

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 16, 2013

Advice Letter 4522

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

**Subject: Language Revision to the CARB Fee Credit in
Noncore Schedules**

Dear Ms. Prince:

Advice Letter 4522 is effective August 17, 2013.

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
Tel: 213.244.5141
Fax: 213.244.4957
RPrince@semprautilities.com

July 18, 2013

Advice No. 4522
(U 904 G)

Public Utilities Commission of the State of California

Subject: Language Revision to the CARB Fee Credit in Noncore Schedules

Purpose

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) proposed revisions to the identical language regarding the "California Air Resources Board (CARB) Fee Credit" shown on Schedule Nos. GT-F, Firm Intrastate Transportation Service for Distribution Customers; GT-I, Interruptible Intrastate Transportation Service for Distribution Level Customers; and GT-TLS, Intrastate Transportation Service for Transmission Level Customer.

Background

On September 27, 2006, Governor Schwarzenegger signed Assembly Bill (AB) 32, which authorized the CARB to adopt measures necessary to reduce California's greenhouse gas (GHG) emissions to the 1990 level by 2020. AB 32 provides that CARB may adopt a schedule of fees to be paid for by the sources of GHG emissions to fund its administrative costs associated with the implementation of AB 32. CARB adopted the AB 32 Implementation Fee on September 25, 2009, and the final version was approved by the Office of Administrative Law on June 17, 2010.

In Application (A.) 10-08-002, SoCalGas, San Diego Gas & Electric (SDG&E), Pacific Gas & Electric Company (PG&E), and Southern California Edison Company (SCE) (collectively, Joint Applicants), jointly requested authority to increase their electric and gas rates to recover the costs of the CARB AB 32 Implementation Fees from their respective end-use gas transportation and bundled electric generation customers.

In Decision (D.) 10-12-026, the Commission authorized the creation of memorandum accounts for each of the Joint Applicants to record costs associated with the CARB AB 32 Implementation Fee. D.12-10-044, adopted on October 25, 2012, granted the Joint Applicants authorization to recover the reasonable costs recorded in the memorandum account for AB 32 Implementation Fees from ratepayers. D.12-10-044 also granted the utilities authority to request recovery in rates of any further fees expected to be incurred as a forecast cost in a general rate case proceeding.

On November 15, 2012, SoCalGas filed Advice No. (AL) 4424 proposing to implement a fee credit for end-use customers who pay AB 32 administrative fees (AB 32 Implementation Fees) directly to the CARB and are also billed for these costs embedded in SoCalGas' transportation rates. For natural gas utilities, the AB 32 Implementation Fee is based on gas therms delivered to customers, excluding wholesale volumes and deliveries to end-use customers who are directly billed by the CARB.

Per AL 4424, SoCalGas provides a bill credit to customers that meet the above described criteria so that they do not pay the AB 32 administrative fee twice. However, in some instances, the utility customer supplies fuel to a facility on behalf of facility owners (e.g. tolling arrangements), who are not utility customers. The facility owner is the entity identified by CARB as being billed directly, but the utility customer pays the CARB fee. In order to make it possible for the entity paying the CARB fee to receive the CARB Fee Credit, SoCalGas is proposing to amend the fee schedules listed above so that the utility customer may receive the CARB Fee Credit if so authorized by the facility owner. SoCalGas anticipates that it will enter into an agreement with the facility owner and the utility customer to hold SoCalGas harmless from any claims from either party.

Requested Tariff Revisions

SoCalGas respectfully requests that the following language shown in the three schedules mentioned above be revised as shown:

California Air Resources Board (CARB) Fee Credit (0.422¢)/therm

The CARB Fee Credit is applicable to Commercial/Industrial, Enhanced Oil Recovery and Electric Generation customers who are identified by CARB as being billed directly for CARB administrative fees. **A customer who is supplying fuel to a facility on behalf of the owner (e.g. tolling arrangement) of a facility that has been identified by CARB as being billed directly, may receive the CARB Fee Credit if so authorized by the facility owner and agreed to by the utility. Applicable CARB Fee Credits may be provided from the date CARB identifies a customer as being direct billed, or provided based upon documentation satisfactory to the Utility for the time period for which payments were made directly to CARB, whichever is earlier.**

Protest

Anyone may protest this AL 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 of this AL, which is August 7, 2013. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is given below.

