PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

July 30, 2009



Advice Letter 3997

Ronald van der Leeden, Director Rates, Revenues and Tariffs 8330 Century Park Court CP32C San Diego, CA 92123-1548

Subject: June 2009 BuyBack Rates

Dear Mr. van der Leeden:

Advice Letter 3997 is effective June 30, 2009.

Sincerely,

Jew A- Jed

Julie A. Fitch, Director Energy Division





Ronald van der Leeden
Director
Rates, Revenues and Tariffs

555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011 Tel: 213.244.2009 Fax: 213.244.3201

rvanderleeden@semprautilities.com

June 30, 2009

Advice No. 3997 (U 904 G)

Public Utilities Commission of the State of California

Subject: June 2009 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 June 2009.

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 June, 50% of the Adjusted Core Procurement Charge, G-CPA, is lower than the lowest incremental cost of gas. Therefore, the Buy-Back Rates for June 2009 are being set accordingly. 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 June 2009 Standby Procurement Charges will be filed by separate advice letter at least one day prior to July 25, 2009.

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) and to Honesto Gatchalian (ini@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and to Honesto Gatchalian (ini@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and to Honesto Gatchalian (ini@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and to Honesto Gatchalian (ini@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and to Honesto Gatchalian (ini@cpuc.ca.gov) of the Energy Division. 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 and therefore respectfully requests that the tariff sheets filed herein be made effective June 30, 2009, to coincide with SoCalGas' Adjusted Core Procurement Charge filing in Advice No. 3991, dated May 29, 2009.

Notice

A copy of this advice letter is being sent to the parties listed on Attachment A.

Ronald van der Leeden Director Rates, Revenues and Tariffs

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)		
Company name/CPUC Utility No. SO	UTHERN CALIFO	RNIA GAS COMPANY (U 904-G)
Utility type:	oe: Contact Person: Sid Newsom	
☐ ELC ☐ GAS	Phone #: (213) <u>244-2846</u>	
☐ PLC ☐ HEAT ☐ WATER	E-mail: snewsom@semprautilities.com	
EXPLANATION OF UTILITY TY	TILITY TYPE (Date Filed/ Received Stamp by CPUC)	
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat V	VATER = Water	
Advice Letter (AL) #: 3997		
Subject of AL: <u>June 2009 Buy-B</u>	ack Rates	
Keywords (choose from CPUC listing)	: <u>Preliminary Sta</u>	tement, 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 reject	cted 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:N/A
Does AL request confidential treatme	ent? If so, provide e	explanation: No
Resolution Required? Yes No		Tier Designation: 🛛 1 🔲 2 🔲 3
Requested effective date: <u>June 30, 2</u>	009	No. of tariff sheets: <u>5</u>
Estimated system annual revenue eff	fect: (%): <u>Non</u>	<u>e</u>
Estimated system average rate effect	(%):None	
		L showing average rate effects on customer
classes (residential, small commercia		
Tariff schedules affected: Prelin	<u>minary Statement,</u>	Part II; Schedule G-IMB; and TOCs
Service affected and changes propose	ed¹:N/A	
Pending advice letters that revise the	same tariff sheets	: <u>3989, 3996, and 3997</u>
Protests and all other correspondence this filing, unless otherwise authorize	e regarding this AL ad by the Commissi	are due no later than 20 days after the date of on, and shall be sent to:
CPUC, Energy Division		Southern California Gas Company
Attention: Tariff Unit 505 Van Ness Ave.		Attention: Sid Newsom 555 West Fifth Street, GT14D6
San Francisco, CA 94102		os Angeles, CA 90013-1011
mas@cpuc.ca.gov and jnj@cpuc.ca.gov		newsom@semprautilities.com

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

ATTACHMENT A

Advice No. 3997

(See Attached Service List)

Aglet Consumer Alliance James Weil

jweil@aglet.org

Kari Harteloo klc@a-klaw.com

Alcantar & Kahl

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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

CPUC - DRA Jacqueline Greig jnm@cpuc.ca.gov **CPUC - DRA** R. Mark Pocta rmp@cpuc.ca.gov

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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**

