

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



October 29, 2008

**Advice Letter 3904**

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

Subject: **September 2008 Buy-Back Rates**

Dear Mr. Deremer:

Advice Letter 3904 is effective September 30, 2008.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Lewis".

Kenneth Lewis, Acting Director  
Energy Division



Ken Deremer  
Director  
Tariffs & Regulatory Accounts

8330 Century Park Court CP32C  
San Diego, CA 92123-1548  
Tel: 858.654.1756  
Fax: 858.654.1788  
KDeremer@SempraUtilities.com

September 30, 2008

Advice No. 3904  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: September 2008 Buy-Back Rates**

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 Buy-Back Rates in Schedule No. G-IMB for September 2008.

**Background**

As authorized in Schedule No. G-IMB - Transportation Imbalance Service, the Buy-Back Rates are established effective the last day of each month.

The Buy-Back Rates will be the lower of 1) the lowest incremental cost of gas purchased by Utility during the month the 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.

**Information**

During the month of September, the lowest incremental cost of gas, which is 9.898 cents per therm, is lower than 50% of the Adjusted Core Procurement Charge, G-CPA. Therefore, the Buy-Back Rates for September 2008 are being set at the lowest incremental cost of gas. The work paper showing details of the calculation of these rates is incorporated herein as Attachment C.

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets.

Pursuant to Resolution G-3316, the September 2008 Standby Procurement Charges will be filed by separate advice letter at least one day prior to October 25, 2008.

**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 must be received within 20 days of the date 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](mailto:mas@cpuc.ca.gov)) and to Honesto Gatchalian ([jnj@cpuc.ca.gov](mailto: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](mailto: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 and therefore respectfully requests that the tariff sheets filed herein be made effective September 30, 2008, to coincide with SoCalGas' Adjusted Core Procurement Charge filing in Advice No. 3898, dated August 29, 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) #: 3904

Subject of AL: September 2008 Buy-Back Rates

Keywords (choose from CPUC listing): Preliminary Statement, Core, Compliance

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

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

D89-11-060 and D90-09-089, et al.

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No

Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: N/A

Does AL request confidential treatment? If so, provide explanation: No

Resolution Required?  Yes  No

Tier Designation:  1  2  3

Requested effective date: September 30, 2008

No. of tariff sheets: 5

Estimated system annual revenue effect (%): None

Estimated system average rate effect (%): None

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: Preliminary Statement, Part II; Schedule G-IMB; and TOCs

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: 3893, 3897, and 3903

**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, GT14D6**

**Los Angeles, CA 90013-1011**

**snewsom@semprautilities.com**

<sup>1</sup> Discuss in AL if more space is needed.

**ATTACHMENT A**

**Advice No. 3904**

**(See Attached Service List)**

Aglet Consumer Alliance  
James Weil  
jweil@aglet.org

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

Alcantar & Kahl  
Seema Srinivasan  
sls@a-klaw.com

Alcantar & Kahl LLP  
Annie Stange  
sas@a-klaw.com

Ancillary Services Coalition  
Jo Maxwell  
jomaxwell@ascoalition.com

Ancillary Services Coalition  
Nick Planson  
nplanson@ascoalition.com

Ancillary Services Coalition  
Terry Rich  
TRich@ascoalition.com

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

Barkovich & Yap  
Catherine E. Yap  
ceyap@earthlink.net

Beta Consulting  
John Burkholder  
burkee@cts.com

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

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

CPUC  
Pearlie Sabino  
pzs@cpuc.ca.gov

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

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

CPUC - DRA  
Jacqueline Greig  
jnm@cpuc.ca.gov

California Energy Market  
Lulu Weinzimer  
luluw@newsdata.com

Calpine Corp  
Avis Clark  
aclark@calpine.com

City of Anaheim  
Ben Nakayama  
Public Utilities Dept.  
P. O. Box 3222  
Anaheim, CA 92803

