GN-10VC:</u>	Core procurement service for previous non-residential transportation-only customers returning to utility procurement service located in the City of Vernon, including CAT customers with annual consumption over 50,000 therms, as further defined in Schedule No. G-CP.				
Procurement Charge: ^{3/}	G-CPNRC	108.444¢	108.444¢	108.444¢	I,I,I
<u>Transmission Charge:</u>	GPT-10V	<u>46.983¢</u>	<u>21.343¢</u>	<u>5.658¢</u>	
Commodity Charge:	GN-10VC	155.427¢	129.787¢	114.102¢	I,I,I
<u>GT-10V:</u>	Applicable to non-residential transportation-only and CAT customers located in the City of Vernon as set forth in Special Conditions 11 and 13.				
Transmission Charge:	GT-10V	46.983¢ ^{5/}	21.343¢ ^{5/}	5.658¢ ^{5/}	

(Footnotes continued from previous page.)

^{5/} These charges are equal to the core commodity rate less the following three components as approved in D.97-04-082: (1) the weighted average cost of gas; (2) the core brokerage fee; and (3) an amount to implement the SoCalGas-Vernon Stipulation and Settlement Agreement approved by D.96-09-104.

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Schedule No. G-AC

Sheet 2

CORE AIR CONDITIONING SERVICE
 FOR COMMERCIAL AND INDUSTRIAL

(Continued)

RATES (Continued)

Commodity Charges

G-AC

This charge is for service as defined above and consists of: (1) the monthly non-residential procurement charge as set forth in Schedule No. G-CP; and (2) the GT-AC transmission charge, as set forth in Schedule No. GT-AC.

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 10.

Rate, per therm.

Procurement Charge:	G-CPNR	108.444¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>10.366¢</u>
Commodity Charge:	G-AC	118.810¢

G-ACC

This charge will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

This charge consists of: (1) the monthly procurement charge as set forth in Schedule No. G-CPNRC; and (2) the GT-AC transmission charge, as set forth in Schedule No. GT-AC.

Rate, per therm.

Procurement Charge:	G-CPNRC	108.444¢
<u>Transmission Charge:</u>	<u>GPT-AC</u>	<u>10.366¢</u>
Commodity Charge:	G-ACC	118.810¢

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Schedule No. G-EN
CORE GAS ENGINE SERVICE
FOR WATER PUMPING

Sheet 2

(Continued)

RATES (Continued)

Commodity Charges (Continued)

G-EN (Continued)

The non-residential procurement charge is determined as set forth in Schedule No. G-CP, in the manner approved by D.96-08-037, and subject to change monthly as described in Special Condition 6.

Rate, per therm

Procurement Charge:	G-CPNR	108.444¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>9.553¢</u>
Commodity Charge:	G-EN	117.997¢

G-ENC

This charge will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

This charge consists of: (1) the monthly procurement charge as set forth in Schedule No. G-CPNRC; and (2) the GT-EN transmission charge, as set forth in Schedule No. GT-EN.

Procurement Charge:	G-CPNRC	108.444¢
<u>Transmission Charge:</u>	<u>GPT-EN</u>	<u>9.553¢</u>
Commodity Charge:	G-ENC	117.997¢

Minimum Charge

The minimum monthly charge shall consist of the Monthly Customer Charge.

The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)

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Schedule No. G-NGV

Sheet 1

NATURAL GAS SERVICE FOR MOTOR VEHICLES
 (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates)

APPLICABILITY

Applicable to the sale of natural gas at the customer's premises (G-NGU, G-NGC and G-NGUC rates) and to the transportation of customer-owned gas (GT-NGU rate) for use in motor vehicles. Service under this schedule shall be classified as end-use priority 1 or 2A in accordance with Rule No. 23.

TERRITORY

Applicable throughout the service territory.

RATES

	<u>P-1 Service</u>	<u>P-2A Service</u>
<u>Customer Charge</u> , per month	\$13.00	\$65.00

Commodity and Transmission Charges

Customer-Funded Fueling Station

Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by the customer using customer's equipment at the customer's designated premises.

Rate, uncompressed per therm

	<u>G-NGU</u>	<u>G-NGUC</u> ^{1/}	<u>GT-NGU</u> ^{2/}
<u>Procurement Charge</u> : ^{3/}	108.444¢	108.444¢	N/A
<u>Transmission Charge</u> :	8.765¢	8.765¢	8.765¢
<u>Uncompressed Commodity Charge</u> :	117.209¢	117.209¢	8.765¢

^{1/} Applicable only the first 12 months of service for non-residential core transportation customers with qualifying load who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California.

^{2/} Applicable to transportation-only service, including Core Aggregation Transportation service.

