PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



June 16, 2008

Advice Letter 3866

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

Subject: April 2008 Standby Procurement Charges

Dear Mr. Deremer:

Advice Letter 3866 is effective May 21, 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

May 21, 2008

Advice No. 3866 (U 904 G)

Public Utilities Commission of the State of California

Subject: April 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 April 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 0.188¢ 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 April 2008 (covering the period April 1, 2008, to May 20, 2008), the highest daily border price index at the Southern California border is \$1.08225 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$1.62604 per therm for noncore retail service and all wholesale service, and \$1.62526 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 May 21, 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 May 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 COMPLET	ΓED BY UTILITY (At	tach additional pages as needed)	
Company name/CPUC Utility No. SOUTHERN CALIFORNIA GAS COMPANY (U 904G)			
Utility type:			
☐ ELC	Phone #: (213) <u>24</u>	4-2846	
☐ 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 W	WATER = Water		
Advice Letter (AL) #: 3866			
Subject of AL: April 2008 Standby P	Procurement Charg	ges	
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 Commission order, indicate relevant Decision/Resolution #: G-3316			
	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 e	explanation: No	
Resolution Required? Yes No		Tier Designation: 🛛 1 🔲 2 🔲 3	
Requested effective date: <u>May 21, 2008</u> No. of tariff sheets: <u>4</u>			
Estimated system annual revenue eff	ect: (%): <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: <u>3858 and 3860</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	

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

ATTACHMENT A

Advice No. 3866

(See Attached Service List)

Aglet Consumer Alliance James Weil jweil@aglet.org

Alcantar & Kahl LLP Annie Stange sas@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

Alcantar & Kahl Kari Harteloo klc@a-klaw.com

Jo Maxwell @ascoalition.com

Ancillary Services Coalition

BP Amoco, Reg. Affairs Marianne Jones 501 West Lake Park Blvd. Houston, TX 77079

Consumer Affairs Branch 505 Van Ness Ave., #2003 San Francisco, CA 94102

CPUC - DRA Galen Dunham gsd@cpuc.ca.gov

CPUC

California Energy Market Lulu Weinzimer Iuluw@newsdata.com

City of Azusa Light & Power Dept. 215 E. Foothill Blvd. Azusa, CA 91702

City of Colton Thomas K. Clarke 650 N. La Cadena Drive Colton, CA 92324

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Commerce Energy Brian Patrick BPatrick@commerceenergy.com Alcantar & Kahl Seema Srinivasan sls@a-klaw.com

Ancillary Services Coalition Nick Planson

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CPUC
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CPUC - DRA R. Mark Pocta rmp@cpuc.ca.gov

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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 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

Jeffer, Mangels, Butler & Marmaro 2 Embarcaero Center, 5th Floor San Francisco, CA 94111

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

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Janie.Nielsen@KernRiverGas.com

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Ray Welch

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Southern California Edison Co

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Southwest Gas Corp.

John Hester P. O. Box 98510

Las Vegas, NV 89193-8510

Suburban Water System

Bob Kelly

1211 E. Center Court Drive

Covina, CA 91724

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TURN

Marcel Hawiger marcel@turn.org **TURN**

Mike Florio mflorio@turn.org The Mehle Law Firm PLLC

Colette B. Mehle

cmehle@mehlelaw.com

Western Manufactured Housing Communities Assoc.

Sheila Day sheila@wma.org

ATTACHMENT B Advice No. 3866

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 43452-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 43417-G
Revised 43453-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 43264-G Revised 43175-G
Revised 43454-G	TABLE OF CONTENTS	Revised 43266-G
Revised 43455-G	TABLE OF CONTENTS	Revised 43435-G

Revised CANCELING Revised LOS ANGELES, CALIFORNIA

CAL. P.U.C. SHEET NO. 43452-G 43417-G CAL. P.U.C. SHEET NO.