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

City of Banning  
Paul Toor  
P. O. Box 998  
Banning, CA 92220

City of Burbank  
Fred Fletcher/Ronald Davis  
164 West Magnolia Blvd., Box 631  
Burbank, CA 91503-0631

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

City of Long Beach, Gas & Oil Dept.  
Chris Garner  
2400 East Spring Street  
Long Beach, CA 90806

City of Los Angeles  
City Attorney  
200 North Main Street, 800  
Los Angeles, CA 90012

City of Pasadena - Water and Power  
Dept.  
G Bawa  
GBawa@cityofpasadena.net

City of Riverside  
Joanne Snowden  
jsnowden@riversideca.gov

City of Vernon  
Daniel Garcia  
dgarcia@ci.vernon.ca.us

Commerce Energy  
Blake Lazusso  
blasuzzo@commerceenergy.com

Commerce Energy  
Brian Patrick  
BPatrick@commerceenergy.com

Commerce Energy  
Catherine Sullivan  
csullivan@commerceenergy.com

County of Los Angeles  
Stephen Crouch  
1100 N. Eastern Ave., Room 300  
Los Angeles, CA 90063

Crossborder Energy  
Tom Beach  
tomb@crossborderenergy.com

Culver City Utilities  
Heustace Lewis  
Heustace.Lewis@culvercity.org

DGS  
Henry Nanjo  
Henry.Nanjo@dgs.ca.gov

Davis Wright Tremaine, LLP  
Edward W. O'Neill  
505 Montgomery Street, Ste 800  
San Francisco, CA 94111

Davis, Wright, Tremaine  
Judy Pau  
judypau@dwt.com

Dept. of General Services  
Celia Torres  
celia.torres@dgs.ca.gov

Douglass & Liddell  
Dan Douglass  
douglass@energyattorney.com

Douglass & Liddell  
Donald C. Liddell  
liddell@energyattorney.com

Downey, Brand, Seymour & Rohwer  
Ann Trowbridge  
atrowbridge@downeybrand.com

Downey, Brand, Seymour & Rohwer  
Dan Carroll  
dcarroll@downeybrand.com

Dynegy  
Joseph M. Paul  
jmpa@dynegy.com

Gas Purchasing  
BC Gas Utility Ltd.  
16705 Fraser Highway  
Surrey, British Columbia, V3S 2X7

Gas Transmission Northwest  
Corporation  
Bevin Hong  
Bevin\_Hong@transcanada.com

General Services Administration  
Facilities Management (9PM-FT)  
450 Golden Gate Ave.  
San Francisco, CA 94102-3611

Goodin, MacBride, Squeri, Ritchie &  
Day, LLP  
J. H. Patrick  
hpatrick@gmssr.com

Goodin, MacBride, Squeri, Ritchie &  
Day, LLP  
James D. Squeri  
jsqueri@gmssr.com

Hanna & Morton  
Norman A. Pedersen, Esq.  
npedersen@hanmor.com

Imperial Irrigation District  
K. S. Noller  
P. O. Box 937  
Imperial, CA 92251

JBS Energy  
Jeff Nahigian  
jeff@jbsenergy.com

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

Kern River Gas Transmission Company  
Janie Nielsen  
Janie.Nielsen@KernRiverGas.com

LADWP  
Nevenka Ubavich  
nevenka.ubavich@ladwp.com

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

Law Offices of Diane I. Fellman  
Diane Fellman  
diane\_fellman@fpl.com

Law Offices of William H. Booth  
William Booth  
wbooth@booth-law.com

Luce, Forward, Hamilton & Scripps  
John Leslie  
jleslie@luce.com

MRW & Associates  
Robert Weisenmiller  
mrw@mrwassoc.com

Manatt Phelps Phillips  
Randy Keen  
rkeen@manatt.com

Manatt, Phelps & Phillips, LLP  
David Huard  
dhuard@manatt.com

March Joint Powers Authority  
Lori Stone  
PO Box 7480,  
Moreno Valley, CA 92552