CPUC Energy Division
Attention: 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 that this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B. SoCalGas respectfully requests that this filing be approved on August 17, 2013, which is 30 calendar days from the date filed.

Notice

A copy of this AL is being sent to the parties listed on Attachment A, which includes interested parties in the AB 32 Proceeding, A.10-08-002.

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) #: 4522

Subject of AL: Language Revision to the CARB Fee Credit in Noncore Schedules

Keywords (choose from CPUC listing): Noncore

AL filing type: Monthly Quarterly Annual One-Time Other

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

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: 8/17/13 No. of tariff sheets: 13

Estimated system annual revenue effect (%): _____

Estimated system average rate effect (%): _____

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: GT-F, GT-I, GT-TLS, TOCs

Service affected and changes proposed¹ See Advice Letter

Pending advice letters that revise the same tariff sheets: None

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
tariffs@socalgas.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 4522

(See Attached Service List)

ATTACHMENT B
Advice No. 4522

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 49426-G	Schedule No. GT-F, FIRM INTRASTATE TRANSPORTATION SERVICE, FOR DISTRIBUTION CUSTOMERS, Sheet 2	Revised 49194-G
Revised 49427-G	Schedule No. GT-F, FIRM INTRASTATE TRANSPORTATION SERVICE, FOR DISTRIBUTION LEVEL CUSTOMERS, Sheet 3	Revised 49194-G Revised 45304-G
Revised 49428-G	Schedule No. GT-F, FIRM INTRASTATE TRANSPORTATION SERVICE, FOR DISTRIBUTION LEVEL CUSTOMERS, Sheet 4	Revised 45304-G Revised 45305-G
Revised 49429-G	Schedule No. GT-F, FIRM INTRASTATE TRANSPORTATION SERVICE, FOR DISTRIBUTION LEVEL CUSTOMERS, Sheet 5	Revised 45305-G Revised 45306-G
Revised 49430-G	Schedule No. GT-F, FIRM INTRASTATE TRANSPORTATION SERVICE, FOR DISTRIBUTION LEVEL CUSTOMERS, Sheet 6	Revised 45306-G Revised 45307-G
Revised 49431-G	Schedule No. GT-I, INTERRUPTIBLE INTRASTATE TRANSPORTATION SERVICE, FOR DISTRIBUTION LEVEL CUSTOMERS, Sheet 2	Revised 49196-G
Revised 49432-G	Schedule No. GT-I, INTERRUPTIBLE INTRASTATE TRANSPORTATION SERVICE, FOR DISTRIBUTION LEVEL CUSTOMERS, Sheet 3	Revised 49196-G Revised 45316-G
Revised 49433-G	Schedule No. GT-TLS, INTRASTATE TRANSPORTATION SERVICE, FOR TRANSMISSION LEVEL CUSTOMERS, Sheet 5	Revised 49200-G
Revised 49434-G	Schedule No. GT-TLS, INTRASTATE TRANSPORTATION SERVICE, FOR TRANSMISSION LEVEL CUSTOMERS, Sheet 6	Revised 49200-G Original 45326-G
Revised 49435-G	Schedule No. GT-TLS, INTRASTATE TRANSPORTATION SERVICE, FOR TRANSMISSION LEVEL CUSTOMERS, Sheet 7	Original 45326-G Original 45327-G
Revised 49436-G	Schedule No. GT-TLS, INTRASTATE TRANSPORTATION SERVICE, FOR TRANSMISSION LEVEL CUSTOMERS, Sheet 8	Revised 47169-G Original 45327-G
Revised 49437-G	TABLE OF CONTENTS	Revised 49421-G
Revised 49438-G	TABLE OF CONTENTS	Revised 49422-G

Schedule No. GT-TLS

INTRASTATE TRANSPORTATION SERVICE
FOR TRANSMISSION LEVEL CUSTOMERS

(Continued)

RATES (Continued)

Reservation Rate Option (Continued)

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise or other fees or regulatory surcharges approved or directed by the CPUC.