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

(Continued)

Schedule GW-VRN (City of Vernon, GT-F10 & GT-I10) Transmission Charge ITCS-VRN	•
PROCUREMENT CHARGE	
Schedule G-CP	
Non-Residential Core Procurement Charge, per therm	108.444¢
Non-Residential Cross-Over Rate, per therm	
Residential Core Procurement Charge, per therm	
Residential Cross-Over Rate, per therm	
Adjusted Core Procurement Charge, per therm	
. rejusceu cere i recurement change, per mermi miniminiminimi	100.2007
IMBALANCE SERVICE	
Standby Procurement Charge	
Core Retail Standby (SP-CR)	
February 2008	141.314¢
March 2008	•
April 2008	162.526¢
Noncore Retail Standby (SP-NR)	•
February 2008	141.379¢
March 2008	148.316¢
April 2008	162.604¢
Wholesale Standby (SP-W)	
February 2008	141.379¢
March 2008	148.316¢
April 2008	162.604¢
Buy-Back Rate	
Core and Noncore Retail (BR-R)	
- 4 4000	

Wholesale (BR-W)

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3866 DECISION NO.

7H7

ISSUED BY Lee Schavrien Senior Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) May 21, 2008 DATE FILED May 21, 2008 EFFECTIVE RESOLUTION NO. G-3316

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Sheet 7

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Revised Revised LOS ANGELES, CALIFORNIA CANCELING

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

43453-G 43264-G

43175-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 0.266¢ per therm for noncore retail service and all wholesale service, and <u>0.188¢</u> 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.

SP-CR Standby Rate, per therm	
February 2008	141.314¢
March 2008	148.251¢
April 2008	162.526¢
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
February 2008	
March 2008	148.316¢
April 2008	162.604¢
Wholesale Service:	
SP-W Standby Rate per therm	
February 2008	141.379¢
March 2008	148.316¢
April 2008	162.604¢
-	

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)

(TO BE INSERTED BY UTILITY) 3866 ADVICE LETTER NO. DECISION NO.

2H9

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) May 21, 2008 DATE FILED May 21, 2008 **EFFECTIVE** RESOLUTION NO. G-3316

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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
	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

(TO BE INSERTED BY UTILITY) 3866 ADVICE LETTER NO. DECISION NO.

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) May 21, 2008 DATE FILED May 21, 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.
m'd p	400 C4 C
Title Page	
Table of ContentsGeneral and Preliminary Statement	
Table of ContentsService Area Maps and Descriptions	
Table of ContentsRate Schedules	
Table of ContentsList of Cities and Communities Served	
Table of ContentsList of Contracts and Deviations	
Table of Contents-Rules	
Table of ContentsSample Forms	4-0,42332-0,42490-0,43043-0,42303-0
PRELIMINARY STATEMENT	
Part I General Service Information	7-G,24332-G,24333-G,24334-G,24749-G
Part II Summary of Rates and Charges	
43452-G,43045-G,43046-G,42420	0-G,43273-G,43274-G,42635-G,42636-G
Part III Cost Allocation and Revenue Requirement 27024	4-G,37920-G,27026-G,27027-G,42637-G
Part IV Income Tax Component of Contributions and Advances	43036-G,24354-G
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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 (EPTC)	
Gas Cost Rewards and Penalties Account (GCRPA)	
Pension Balancing Account (PBA)	40882-G,40883-G

(Continued)

(TO BE INSERTED BY UTILITY) 3866 ADVICE LETTER NO. DECISION NO.

1H6

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) DATE FILED May 21, 2008 May 21, 2008 EFFECTIVE RESOLUTION NO. G-3316

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ATTACHMENT C

ADVICE NO. 3866

RATE CALCULATION WORKPAPER SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING EFFECTIVE APRIL 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 May 16, 2008

05/16/08 NGI's Daily Gas Price Index (NDGPI) = \$1.0820 per therm

05/16/08 Gas Daily's Daily Price Survey (GDDPS) = \$1.0825 per therm

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

HDBPI = \$1.08225 per therm

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

SP-CR = 150% x \$1.08225 + \$0.00188 = **\$1.62526**

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

SP-NR = 150% x \$1.08225 + \$0.00266 = **\$1.62604**

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

SP-W = 150% x \$1.08225 + \$0.00266 = **\$1.62604**