^{3/} This charge is applicable for service to Utility Procurement Customers and include the G-CPNR Procurement Charge as shown in Schedule No. G-CP, which is subject to change monthly, as set forth in Special Condition 4.

(Continued)

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Schedule No. G-NGV

Sheet 2

NATURAL GAS SERVICE FOR MOTOR VEHICLES
 (Includes G-NGU, G-NGUC, G-NGC and GT-NGU Rates)

(Continued)

RATES (Continued)

Commodity and Transmission Charges (Continued)

Utility-Funded Fueling Station

G-NGC Compression Surcharge, per therm 74.624¢

The G-NGC Compression Surcharge will be added to the G-NGU Uncompressed rate per therm, or the G-NGUC Uncompressed rate per therm as applicable, as indicated in the Customer-Funded Fueling Station section above. The resultant total compressed rate is:

G-NGU plus G-NGC, compressed per therm 191.833¢

G-NGUC plus G-NGC, compressed per therm 191.833¢

Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by the Utility from a Utility-funded fueling station.

For billing purposes, the number of therms compressed at a Utility-funded station, will be expressed in gasoline gallon equivalents at the dispenser.

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

Late Payment Charge

A late payment charge may be added to a customer's bill whenever a customer fails to pay for services under this schedule as set forth in Rule No. 12, Payment of Bills, and for CAT customers, as set forth in Rule No. 32.

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise fees or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3864
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 6, 2008
 EFFECTIVE May 10, 2008
 RESOLUTION NO. G-3351

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	108.256¢
Brokerage Fee, per therm	<u>0.188¢</u>
Total Core Procurement Charge, per therm	108.444¢

G-CPNRC

This is the non-residential Cross-Over Rate authorized in D.02-08-065. This charge will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The monthly gas procurement charge is comprised of: (1) the higher of the Cost of Gas in the G-CPNR rate above, less authorized franchise fees and uncollectible expenses, or the Adjusted Border Price; (2) authorized franchise fees and uncollectible expenses; and (3) authorized core brokerage fee.

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates.

Cost of Gas, (1) and (2) above, per therm	108.256¢	I
Brokerage Fee, per therm	<u>0.188¢</u>	
Total Core Procurement Charge, per therm	108.444¢	I

G-CPR

This charge is for residential service. Pursuant to D.96-08-037, Utility was authorized to change the residential gas procurement charge monthly concurrent with its implementation of the 1996 BCAP Decision (D.97-04-082).

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3864
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Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 3

(Continued)

RATES (Continued)

G-CPR (Continued)

The monthly residential gas procurement charge is comprised of: (1) the weighted average estimated cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068, including reservation charges associated with interstate pipeline capacity contracts entered into by the Utility pursuant to D.04-09-022 and D.02-06-023, and the carrying cost of storage inventory pursuant to D.07-12-019; (2) authorized franchise fees and uncollectible expenses; (3) authorized core brokerage fee; (4) any adjustments for over- or under- collection imbalance in the Core Purchased Gas Account (CPGA) imbalance band as defined and approved in D.98-07-068; and (5) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

Cost of Gas, per therm	108.256¢
Brokerage Fee, per therm	<u>0.188¢</u>
Total Core Procurement Charge, per therm	108.444¢

G-CPRC

This is the residential Cross-Over Rate authorized in D.02-08-065. This charge will be applicable for the first 12 months for: (1) residential core transportation customers who consumed over 50,000 therms in the last 12 months and who transfer to utility procurement, or (2) residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The monthly gas procurement charge is comprised of: (1) the higher of the Cost of Gas in the G-CPR rate above, less authorized franchise fees and uncollectible expenses, or the Adjusted Border Price; (2) authorized franchise fees and uncollectible expenses; and (3) authorized core brokerage fee.

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates.

Cost of Gas, (1) and (2) above, per therm	108.256¢
Brokerage Fee, per therm	<u>0.188¢</u>
Total Core Procurement Charge, per therm	108.444¢

The Border Price will be posted on the Utility's Internet web site at <http://www.socalgas.com>.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3864
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ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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Schedule No. GML

Sheet 2

MULTI-FAMILY SERVICE, INCOME QUALIFIED
 (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates)

(Continued)

RATES

The individual unit Baseline therm allocation shall be multiplied by the number of qualified residential units.

	<u>GML/GT-ML</u>	<u>GMBL/GT-MBL</u>
<u>Customer Charge</u> , per meter, per day:	13.151¢ ^{1/}	\$8.125

The Transmission Charges for CARE-eligible procurement customers shown below include an additional charge of 0.602 cents per therm to recover the well work costs associated with maintaining the deliverability capability at the Aliso and Goleta storage fields as a result of releasing the cushion gas to CARE procurement customers pursuant to D.05-11-027.