California Air Resources Board (CARB) Fee Credit (0.422)¢/therm

The CARB Fee Credit is applicable to Commercial/Industrial, Enhanced Oil Recovery and Electric Generation customers who are identified by CARB as being billed directly for CARB administrative fees. A customer who is supplying fuel to a facility on behalf of the owner (e.g. tolling arrangement) of a facility that has been identified by CARB as being billed directly, may receive the CARB Fee Credit if so authorized by the facility owner and agreed to by the utility. Applicable CARB Fee Credits may be provided from the date CARB identifies a customer as being direct billed, or provided based upon documentation satisfactory to the Utility for the time period for which payments were made directly to CARB, whichever is earlier.

Monthly Minimum Charge

The Monthly Minimum Charge shall apply to a Bypass customer only. The Monthly Minimum Charge shall recover the Utility's actual Customer-related service costs. Customer-related service costs shall be limited to actual operations and maintenance costs of the metering equipment and other related facilities at the Customer's meter(s) that are owned and operated by the Utility necessary to deliver gas in accordance with the Utility's rules and procedures, good industry practice, and governmental regulations. The Utility shall determine actual Customer related service costs for each eligible Customer not later than 30 days following a request by the Customer and shall seek CPUC approval of the resulting Monthly Minimum Charge by Advice Letter. The approved Monthly Minimum Charge for each Customer shall apply only when the charge exceeds the total reservation and volumetric transportation charges for GT-TLS service and shall be applied in lieu of the total reservation and volumetric transportation charges.

SPECIAL CONDITIONS

GENERAL

1. Definitions: The definitions of principal terms used in this schedule are found either herein or in Rule No. 1, Definitions.
2. Number of Therms: The number of therms to be billed shall be determined in accordance with Rule No. 2.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4522
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jul 18, 2013
 EFFECTIVE Aug 17, 2013
 RESOLUTION NO. _____

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Schedule No. GT-TLS

Sheet 6

INTRASTATE TRANSPORTATION SERVICE
FOR TRANSMISSION LEVEL CUSTOMERS

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

3 Bypass Customers: Bypass is defined in Rule No. 1.

A customer who has Bypassed the Utility may elect to resume tariff service under one of the non-Bypass rate options under this schedule, as described below, if the following conditions are met: (a) Customer must cease to receive service from an alternate gas supply source or an Alternate Gas Transportation Service Provider and (b) Customer must physically disconnect from the alternate gas supply source or the Alternate Gas Transportation Service Provider.

4. Eligibility for Rate Options:

a. Non-Bypass Customers:

- i. Class-Average Volumetric Rate Option; or
- ii. Reservation Rate Option with RS and NV Charges

b. Bypass Customers:

- i. Reservation Rate Option with RS and BV Charges.

5. Level of Service

a. Unconstrained Areas

- i. Class Average Volumetric Rate service is firm up to the quantities specified for firm priority CA service as designated in Schedule A of the Master Services Contract. Firm quantities are established by the Utility based on Customer's historic peak usage or Customer's Utility-approved forecasted load, and on the Utility's operating capabilities. Usage above the designated firm quantities is considered interruptible service for curtailment purposes.
- ii. Reservation Rate Option service is firm up to the quantities specified for firm priority RS and NV services as designated in Schedule A of the Master Services Contract for non-Bypass customers. Firm quantities are established by the Utility based on Customer's historic peak usage or Customer's Utility-approved forecasted load, and on the Utility's operating capabilities. Usage above the designated firm priority RS and NV quantities is considered interruptible for curtailment purposes.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4522
DECISION NO.

