

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 24, 2011

Advice Letter 4185

Rasha Prince, Director
Regulatory Affairs
Southern California Gas
555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011

Subject: November 2010 Standby Procurement Charges

Dear Ms. Prince:

Advice Letter 4185 is effective December 21, 2010.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Rasha Prince
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
Tel: 213.244.5141
Fax: 213.244.4957
RPrince@semprautilities.com

December 21, 2010

Advice No. 4185
(U 904 G)

Public Utilities Commission of the State of California

Subject: November 2010 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 November 2010.

Background

Resolution G-3316, dated May 24, 2001, and Advice No. 4133, filed on July 2, 2010 and effective on August 1, 2010, 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 0.151¢ 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 "ICE Daily Indices - SoCal Border."
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.

Information

For the "flow month" of November 2010 (covering the period November 1, 2010, to December 20, 2010), the highest daily border price index at the Southern California border is \$0.44384 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.66842 per therm for noncore retail service and all wholesale service, and \$0.66727 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, which is January 10, 2011. 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 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 December 21, 2010, 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 December 25, 2010.

Notice

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

Rasha Prince
Director – Regulatory Affairs

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 904G)**

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) #: 4185

Subject of AL: November 2010 Standby Procurement Charges

Keywords (choose from CPUC listing): Preliminary Statement; Standby Service; Procurement

AL filing type: Monthly Quarterly Annual One-Time Other

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

G-3316

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 AL¹: N/A

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

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: December 21, 2010

No. of tariff sheets: 4

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

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 proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 4125, 4161, 4173, and 4175

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 5th Street, GT14D6

Los Angeles, CA 90013-1011

SNewsom@semprautilities.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 4185

(See Attached Service List)

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

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

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

Alcantar & Kahl, LLP
Mike Cade
wmc@a-klaw.com

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
R. Mark Pocta
rmp@cpuc.ca.gov

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

California Energy Commission
Randy Roesser
rroesser@energy.state.ca.us

California Energy Market
Lulu Weinzimer
luluw@newsdata.com

Calpine Corp
Avis Clark
aclark@calpine.com

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
Dan Bergmann
dan@igservice.com

Commerce Energy
Catherine Sullivan
csullivan@commerceenergy.com

Commerce Energy
Blake Lazusso
blasuzso@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

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 Dan Carroll dcarroll@downeybrand.com	Dynegy Mark Mickelson Mark.Mickelson@dynegy.com	Dynegy - West Generation Joseph M. Paul Joe.Paul@dynegy.com
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	Genon Greg Bockholt Greg.Bockholt@Genon.com
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
Iberdrola Renewables Energy Services Julie Morris Julie.Morris@iberdrolaren.com	Imperial Irrigation District K. S. Noller P. O. Box 937 Imperial, CA 92251	JBS Energy Jeff Nahigian jeff@jbsenergy.com
Kern River Gas Transmission Company Janie Nielsen Janie.Nielsen@KernRiverGas.com	LA County Metro Julie Close closeJ@metro.net	LADWP Robert Pettinato Robert.Pettinato@ladwp.com
LADWP Nevenka Ubavich nevenka.ubavich@ladwp.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 23555 Meyer Drive, March Air Reserve Base, CA 92518-2038	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	Praxair Inc Rick Noger rick_noger@praxair.com	RRI Energy John Rohrbach JRohrbach@rrienergy.com

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

SCE
Karyn Gansecki
karyn.gansecki@sce.com

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

Sierra Pacific Company
Christopher A. Hilan
chilan@sppc.com

Southern California Edison Co
Fileroom Supervisor
2244 Walnut Grove Av, 290, GO1
Rosemead, CA 91770

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

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

Southern California Edison Co.
Colin E. Cushnie
Colin.Cushnie@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
Mike Florio
mflorio@turn.org

TURN
Marcel Hawiger
marcel@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. 4185

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 46695-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 46661-G
Revised 46696-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 46584-G
Revised 46697-G	TABLE OF CONTENTS	Revised 46688-G
Revised 46698-G	TABLE OF CONTENTS	Revised 46689-G

PRELIMINARY STATEMENT
 PART II
SUMMARY OF RATES AND CHARGES

Sheet 6

(Continued)

WHOLESALE (Continued)

Schedule GT-TLS (ECOGAS)

GT-12CA, Class-Average Volumetric Rate Option	
Volumetric Charge	2.199¢
GT-12RS, Reservation Rate Option	
Reservation Rate, per therm per day	1.314¢
Usage Charge, per therm	0.303¢
Volumetric Transportation Charge for Non-Bypass Customers	2.639¢
Volumetric Transportation Charge for Bypass Customers	2.968¢

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm	43.851¢
Non-Residential Cross-Over Rate, per therm	44.089¢
Residential Core Procurement Charge, per therm	43.851¢
Residential Cross-Over Rate, per therm	44.089¢
Adjusted Core Procurement Charge, per therm	43.172¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)	
September 2010	60.761¢
October 2010	61.128¢
November 2010	66.727¢
Noncore Retail Standby (SP-NR)	
September 2010	60.876¢
October 2010	61.243¢
November 2010	66.842¢
Wholesale Standby (SP-W)	
September 2010	60.876¢
October 2010	61.243¢
November 2010	66.842¢

C
C
C
D

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4185
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 21, 2010
 EFFECTIVE Dec 21, 2010
 RESOLUTION NO. G-3316

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 2

(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 0.266¢ per therm for noncore retail service and all wholesale service, and 0.151¢ 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 "ICE Daily Indices – SoCal Border."