GML

	<u>GML-E</u>	<u>GML-EC</u>	<u>GT-MLE</u>
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>23.904¢</u>	<u>23.904¢</u>	<u>23.302¢</u>
Total Baseline Charge (all usage):	110.659¢	110.659¢	23.302¢

Non-Baseline Rate, per therm (usage in excess of baseline usage):

Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>38.570¢</u>	<u>38.570¢</u>	<u>37.968¢</u>
Total Non Baseline Charge (all usage):.....	125.325¢	125.325¢	37.968¢

	<u>GML-C</u>	<u>GML-CC</u>	<u>GT-MLC</u>
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Non-Baseline Rate, per therm (usage in excess of baseline usage):

Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>38.570¢</u>	<u>38.570¢</u>	<u>37.968¢</u>
Total Non Baseline Charge (all usage):.....	125.325¢	125.325¢	37.968¢

^{1/} For "Space Heating Only" customers, a daily Customer Charge of 26.519¢ per day applies during the winter period beginning November 1 through April 30. For the summer period beginning May 1 through October 31, with some exceptions, usage will be accumulated to at least 20 one hundred cubic feet (Ccf) before billing.

^{2/} This charge is applicable to Utility Procurement Customers and includes the G-CPR Procurement Charge as shown in Schedule No. G-CP, which is subject to change monthly, as set forth in Special Condition 7.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3864
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
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 EFFECTIVE May 10, 2008
 RESOLUTION NO. G-3351

Schedule No. GML

Sheet 3

MULTI-FAMILY SERVICE, INCOME QUALIFIED
 (Includes GML-E, GML-C, GML-EC, GML-CC, GT-MLE, GT-MLC and all GMBL Rates)

(Continued)

RATES (Continued)

GMBL

	<u>GMBL-E</u>	<u>GMBL-EC</u>	<u>GT-MBLE</u>
<u>Baseline Rate</u> , per therm (baseline usage defined per Special Conditions 3 and 4):			
Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>17.261¢</u>	<u>17.261¢</u>	<u>16.659¢</u>
Total Baseline Charge (all usage):.....	104.016¢	104.016¢	16.659¢

Non-Baseline Rate, per therm (usage in excess of baseline usage):

Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>23.877¢</u>	<u>23.877¢</u>	<u>23.275¢</u>
Total Non-Baseline Charge (all usage):	110.632¢	110.632¢	23.275¢

	<u>GMBL-C</u>	<u>GMBL-CC</u>	<u>GT-MBLC</u>
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Non-Baseline Rate, per therm (usage in excess of baseline usage):

Procurement Charge: ^{2/}	86.755¢	86.755¢	N/A
<u>Transmission Charge</u> :	<u>23.877¢</u>	<u>23.877¢</u>	<u>23.275¢</u>
Total Non Baseline Charge (all usage):.....	110.632¢	110.632¢	23.275¢

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

Additional Charges

Rates may be adjusted to reflect any applicable taxes, Franchise Fees or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3864
 DECISION NO.

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Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 6, 2008
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ATTACHMENT C

ADVICE NO. 3864

**G-CPNRC & G-CPRC RATE CALCULATION WORKPAPER
SCHEDULE NO. G-CP CROSS-OVER RATE FILING
EFFECTIVE May 10, 2008**

Border Price Index (BPI)

The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence (NGI) and the "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week (NGW)

May 2008 NGI's Price Index (NGIPI) = \$1.03300 per therm

May 2008 NGW's Price Index (NGWPI) = \$1.02300 per therm

**Border Price Index (BPI) = (NGIPI + NGWPI) / 2
BPI = \$1.02800 per therm**

Adjusted Border Price Index (ABPI)

Remove Core Pipeline Demand Costs from BPI

ABPI = \$1.02800 - \$0.00013 = \$1.02787 per therm

Core Procurement Cost of Gas (CPC)

5/1/08 G-CPNR & G-CPR Cost of Gas (without Brokerage Fee) = \$1.08256

Adjusted Core Procurement Cost of Gas (ACPC)

Remove 1.9187% Franchise Fee and Uncollectibles (FF&U)

ACPC = \$1.08256 / 1.019187 = \$1.06218 per therm

G-CPNRC & G-CPRC Cross-Over Rate Calculation:

Higher of ACPC or ABPI = ACPC = \$1.06218

Include 1.9187% Franchise Fee and Uncollectibles (FF&U)

G-CPNRC & G-CPRC Cost of Gas = \$1.06218 * 1.019187 = \$1.08256 per therm