

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 24, 2011

Advice Letter 4243

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

Subject: April 2011 Standby Procurement Charges

Dear Ms. Prince:

Advice Letter 4243 is effective May 23, 2011.

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

May 23, 2011

Advice No. 4243
(U 904 G)

Public Utilities Commission of the State of California

Subject: April 2011 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 2011.

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 April 2011 (covering the period April 1, 2011, to May 20, 2011), the highest daily border price index at the Southern California border is \$0.46720 per therm. The resultant Standby Procurement Charges, calculated in the manner set forth above, are \$0.70345 per therm for noncore retail service and all wholesale service, and \$0.70230 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 June 12, 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 May 23, 2011, 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, 2011.

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) #: 4243

Subject of AL: April 2011 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: May 23, 2011

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: 4232 and 4235

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. 4243

(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
Pearlie Sabino
pzs@cpuc.ca.gov

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

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

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

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
Blake Lazusso
blasuzzo@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

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

Genon Energy, Inc.
Greg Bockholt
Greg.Bockholt@Genon.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. Hilén
chilen@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.
Colin E. Cushnie
Colin.Cushnie@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

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. 4243

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 47234-G	PRELIMINARY STATEMENT, PART II, SUMMARY OF RATES AND CHARGES, Sheet 6	Revised 47141-G
Revised 47235-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 2	Revised 47074-G
Revised 47236-G	TABLE OF CONTENTS	Revised 47155-G
Revised 47237-G	TABLE OF CONTENTS	Revised 47156-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	2.509¢
GT-12RS, Reservation Rate Option	
Reservation Rate, per therm per day	1.371¢
Usage Charge, per therm	0.464¢
Volumetric Transportation Charge for Non-Bypass Customers	3.011¢
Volumetric Transportation Charge for Bypass Customers	3.387¢

PROCUREMENT CHARGE

Schedule G-CP

Non-Residential Core Procurement Charge, per therm	45.454¢
Non-Residential Cross-Over Rate, per therm	45.454¢
Residential Core Procurement Charge, per therm	45.454¢
Residential Cross-Over Rate, per therm	45.454¢
Adjusted Core Procurement Charge, per therm	45.303¢

IMBALANCE SERVICE

Standby Procurement Charge

Core Retail Standby (SP-CR)	
February 2011	90.921¢
March 2011	64.920¢
April 2011	70.230¢
Noncore Retail Standby (SP-NR)	
February 2011	91.036¢
March 2011	65.035¢
April 2011	70.345¢
Wholesale Standby (SP-W)	
February 2011	91.036¢
March 2011	65.035¢
April 2011	70.345¢

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4243
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 23, 2011
 EFFECTIVE May 23, 2011
 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

February 2011	90.921¢
March 2011	64.920¢
April 2011	70.230¢

Noncore Retail Service:

SP-NR Standby Rate, per therm

February 2011	91.036¢
March 2011	65.035¢
April 2011	70.345¢

Wholesale Service:

SP-W Standby Rate per therm

February 2011	91.036¢
March 2011	65.035¢
April 2011	70.345¢

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 4243
 DECISION NO.

2H9

ISSUED BY

Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 23, 2011
 EFFECTIVE May 23, 2011
 RESOLUTION NO. G-3316

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		45772-G,45773-G,43055-G
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	of Storage Rights	45359-G,45360-G,45361-G

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(Continued)

(TO BE INSERTED BY UTILITY)
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 2H9

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED May 23, 2011
 EFFECTIVE May 23, 2011
 RESOLUTION NO. G-3316

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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.

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Table of Contents--List of Cities and Communities Served	46820-G	
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(Continued)

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ATTACHMENT C

ADVICE NO. 4243

**RATE CALCULATION WORK PAPER
SCHEDULE NO. G-IMB STANDBY PROCUREMENT CHARGE FILING
EFFECTIVE APRIL 2011**

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 May 4, 2011

05/04/11 NGI’s Daily Gas Price Index (NDGPI) = \$0.46700 per therm

05/04/11 Intercontinental Exchange Daily Indices (ICEDI) = \$0.46739 per therm

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

HDBPI = \$0.46720 per therm

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

SP-CR = 150% x \$0.46720 + \$0.00151 = \$0.70230

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

SP-NR = 150% x \$0.46720 + \$0.00266 = \$0.70345

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

SP-W = 150% x \$0.46720 + \$0.00266 = \$0.70345