PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

April 5, 2011



Advice Letter 4187

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

Subject: Daily Balancing Standby Rates for December 15-22, 2010

Dear Ms. Prince:

Advice Letter 4187 is effective December 27, 2010.

Sincerely,

Julie A. Fitch, Director Energy Division

Jen A. Jes





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 27, 2010

Advice No. 4187 (U 904 G)

Public Utilities Commission of the State of California

Subject: Daily Balancing Standby Rates for December 15-22, 2010

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 filing updates the Daily Balancing Standby Rates for the period of December 15, 2010 through December 22, 2010 in Schedule No. G-IMB, Transportation Imbalance Service, as authorized by the California Public Utilities Commission's (Commission) approval of SoCalGas' Advice Nos. 2651, 2651-A and 2651-B on December 26, 1997, which were filed in compliance with Decision (D.) 97-11-070, dated November 19, 1997, which modified Capacity Brokering Decision D.90-09-089 by adopting modifications to SoCalGas' balancing rules.

Background

As authorized in Schedule No. G-IMB, customers will be subject to balancing rules during the winter operating period. From November through March, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 50% of burn over a five-day period. As the Utility's total inventory in storage declines to the peak day minimum + 20 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 70% of burn daily. As the Utility's total inventory in storage declines to the peak day minimum + 5 Bcf, customers will be required to deliver (using a combination of flowing supply and firm storage withdrawal) at least 90% of burn daily. Volumes not in compliance with the minimum delivery requirements will be purchased at the daily balancing standby rates described below. Imbalance trading and as-available withdrawal may not be used to offset the minimum delivery requirements. A complete description of the winter minimum delivery requirements is specified in Rule No. 30, Transportation of Customer-Owned Gas.

The Daily Balancing Standby Rates are calculated as follows:

- 1. 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 balancing 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.
- 2. 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.
- 3. 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.

As further authorized in Schedule No. G-IMB by the Commission's approval of SoCalGas' Advice No. 3018 on June 6, 2001, the Daily Balancing Standby Rates may be filed weekly to become effective immediately. In any event, the Daily Balancing Standby Rates shall be filed on or before the fifth business day of each month.

Requested Tariff Revisions

The new rates are reflected in the attached Schedule No. G-IMB tariff sheets. The note at the end of the Daily Balancing Standby Rates section is revised to state that for the days of December 1-22, 2010 the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger" and therefore the five-day period applies. The workpaper showing the calculation of these rates 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 this Advice Letter, which is January 16, 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 Attn: 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. As authorized in Schedule No. G-IMB, the tariff sheets filed herein are to be effective for service on and after December 27, 2010, which is the date filed, and are to be applicable to the period of December 15, 2010 through December 22, 2010.

Notice

A	copy	of thi	s advice	letter is	being	sent to	the	parties	listed	on A	Attachn	nent A.

Rasha Pr	 ce
ector – Regu	atory 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 904-G)					
Utility type:	Utility type: Contact Person: Sid Newsom				
☐ ELC ☐ GAS	Phone #: (213) <u>244-2846</u>				
☐ PLC ☐ HEAT ☐ WATER	E-mail: snewson	n@semprautilities.com			
EXPLANATION OF UTILITY TY	PE	(Date Filed/ Received Stamp by CPUC)			
ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat V	VATER = Water				
Advice Letter (AL) #: 4187					
Subject of AL: <u>Daily Balancing Stan</u>	dby Rates for Dece	ember 15-22, 2010			
Keywords (choose from CPUC listing)	: Compliance, No	n-core, Procurement			
AL filing type: Monthly Quarter	rly 🗌 Annual 🗌 C	ne-Time 🛛 Other <u>Weekly</u>			
If AL filed in compliance with a Comr D97-11-070	nission order, indi	cate relevant Decision/Resolution #:			
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?		Tier Designation: 🛛 1 🔲 2 🔲 3			
Requested effective date: <u>12/27/10</u>		No. of tariff sheets: <u>4</u>			
Estimated system annual revenue eff	fect: (%):				
Estimated system average rate effect	(%):				
		L showing average rate effects on customer			
classes (residential, small commercia	0	iltural, lighting).			
Tariff schedules affected: G-IM	B and IOCs				
Service affected and changes proposed ¹ :N/A					
Pending advice letters that revise the same tariff sheets: 4174, 4178, 4179, and 4183					
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 505 Van Ness Ave.		Attention: Sid Newsom 555 West Fifth Street, GT14D6			
San Francisco, CA 94102 Los 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. 4187

