

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 25, 2012

Advice Letter 4355-G

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

Subject: Daily Balancing Standby Rates for March 23-31, 2012

Dear Ms. Prince:

Advice Letter 4355-G is effective April 3, 2012.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director
Energy Division



Rasha Prince
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
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April 3, 2012

Advice No. 4355
(U 904 G)

Public Utilities Commission of the State of California

Subject: Daily Balancing Standby Rates for March 23-31, 2012

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 March 23, 2012 through March 31, 2012 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 March 1-31, 2012 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 April 23, 2012. 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

A copy of the protest should also be sent via e-mail to the attention of the Energy Division Tariff Unit (EDTariffUnit@cpuc.ca.gov). 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

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 April 3, 2012, which is the date filed, and are to be applicable to the period of March 23, 2012 through March 31, 2012.

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) #: 4355

Subject of AL: Daily Balancing Standby Rates for March 23-31, 2012

Keywords (choose from CPUC listing): Compliance, Non-core, Procurement

AL filing type: Monthly Quarterly Annual One-Time Other Weekly

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

D.97-11-070

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: 4/3/12

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: G-IMB and TOCs

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 4333, 4344, 4346, and 4348

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
EDTariffUnit@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. 4355

(See Attached Service List)

ATTACHMENT B
Advice No. 4355

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 48087-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 5	Revised 48042-G
Revised 48088-G	Schedule No. G-IMB, TRANSPORTATION IMBALANCE SERVICE, Sheet 6	Revised 48043-G
Revised 48089-G	TABLE OF CONTENTS	Revised 48075-G
Revised 48090-G	TABLE OF CONTENTS	Revised 48076-G

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 5

(Continued)

RATES (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm (Continued)

March 2012 Day	Core Retail DB-CR	Noncore Retail DB-NR	Wholesale DB-W
11	\$0.34826	\$0.34904	\$0.34821
12	\$0.34826	\$0.34904	\$0.34821
13	\$0.34673	\$0.34751	\$0.34669
14	\$0.34215	\$0.34293	\$0.34212
15	\$0.34368	\$0.34446	\$0.34365
Period 3 High	\$0.34826	\$0.34904	\$0.34821
16	\$0.35131	\$0.35209	\$0.35126
17	\$0.33147	\$0.33225	\$0.33147
18	\$0.33147	\$0.33225	\$0.33147
19	\$0.33147	\$0.33225	\$0.33147
20	\$0.38335	\$0.38413	\$0.38322
Period 4 High	\$0.38335	\$0.38413	\$0.38322
21	\$0.39403	\$0.39481	\$0.39388
22	\$0.38030	\$0.38108	\$0.38018
23	\$0.37572	\$0.37650	\$0.37561
24	\$0.34521	\$0.34599	\$0.34517
25	\$0.34521	\$0.34599	\$0.34517
Period 5 High	\$0.39403	\$0.39481	\$0.39388
26	\$0.34521	\$0.34599	\$0.34517
27	\$0.37878	\$0.37956	\$0.37866
28	\$0.36809	\$0.36887	\$0.36800
29	\$0.35894	\$0.35972	\$0.35887
30	\$0.33605	\$0.33683	\$0.33603
31	\$0.33605	\$0.33683	\$0.33603
Period 6 High	\$0.37878	\$0.37956	\$0.37866

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4355
 DECISION NO. 97-11-070

ISSUED BY
Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Apr 3, 2012
 EFFECTIVE Apr 3, 2012
 RESOLUTION NO. _____

Schedule No. G-IMB
TRANSPORTATION IMBALANCE SERVICE

Sheet 6

(Continued)

RATES (Continued)

Daily Balancing Standby Rates (Continued)

Daily Balancing Standby Rate, per therm (Continued)

Note: For the days of March 1-31, 2012, 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)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4355
DECISION NO. 97-11-070

ISSUED BY
Lee Schavrien
Senior Vice President

(TO BE INSERTED BY CAL. PUC)
DATE FILED Apr 3, 2012
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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4355
 DECISION NO. 97-11-070

ISSUED BY
Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Apr 3, 2012
 EFFECTIVE Apr 3, 2012
 RESOLUTION NO. _____

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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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**ATTACHMENT C
ADVICE NO. 4355
RATE CALCULATION WORK PAPER
DAILY BALANCING STANDBY RATE FILING
EFFECTIVE MARCH 23-31, 2012**

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)

<u>February Day</u>	<u>NGI's Price Index</u>	<u>Daily Balancing Standby Rates</u>		
		<u>Core Retail</u>	<u>Noncore Retail</u>	<u>Wholesale</u>
1	\$0.26400	\$0.40472	\$0.40550	\$0.40454
2	\$0.26000	\$0.39861	\$0.39939	\$0.39845
3	\$0.24200	\$0.37115	\$0.37193	\$0.37105
4	\$0.24200	\$0.37115	\$0.37193	\$0.37105
5	\$0.24200	\$0.37115	\$0.37193	\$0.37105
6	\$0.24700	\$0.37878	\$0.37956	\$0.37866
7	\$0.24800	\$0.38030	\$0.38108	\$0.38018
8	\$0.23700	\$0.36352	\$0.36430	\$0.36343
9	\$0.23400	\$0.35894	\$0.35972	\$0.35887
10	\$0.22700	\$0.34826	\$0.34904	\$0.34821
11	\$0.22700	\$0.34826	\$0.34904	\$0.34821
12	\$0.22700	\$0.34826	\$0.34904	\$0.34821
13	\$0.22600	\$0.34673	\$0.34751	\$0.34669
14	\$0.22300	\$0.34215	\$0.34293	\$0.34212
15	\$0.22400	\$0.34368	\$0.34446	\$0.34365
16	\$0.22900	\$0.35131	\$0.35209	\$0.35126
17	\$0.21600	\$0.33147	\$0.33225	\$0.33147
18	\$0.21600	\$0.33147	\$0.33225	\$0.33147
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25	\$0.22500	\$0.34521	\$0.34599	\$0.34517
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30	\$0.21900	\$0.33605	\$0.33683	\$0.33603
31	\$0.21900	\$0.33605	\$0.33683	\$0.33603