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Los Angeles, CA 90063

March Air Reserve Base, CA 92518-

2038

Culver City Utilities DGS Crossborder Energy Tom Beach **Heustace Lewis Henry Nanjo** tomb@crossborderenergy.com Heustace.Lewis@culvercity.org Henry.Nanjo@dgs.ca.gov **Davis Wright Tremaine, LLP Dept. of General Services** Davis, Wright, Tremaine Edward W. O'Neill Judy Pau **Celia Torres** 505 Montgomery Street, Ste 800 judypau@dwt.com celia.torres@dgs.ca.gov San Francisco, CA 94111 Douglass & Liddell Douglass & Liddell Downey, Brand, Seymour & Rohwer Dan Douglass Donald C. Liddell Dan Carroll douglass@energyattorney.com liddell@energyattorney.com dcarroll@downeybrand.com Dynegy **Gas Transmission Northwest General Services Administration** Corporation Joseph M. Paul Facilities Management (9PM-FT) **Bevin Hona** 450 Golden Gate Ave. jmpa@dynegy.com Bevin_Hong@transcanada.com San Francisco, CA 94102-3611 Goodin, MacBride, Squeri, Ritchie & Goodin, MacBride, Squeri, Ritchie & **Hanna & Morton** Day, LLP Day, LLP Norman A. Pedersen, Esq. J. H. Patrick James D. Squeri npedersen@hanmor.com hpatrick@gmssr.com isqueri@gmssr.com Jeffer, Mangels, Butler & Marmaro **Imperial Irrigation District** JBS Energy K. S. Noller Jeff Nahigian 2 Embarcaero Center, 5th Floor P. O. Box 937 jeff@jbsenergy.com San Francisco, CA 94111 Imperial, CA 92251 **LADWP Kern River Gas Transmission Company LA County Metro** Janie Nielsen **Julie Close** Nevenka Ubavich Janie.Nielsen@KernRiverGas.com closeJ@metro.net nevenka.ubavich@ladwp.com **LADWP** Law Offices of Diane I. Fellman Law Offices of William H. Booth Diane Fellman William Booth Randy Howard P. O. Box 51111, Rm. 1522 diane_fellman@fpl.com wbooth@booth-law.com Los Angeles, CA 90051-0100 Megan Lawson Luce, Forward, Hamilton & Scripps MRW & Associates MEHr@PGE.COM John Leslie Robert Weisenmiller ileslie@luce.com mrw@mrwassoc.com **Manatt Phelps Phillips** Manatt, Phelps & Phillips, LLP **March Joint Powers Authority David Huard** Randy Keen **Lori Stone** rkeen@manatt.com dhuard@manatt.com 23555 Meyer Drive,

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Sheila Day sheila@wma.org

ATTACHMENT B Advice No. 3997

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 44793-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 7	Revised 44789-G
Revised 44794-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 44790-G
Revised 44795-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 3	Revised 44723-G
Revised 44796-G	TABLE OF CONTENTS	Revised 44791-G
Revised 44797-G	TABLE OF CONTENTS	Revised 44792-G

LOS ANGELES, CALIFORNIA CANCELING Revised

Revised CAL. I

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

44793-G 44789-G

Sheet 7

(Continued)

90

IMBALANCE SERVICE

Standby Procurement Charge	
Core Retail Standby (SP-CR)	
April 2009 62.288¢	D
May 2009 62.288¢	
June 2009 TBD*	Т
Noncore Retail Standby (SP-NR)	
April 2009 62.366¢	D
May 2009 62.366¢	
June 2009 TBD*	Т
Wholesale Standby (SP-W)	
April 2009 62.366¢	D
May 2009 62.366¢	
June 2009 TBD*	Т
*To be determined (TBD). Pursuant to Resolution G-3316, the June Standby Procureme	ent T
Charge will be filed by a separate advice letter at least one day prior to July 25.	Т
Buy-Back Rate	
Core and Noncore Retail (BR-R)	
April 2000 15 160a	D
April 2009	ען
•	
May 2009	I
May 2009	
May 2009	
May 2009	
May 2009	I
May 2009	I

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3997 DECISION NO. 89-11-060 & 90-09-089, r_{7H6} et al.

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & Jun \ 30, \ 2009 \\ \text{EFFECTIVE} & Jun \ 30, \ 2009 \\ \text{RESOLUTION NO.} \end{array}$

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

44794-G 44790-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 2

D

T

D

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D

T

Т

(Continued)

RATES

Imbalance quantities remaining at the end of the designated imbalance trading period and which are outside of the 10% tolerance band will be billed at the Standby Procurement Charge or purchased by the Utility at the Buy-Back Rate. Any Standby Procurement Charge or purchases at the Buy-Back Rate of core imbalances created by the Utility Gas Procurement Department will be managed within the Utility System Operator's Operational Hub Services. Such core imbalances will be disposed of, with the net revenues from the core imbalance charges flowing back through the Noncore Fixed Cost Account (NFCA).