(See Attached Service List)

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

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

CPUC

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

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CPUC

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California Energy Commission Randy Roesser

rroesser@energy.state.ca.us

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Dept. of General Services Douglass & Liddell **Douglass & Liddell** Celia Torres Dan Douglass Donald C. Liddell douglass@energyattorney.com celia.torres@dgs.ca.gov liddell@energyattorney.com Downey, Brand, Seymour & Rohwer **Dynegy** Dynegy - West Generation Dan Carroll **Mark Mickelson** Joseph M. Paul dcarroll@downeybrand.com Mark.Mickelson@dynegy.com Joe.Paul@dynegy.com **Gas Transmission Northwest General Services Administration** Genon Corporation Facilities Management (9PM-FT) **Greg Bockholt Bevin Hong** 450 Golden Gate Ave. Greg.Bockholt@Genon.com Bevin Hong@transcanada.com San Francisco, CA 94102-3611 Genon Energy, Inc. Goodin, MacBride, Squeri, Ritchie & Goodin, MacBride, Squeri, Ritchie & Day, LLP Day, LLP **Greg Bockholt** J. H. Patrick James D. Squeri Greg.Bockholt@Genon.com hpatrick@gmssr.com jsqueri@gmssr.com **Hanna & Morton Imperial Irrigation District Iberdrola Renewables Energy Services** Norman A. Pedersen, Esq. Julie Morris K. S. Noller Julie.Morris@iberdrolaren.com P. O. Box 937 npedersen@hanmor.com Imperial, CA 92251 **JBS Energy Kern River Gas Transmission Company LA County Metro** Jeff Nahigian Janie Nielsen Julie Close jeff@jbsenergy.com Janie.Nielsen@KernRiverGas.com closeJ@metro.net **LADWP LADWP** Law Offices of William H. Booth William Booth Nevenka Ubavich **Robert Pettinato** wbooth@booth-law.com nevenka.ubavich@ladwp.com Robert.Pettinato@ladwp.com Luce, Forward, Hamilton & Scripps MRW & Associates **Manatt Phelps Phillips** John Leslie Robert Weisenmiller Randy Keen jleslie@luce.com mrw@mrwassoc.com rkeen@manatt.com Manatt, Phelps & Phillips, LLP **March Joint Powers Authority** National Utility Service, Inc. David Huard **Lori Stone** Jim Boyle dhuard@manatt.com 23555 Meyer Drive, One Maynard Drive, P. O. Box 712 March Air Reserve Base, CA 92518-Park Ridge, NJ 07656-0712 2038 **PG&E Tariffs Navigant Consulting, Inc.** Praxair Inc

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

Suburban Water System Bob Kelly 1211 E. Center Court Drive Covina, CA 91724

TURN
Marcel Hawiger
marcel@turn.org

ATTACHMENT B Advice No. 4187

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 46704-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 46686-G
Revised 46705-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 6	Revised 46687-G
Revised 46706-G	TABLE OF CONTENTS	Revised 46697-G
Revised 46707-G	TABLE OF CONTENTS	Revised 46698-G

LOS ANGELES, CALIFORNIA CANCELING

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 5

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(Continued)

RATES (Continued)

<u>Daily Balancing Standby Rates</u> (Continued)

Daily Balancing Standby Rate, per therm (Continued)