Matthew Brady & Associates  
Matthew Brady  
matt@bradylawus.com

Julie Morris  
Julie.Morris@PPMEnergy.com

National Utility Service, Inc.  
Jim Boyle  
One Maynard Drive, P. O. Box 712  
Park Ridge, NJ 07656-0712

Navigant Consulting, Inc.  
Ray Welch  
ray.welch@navigantconsulting.com

PG&E Tariffs  
Pacific Gas and Electric  
PGETariffs@pge.com

Pacific Gas & Electric Co.  
John Clarke  
jpc2@pge.com

Praxair Inc  
Rick Noger  
rick\_noger@praxair.com

Questar Southern Trails  
Lenard Wright  
Lenard.Wright@Questar.com

R. W. Beck, Inc.  
Catherine Elder  
celder@rwbeck.com

Regulatory & Cogen Services, Inc.  
Donald W. Schoenbeck  
900 Washington Street, #780  
Vancouver, WA 98660

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

Safeway, Inc  
Cathy Ikeuchi  
cathy.ikeuchi@safeway.com

Sempra Global  
William Tobin  
wtobin@sempraglobal.com

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

Southern California Edison Co  
Fileroom Supervisor  
2244 Walnut Grove Ave., Rm 290, G01  
Rosemead, CA 91770

Southern California Edison Co  
Karyn Gansecki  
601 Van Ness Ave., #2040  
San Francisco, CA 94102

Southern California Edison Co.  
Colin E. Cushnie  
Colin.Cushnie@SCE.com

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

Southern California Edison Co.  
John Quinlan  
john.quinlan@sce.com

Southern California Edison Company  
Michael Alexander  
Michael.Alexander@sce.com

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

Sutherland, Asbill & Brennan  
Keith McCrea  
kmccrea@sablaw.com

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. 3904

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 43925-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 43921-G
Revised 43926-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 43922-G
Revised 43927-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 43843-G
Revised 43928-G	TABLE OF CONTENTS	Revised 43923-G
Revised 43929-G	TABLE OF CONTENTS	Revised 43924-G

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 .....	2.817¢
ITCS-VRN .....	(0.005¢)

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm .....	68.874¢
Non-Residential Cross-Over Rate, per therm .....	73.163¢
Residential Core Procurement Charge, per therm .....	68.874¢
Residential Cross-Over Rate, per therm .....	73.163¢
Adjusted Core Procurement Charge, per therm .....	68.686¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)

July 2008 .....	190.201¢	D
August 2008 .....	126.938¢	
September 2008 .....	TBD*	T

Noncore Retail Standby (SP-NR)

July 2008 .....	190.279¢	D
August 2008 .....	127.016¢	
September 2008 .....	TBD*	T

Wholesale Standby (SP-W)

July 2008 .....	190.279¢	D
August 2008 .....	127.016¢	
September 2008 .....	TBD*	T

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

Buy-Back Rate

Core and Noncore Retail (BR-R)

July 2008 .....	61.238¢	D
August 2008 .....	43.782¢	
September 2008 .....	9.898¢	R

Wholesale (BR-W)

July 2008 .....	61.033¢	D
August 2008 .....	43.636¢	
September 2008 .....	9.898¢	R

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 3904  
 DECISION NO. 89-11-060 & 90-09-089,  
 et al.

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President  
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Sep 30, 2008  
 EFFECTIVE Sep 30, 2008  
 RESOLUTION NO. \_\_\_\_\_

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 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."