Core Retail Service:

SP-CR Standby Rate, per therm

September 2010	60.761¢
October 2010	61.128¢
November 2010	66.727¢

Noncore Retail Service:

SP-NR Standby Rate, per therm

September 2010	60.876¢
October 2010	61.243¢
November 2010	66.842¢

Wholesale Service:

SP-W Standby Rate per therm

September 2010	60.876¢
October 2010	61.243¢
November 2010	66.842¢

C
C
C
D

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4185
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 21, 2010
 EFFECTIVE Dec 21, 2010
 RESOLUTION NO. G-3316

TABLE OF CONTENTS

(Continued)

G-CP	Core Procurement Service	42246-G,46672-G,46673-G,46609-G,37933-G
GT-F	Firm Intrastate Transportation Service	45640-G,45641-G,45304-G,45305-G
	for Distribution Level Customers	45306-G,45307-G,45308-G,45309-G
		45310-G,45311-G,45312-G,45313-G
GT-I	Interruptible Intrastate Transportation Service	45642-G,45643-G,45316-G
	for Distribution Level Customers	45317-G,45318-G,45319-G,45320-G
GT-TLS	Intrastate Transportation Service for	
	Transmission Level Customers	45321-G,45644-G,45645-G,45646-G,45325-G
		45326-G,45327-G,45328-G,45329-G,45330-G
		45331-G,45332-G,45333-G, 45334-G,45335-G
		45336-G,45337-G,45338-G,45339-G
GT-SWGX	Wholesale Natural Gas Service	45992-G,45341-G
G-IMB	Transportation Imbalance Service	43318-G,46696-G, 46585-G,46685-G
		46686-G,46687-G,43324-G,43325-G,43326-G
G-OSD	Off-System Delivery Service	42257-G,42258-G,42259-G
G-RPA	Receipt Point Access	45973-G,42261-G,45508-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-POOL	Pooling Service	42276-G,42277-G, 42278-G
G-BSS	Basic Storage Service	43337-G,45346-G,45767-G,45768-G
		45769-G,45770-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,45351-G,45771-G
		45772-G,45773-G,43055-G
G-TBS	Transaction Based Storage Service	45355-G,43340-G,45774-G,45775-G
		45776-G,44933-G
G-CBS	UDC Consolidated Billing Service	34071-G,34072-G,34073-G,33095-G
G-SMT	Secondary Market Transactions	
	of Storage Rights	45359-G,45360-G,45361-G

T

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4185
 DECISION NO.
 2H7

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 21, 2010
 EFFECTIVE Dec 21, 2010
 RESOLUTION NO. G-3316

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>	<u>Cal. P.U.C. Sheet No.</u>
Title Page	40864-G
Table of Contents--General and Preliminary Statement	46698-G,46224-G,46339-G
Table of Contents--Service Area Maps and Descriptions	41970-G
Table of Contents--Rate Schedules	46674-G, 46697-G,46460-G
Table of Contents--List of Cities and Communities Served	45168-G
Table of Contents--List of Contracts and Deviations	45168-G
Table of Contents--Rules	46345-G, 46412-G
Table of Contents--Sample Forms	46083-G,45414-G,45144-G,46386-G,45145-G

PRELIMINARY STATEMENT

Part I General Service Information	45597-G,24332-G,24333-G,24334-G,24749-G
Part II Summary of Rates and Charges	46658-G,46659-G,46660-G,46427-G,46428-G,46695-G 46583-G,46431-G,46432-G,46433-G,46592-G,46593-G,46594-G,46437-G
Part III Cost Allocation and Revenue Requirement	45267-G,45268-G,45269-G,45613-G,45614-G
Part IV Income Tax Component of Contributions and Advances	46462-G,24354-G
Part V Balancing Accounts	
Description and Listing of Balancing Accounts	46057-G
Purchased Gas Account (PGA)	45754-G,45755-G
Core Fixed Cost Account (CFCA)	45273-G,45274-G
Noncore Fixed Cost Account (NFCA)	45275-G,45276-G
Enhanced Oil Recovery Account (EORA)	45277-G
Noncore Storage Balancing Account (NSBA)	44191-G,44192-G
California Alternate Rates for Energy Account (CAREA)	45882-G,45883-G
Hazardous Substance Cost Recovery Account (HSCRA)	40875-G, 40876-G,40877-G
Gas Cost Rewards and Penalties Account (GCRPA)	40881-G
Pension Balancing Account (PBA)	45013-G,45014-G
Post-Retirement Benefits Other Than Pensions Balancing Account (PBOPBA) .	45015-G,45016-G
Conservation Expense Account (CEA)	40886-G,40887-G

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4185
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Dec 21, 2010
 EFFECTIVE Dec 21, 2010
 RESOLUTION NO. G-3316

ATTACHMENT C

ADVICE NO. 4185

**RATE CALCULATION WORK PAPER
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING
EFFECTIVE NOVEMBER 2010**

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 “Intercontinental Exchange Daily Indices - SoCal Border.”

The highest daily border price index for the period was on December 14, 2010

12/14/10 NGI’s Daily Gas Price Index (NDGPI) = \$0.44400 per therm

12/14/10 Intercontinental Exchange Daily Indices (ICEDI) = \$0.44368 per therm

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

HDBPI = \$0.44384 per therm

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

SP-CR = 150% x \$0.44384 + \$0.00151 = \$0.66727

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

SP-NR = 150% x \$0.44384 + \$0.00266 = \$0.66842

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

SP-W = 150% x \$0.44384 + \$0.00266 = \$0.66842