December 2010	Core Retail	Noncore Retail	Wholesale	
<u>Day</u>	<u>DB-CR</u>	<u>DB-NR</u>	<u>DB-W</u>	
11	Φ0. 67.022	Φ0 (7100	Φ0.660.41	
11	\$0.67022	\$0.67100	\$0.66941	
12	\$0.67022	\$0.67100	\$0.66941	
13	\$0.67022	\$0.67100	\$0.66941	
14	\$0.68548	\$0.68626	\$0.68463	
15	\$0.66412	\$0.66490	\$0.66332	
Period 3 High	\$0.68548	\$0.68626	\$0.68463	
16	\$0.64581	\$0.64659	\$0.64505	
17	\$0.64428	\$0.64506	\$0.64353	
18	\$0.61834	\$0.61912	\$0.61765	
19	\$0.61834	\$0.61912	\$0.61765	
20	\$0.61834	\$0.61912	\$0.61765	
Period 4 High	\$0.64581	\$0.64659	\$0.64505	
21	\$0.63207	\$0.63285	\$0.63135	
22	\$0.63665	\$0.63743	\$0.63592	
23	N/A	N/A	N/A	
24	N/A	N/A	N/A	
25	N/A	N/A	N/A	
Period 5 High	N/A	N/A	N/A	
26	N/A	N/A	N/A	
27	N/A	N/A	N/A	
28	N/A	N/A	N/A	
29	N/A	N/A	N/A	
30	N/A	N/A	N/A	
31	N/A	N/A	N/A	
Period 6 High	N/A	N/A	N/A	

(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 4187 \\ \text{DECISION NO.} & 97\text{-}11\text{-}070 \\ \end{array}$

5H6

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Dec 27, 2010

EFFECTIVE Dec 27, 2010

RESOLUTION NO.

LOS ANGELES, CALIFORNIA CANCELING

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

46705-G 46687-G

Schedule No. G-IMB TRANSPORTATION IMBALANCE SERVICE

Sheet 6

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(Continued)

RATES (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm (Continued)

Note: For the days of December 1-22, 2010, the Utility's total inventory in storage was above the "peak day minimum + 20 Bcf trigger," and therefore the five-day period applies.

Revision of Rates

The Standby Procurement Charge and the Buy-Back Rate shall be established effective the last day of each month. The Daily Balancing Standby Rate shall be established on NGI's *Daily* Gas Price Index. The Utility may file the Daily Balancing Standby Rate weekly to become effective immediately. In any event, the Daily Balancing Standby Rate shall be filed on or before the fifth business day of each month.

SPECIAL CONDITIONS

- 1. Definitions of the principal terms used in this rate schedule are contained in Rule No. 1.
- 2. Imbalances of customers other than the Utility Gas Procurement Department or ESPs will be calculated by combining all of a customer's meters served under the same order control code, not by account or individual delivery point. The order control code is used by the Utility to group those facilities identified by the customer for determining the customer's imbalances. In the case of the Utility Gas Procurement Department the applicable Daily Forecast Quantity will be used. In the case of ESPs their applicable Daily Contract Quantity (DCQ) will be used.

(Continued)

 $\begin{array}{ll} \text{(TO BE INSERTED BY UTILITY)} \\ \text{ADVICE LETTER NO.} & 4187 \\ \text{DECISION NO.} & 97\text{-}11\text{-}070 \\ \end{array}$

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

 $\begin{array}{c} \text{(TO BE INSERTED BY CAL. PUC)} \\ \text{DATE FILED} & \underline{Dec~27,\,2010} \\ \text{EFFECTIVE} & \underline{Dec~27,\,2010} \\ \text{RESOLUTION NO.} \end{array}$