Core Retail Service:

SP-CR Standby Rate, per therm

July 2008 .....	190.201¢	D
August 2008 .....	126.938¢	T
September 2008 .....	TBD*	T

Noncore Retail Service:

SP-NR Standby Rate, per therm

July 2008 .....	190.279¢	D
August 2008 .....	127.016¢	T
September 2008 .....	TBD*	T

Wholesale Service:

SP-W Standby Rate per therm

July 2008 .....	190.279¢	D
August 2008 .....	127.016¢	T
September 2008 .....	TBD*	T

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

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)

Schedule No. G-IMB  
TRANSPORTATION IMBALANCE SERVICE

Sheet 3

(Continued)

RATES (Continued)

Buy-Back Rate (Continued)

Retail Service:

BR-R Buy-Back Rate, per therm

July 2008 .....	61.238¢	D
August 2008 .....	43.782¢	R
September 2008 .....	9.898¢	

Wholesale Service:

BR-W Buy-Back Rate, per therm

July 2008 .....	61.033¢	D
August 2008 .....	43.636¢	R
September 2008 .....	9.898¢	

If the incremental cost of gas is the basis for the Standby or Buy-Back Rates, Utility will provide CPUC the necessary work papers for such cost. Such documentation will be provided under confidentiality pursuant to General Order 66-C and Section 583 of the Public Utilities Code.

Daily Balancing Standby Rates

During November through March customers are required to deliver (flowing supply and firm storage withdrawal) at a minimum of 50% of burn during a five-day period. Volumes not in compliance with the 50% five-day minimum delivery requirement are purchased at the daily standby rate. The daily balancing standby rate is calculated as 150% of the highest Southern California Border price during the five-day period as published in "NGI's *Daily Gas Price Index*" including authorized franchise fees and, for retail customers, uncollectible expenses (F&U), and an authorized brokerage fee.

When the Utility's total inventory in storage declines to the "peak day minimum + 20 Bcf trigger", the minimum daily delivery requirement increases to 70%. The five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily Gas Price Index* for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 70% delivery requirement.

When the Utility's total inventory in storage declines to the "peak day minimum + 5 Bcf trigger", the minimum delivery requirement increases to 90% daily. Similar to the 70% regime, the five-day period no longer applies. The daily balancing standby rate is 150% of the highest Southern California Border price per NGI's *Daily Gas Price Index* for the day (including F&U and brokerage fee) and is applied to each day's deliveries which are less than the 90% delivery requirement.

(Continued)

TABLE OF CONTENTS

(Continued)

G-IMB	Transportation Imbalance Service .....	36312-G,43926-G,43927-G,43133-G 43223-G,36313-G,33498-G
G-RPA	Receipt Point Access .....	42260-G,42261-G,42262-G,42263-G,42264-G,42265-G 43327-G,43328-G,43329-G,43330-G,43331-G,43332-G 43333-G,43334-G,43335-G,43336-G
G-BSS	Basic Storage Service .....	43337-G,32701-G,43047-G,43048-G 43049-G,43050-G,43051-G
G-AUC	Auction Storage Service .....	43338-G,32709-G,32710-G,32711-G 32712-G,32713-G,36314-G,32715-G
G-LTS	Long-Term Storage Service .....	32716-G,32717-G,32718-G,43052-G 43053-G,43054-G,43055-G
G-TBS	Transaction Based Storage Service .....	43339-G,43340-G,43341-G,43342-G 43343-G,43344-G,27378-G
G-CBS	UDC Consolidated Billing Service .....	34071-G,34072-G,34073-G,33095-G
G-SMT	Secondary Market Transactions of Storage Rights .....	43345-G,43346-G,43347-G
G-PPPS	Public Purpose Programs Surcharge .....	42421-G,39517-G,39518-G
G-SRF	Surcharge to Fund Public Utilities Commission Utilities Reimbursement Account .....	42000-G
G-MHPS	Surcharge to Fund Public Utilities Commission Master Metered Mobile Home Park Gas Safety Inspection and Enforcement Program .....	32828-G
G-MSUR	Transported Gas Municipal Surcharge .....	43777-G,25006-G
GIT	Interruptible Interutility Transportation .....	24567-G,24568-G
GLT	Long-Term Transportation of Customer-Owned Natural Gas .....	24569-G,24570-G,42279-G
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-PAL	Operational Hub Services .....	43348-G,43349-G,43350-G
G-FIG	Fiber Optic Cable in Gas Pipelines .....	40828-G,40829-G,40830-G,40831-G 40832-G,40833-G,40834-G,40835-G,40836-G,40837-G

T

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.