Standby Procurement Charge

This charge is applied to customer's cumulative negative transportation imbalance (confirmed transportation deliveries less actual usage) exceeding the 10 percent tolerance band. The Standby Procurement Charge is posted at least one day in advance of each corresponding imbalance trading period for noncore/wholesale and core transport agents (CTAs). It is calculated at 150% of the highest daily border price index at the Southern California border beginning on the first day of the month that the imbalance is created to five days prior to the start of each corresponding imbalance trading period plus a Brokerage Fee of 0.266ϕ per therm for noncore retail service and all wholesale service, and 0.188ϕ 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	
April 2009	62.288¢
May 2009	
June 2009	TBD*
Noncore Retail Service:	
SP-NR Standby Rate, per therm	
April 2009	62.366¢
May 2009	62.366¢
June 2009	TBD*
Wholesale Service:	
SP-W Standby Rate per therm	
April 2009	62.366¢
May 2009	62.366¢
June 2009	TBD*

(Continued)

*To be determined (TBD). Pursuant to Resolution G-3316, the June Standby Procurement

Charge will be filed by a separate advice letter at least one day prior to July 25.

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3997 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 Jun 30, 2009

EFFECTIVE Jun 30, 2009

RESOLUTION NO.

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

44795-G 44723-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE Sheet 3

D

(Continued)

RATES (Continued)

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 the 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.

Retail Service:

BR-R Buy-Back Rate, per therm April 2009	15 169¢	
May 2009		
June 2009	•	I
Wholesale Service:		

BR-W Buy-Back Rate, per therm

April 2009	15.132¢
May 2009	•
June 2009	•

confidentiality pursuant to General Order 66-C and Section 583 of the Public Utilities Code.

If the incremental cost of gas is the basis for the Standby or Buy-Back Rates, the Utility will provide CPUC the necessary work papers for such cost. Such documentation will be provided under

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. Authorized F&U will not be added to any daily stand-by balancing charge for the Utility Gas Procurement Department to the extent it is collected elsewhere.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3997 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 Jun 30, 2009

EFFECTIVE Jun 30, 2009

RESOLUTION NO.

Revised LOS ANGELES, CALIFORNIA CANCELING Revised CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

44796-G 44791-G

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G-BSS Basic Storage Service	43337-G,32701-G,43047-G,43048-G
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G-AUC Auction Storage Service	
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G-LTS Long-Term Storage Service	32716-G,32717-G,32718-G,43052-G
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G-TBS Transaction Based Storage Service	
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Ç Ç	
G-SRF Surcharge to Fund Public Utilities Comm	42000-G
G-MHPS Surcharge to Fund Public Utilities Comm	
Master Metered Mobile Home Park Ga	as Safety 32828-G
G-MSUR Transported Gas Municipal Surcharge	
GLT Long-Term Transportation of Customer-C	
	ral Gas 24572-G,24573-G,24574-G
•	24575-G,24576-G,24577-G
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(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 3997 DECISION NO. 89-11-060 & 90-09-089, et al. 3H6

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Jun 30, 2009 DATE FILED Jun 30, 2009 **EFFECTIVE** RESOLUTION NO.

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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.

GENERAL Cal. P.U.C. Sheet No.
Title Page
PRELIMINARY STATEMENT
Part I General Service Information
Part II Summary of Rates and Charges
Part III Cost Allocation and Revenue Requirement 27024-G,37920-G,27026-G,27027-G,44226-G
Part IV Income Tax Component of Contributions and Advances
Part V Balancing Accounts Description and Listing of Balancing Accounts Purchased Gas Account (PGA) Core Fixed Cost Account (CFCA) Noncore Fixed Cost Account (NFCA) Enhanced Oil Recovery Account (EORA) Noncore Storage Balancing Account (NSBA) California Alternate Rates for Energy Account (CAREA) Brokerage Fee Account (BFA) Hazardous Substance Cost Recovery Account (HSCRA) Natural Gas Vehicle Account (NGVA) El Paso Turned-Back Capacity Balancing Account (EPTCBA) Gas Cost Rewards and Penalties Account (GCRPA) Pension Balancing Account (PBA) 43689-G,43690-G

(Continued)

(TO BE INSERTED BY UTILITY) 3997 ADVICE LETTER NO. DECISION NO. 89-11-060 & 90-09-089, et al. 1H6

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Jun 30, 2009 DATE FILED Jun 30, 2009 **EFFECTIVE** RESOLUTION NO.

ATTACHMENT C

ADVICE NO. 3997

RATE CALCULATION WORKPAPER BASED ON ADVICE NO. 3991 ADJUSTED CORE PROCUREMENT CHARGE FILING EFFECTIVE JUNE 1, 2009

Adjusted Core Procurement Charge:

Retail G-CPA: 33.708 ¢ per therm (WACOG: 33.136 ¢ + Franchise and Uncollectibles: 0.572 ¢ or [1.7262% * 33.136 ¢])

Wholesale G-CPA: 33.628 ¢ per therm (WACOG: 33.136 ¢ + Franchise: 0.492 ¢ or [1.4837% * 33.136 ¢])

GIMB Buy-Back Rates

BR-R = 50% of Retail G-CPA: 50% * 33.708 cents/therm = **16.854** cents/therm

BR-W = 50% of Wholesale G-CPA: 50% * 33.628 cents/therm = **16.814** cents/therm