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GT-TLS	Intrastate Transportation Service for
	Transmission Level Customers45321-G,45644-G,45645-G,45646-G,45325-G
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G-RPA	Receipt Point Access45973-G,42261-G,45508-G,42263-G,42264-G,42265-G
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	43333-G,43334-G,43335-G,43336-G
G-POOL	Pooling Service
G-BSS	Basic Storage Service
	45769-G,45770-G,43051-G
G-AUC	Auction Storage Service
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G-TBS	Transaction Based Storage Service
	45776-G,44933-G
G-CBS	UDC Consolidated Billing Service
G-SMT	Secondary Market Transactions
	of Storage Rights

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4187 DECISION NO. 97-11-070

2H6

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Dec 27, 2010 DATE FILED Dec 27, 2010 EFFECTIVE RESOLUTION NO.

T

GENERAL

Cal. P.U.C. Sheet No.

T

T

LOS ANGELES, CALIFORNIA CANCELING

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. 1.0.C. Sheet No.
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Table of ContentsList of Contracts and Deviations	
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Table of ContentsSample Forms	
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Part IV Income Tax Component of Contributions and Advances	46462-G,24354-G
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Noncore Fixed Cost Account (NFCA)	· · · · · · · · · · · · · · · · · · ·
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Noncore Storage Balancing Account (NSBA)	
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Hazardous Substance Cost Recovery Account (HSCRA)	
Gas Cost Rewards and Penalties Account (GCRPA)	
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Conservation Expense Account (CEA)	

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4187 97-11-070 DECISION NO.

ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) Dec 27, 2010 DATE FILED Dec 27, 2010 **EFFECTIVE** RESOLUTION NO.

ATTACHMENT C ADVICE NO. 4187 RATE CALCULATION WORK PAPER DAILY BALANCING STANDBY RATE FILING EFFECTIVE DECEMBER 15-22, 2010

Daily Balancing Standby Rate = 150% x (NGI's Price Index + F&U Charge) + Brokerage Fee
F&U Charge is 1.7262% of NGI's Price Index for Retail and 1.4837% for Wholesale
Brokerage Fee is 0.188 cents for Core Retail; 0.266 cents for Noncore Retail/Wholesale

(All rates are per therm)

December	NGI's	Daily Balancing Standby Rates			
<u>Day</u>	Price Index	Core Retail	Noncore Retail	<u>Wholesale</u>	
1	\$0.44100	\$0.67480	\$0.67558	\$0.67397	
2	\$0.43200	\$0.66107	\$0.66185	\$0.66027	
3	\$0.43000	\$0.65801	\$0.65879	\$0.65723	
4	\$0.43100	\$0.65954	\$0.66032	\$0.65875	
5	\$0.43100	\$0.65954	\$0.66032	\$0.65875	
6	\$0.43100	\$0.65954	\$0.66032	\$0.65875	
7	\$0.44200	\$0.67632	\$0.67710	\$0.67550	
8	\$0.44200	\$0.67632	\$0.67710	\$0.67550	
9	\$0.44200	\$0.67632	\$0.67710	\$0.67550	
10	\$0.44100	\$0.67480	\$0.67558	\$0.67397	
11	\$0.43800	\$0.67022	\$0.67100	\$0.66941	
12	\$0.43800	\$0.67022	\$0.67100	\$0.66941	
13	\$0.43800	\$0.67022	\$0.67100	\$0.66941	
14	\$0.44800	\$0.68548	\$0.68626	\$0.68463	
15	\$0.43400	\$0.66412	\$0.66490	\$0.66332	
16	\$0.42200	\$0.64581	\$0.64659	\$0.64505	
17	\$0.42100	\$0.64428	\$0.64506	\$0.64353	
18	\$0.40400	\$0.61834	\$0.61912	\$0.61765	
19	\$0.40400	\$0.61834	\$0.61912	\$0.61765	
20	\$0.40400	\$0.61834	\$0.61912	\$0.61765	
21	\$0.41300	\$0.63207	\$0.63285	\$0.63135	
22	\$0.41600	\$0.63665	\$0.63743	\$0.63592	