GENERAL

Cal. P.U.C. Sheet No.

Title Page .....	40864-G	
Table of Contents--General and Preliminary Statement .....	43929-G,43726-G,43782-G	T
Table of Contents--Service Area Maps and Descriptions .....	41970-G	
Table of Contents--Rate Schedules .....	43898-G,43899-G,43928-G	T
Table of Contents--List of Cities and Communities Served .....	40149.1-G	
Table of Contents--List of Contracts and Deviations .....	40149.1-G	
Table of Contents--Rules .....	43724-G,43403-G	
Table of Contents--Sample Forms .....	42354-G,42332-G,43404-G,43919-G,43406-G	

PRELIMINARY STATEMENT

Part I General Service Information .....	37917-G,24332-G,24333-G,24334-G,24749-G	
Part II Summary of Rates and Charges .....	43878-G,43879-G,43880-G,43881-G,43732-G,43733-G 43925-G,43301-G,43302-G,43735-G,43851-G,43852-G,43738-G,43739-G	T
Part III Cost Allocation and Revenue Requirement .....	27024-G,37920-G,27026-G,27027-G,43740-G	
Part IV Income Tax Component of Contributions and Advances .....	43036-G,24354-G	
Part V Balancing Accounts		
Description and Listing of Balancing Accounts .....	43687-G	
Purchased Gas Account (PGA) .....	42612-G	
Core Fixed Cost Account (CFCA) .....	41658-G	
Noncore Fixed Cost Account (NFCA) .....	41659-G	
Enhanced Oil Recovery Account (EORA) .....	40870-G	
Noncore Storage Balancing Account (NSBA) .....	43306-G	
California Alternate Rates for Energy Account (CAREA) .....	40872-G,40873-G	
Brokerage Fee Account (BFA) .....	40874-G	
Hazardous Substance Cost Recovery Account (HSCRA) .....	40875-G, 40876-G,40877-G	
Natural Gas Vehicle Account (NGVA) .....	43688-G,40879-G	
El Paso Turned-Back Capacity Balancing Account (EPTCBA) .....	40880-G	
Gas Cost Rewards and Penalties Account (GCRPA) .....	40881-G	
Pension Balancing Account (PBA) .....	43689-G,43690-G	

(Continued)

**ATTACHMENT C**

**ADVICE NO. 3904**

**RATE CALCULATION WORKPAPER  
BASED ON ADVICE NO. 3898  
ADJUSTED CORE PROCUREMENT CHARGE FILING  
EFFECTIVE SEPTEMBER 1, 2008**

**Adjusted Core Procurement Charge:**

**Retail G-CPA: 68.686 ¢ per therm**  
(WACOG: 67.393 ¢ + Franchise and Uncollectibles:  
1.293 ¢ or [ 1.9187% \* 67.393 ¢ ] )

**Wholesale G-CPA: 68.456 ¢ per therm**  
(WACOG: 67.393 ¢ + Franchise:  
1.063 ¢ or [ 1.5779% \* 67.393 ¢ ] )

**GIMB Buy-Back Rates**

Lowest incremental cost of gas purchased during September 2008 is  
**9.898** cents/therm, which is lower than the following:

**BR-R = 50% of Retail G-CPA:**  
50% \* 68.686 cents/therm = **34.343** cents/therm

**BR-W = 50% of Wholesale G-CPA:**  
50% \* 68.456 cents/therm = **34.228** cents/therm

Therefore: **BR-R** and **BR-W** = **9.898** cents/therm