ISSUED BY
Lee Schavrien
Senior Vice President

(TO BE INSERTED BY CAL. PUC)
DATE FILED Jul 18, 2013
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Schedule No. GT-TLS

Sheet 7

INTRASTATE TRANSPORTATION SERVICE
FOR TRANSMISSION LEVEL CUSTOMERS

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

5. Level of Service (Continued)

a. Unconstrained Areas (Continued)

iii. Reservation Rate Option service is firm up to the DRQ for Bypass customers. Daily metered usage above the DRQ is considered interruptible for curtailment purposes.

b. Potentially Capacity-Constrained Areas

i. Firm service is provided up to the Customer's awarded firm noncore capacity. Any usage above the firm awarded noncore capacity is considered interruptible for curtailment purposes.

ii. Full Requirements Service is not available.

6. Multiple Use Customer: Customers may receive service under this schedule (a) separately or (b) in combination with another rate schedule(s). Where service is rendered under (b), a separate monthly customer charge will be applicable for service under each schedule with a customer charge unless otherwise stated.

7. Utility Service Agreement: As a condition precedent to service under this schedule, an executed Master Services Contract, Schedule A, Intrastate Transmission Service (Form Nos. 6597 and 6597-1) is required. All contracts, rates and conditions are subject to revision and modification as a result of CPUC order.

Except as provided for in Special Conditions 50-52, in the event customers are unable to execute the necessary contracts by the time service is required, and no alternate schedule is available, they may temporarily receive GT-NV (non-Bypass) or GT-BV (Bypass) transmission service under this schedule. Customers receiving temporary service without executed contracts will not be able to: (a) take advantage of Contracted Marketer services, (b) designate Agents to nominate on their behalf, (c) avail themselves of other services which require executed contracts, or (d) group separate facilities for nomination purposes, and instead must nominate separately for the non-contracted facility. All other tariffs and Rules, including, but not limited to, Schedule No. G-IMB, will apply to customers without executed contracts.

8. Term:

a. The contract term for CA and RS charges under this schedule shall be a minimum of three years.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4522
DECISION NO.

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Lee Schavrien
Senior Vice President

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Schedule No. GT-TLS

INTRASTATE TRANSPORTATION SERVICE
FOR TRANSMISSION LEVEL CUSTOMERS

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

8. Term (Continued)

- b. The contract term for NV and BV charges under this schedule shall be a minimum of one month.
- c. For contracts with an effective date on or after August 1, 2009, Class-Average Volumetric Rate Option service and Reservation Rate Option service will have an option to auto-renew for an additional three-year term following the initial term or any subsequent three-year term unless either party provides a minimum of twenty (20) days prior written notice that the contract or Full Requirements Service is terminated or replaced by a new contract at the end of such term.
- d. In the event a Customer does not subsequently execute an agreement for an additional term or an automatic renewal pursuant to Special Condition 8.c, service will continue to be provided monthly under the a) NV charge for non-Bypass customers or b) BV charge for Bypass customers.
- e. A customer may elect to terminate an existing contract and enter into a new contract at the same or greater DRQ in order to align its term with the triennial Backbone Transportation Service Rights period.

9. Curtailement/Force Majeure:

- a. In the event of curtailment, customers served hereunder will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23. If service to wholesale customers' Priority 1 and 2A customers is in jeopardy, such customers shall be served in parity with the Utility's Priority 1 and 2A customers as set forth in Rule No. 23.
- b. Applicable use-or-pay charges and RS reservation charges shall only be forgiven to the extent the customer's reduced consumption is specifically due to intrastate curtailment or an event of force majeure, as defined in Rule No. 1, on either the interstate or intrastate systems.

10. Change of Customer's Apparatus or Equipment: In the event customers make a material change, either in the amount or character of their gas appliances or equipment, written notice thereof must be made to the Utility in accordance with Rule No. 29, Change of Consumer's Apparatus or Equipment.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVISE LETTER NO. 4522
DECISION NO.

ISSUED BY
Lee Schavrien
Senior Vice President

(TO BE INSERTED BY CAL. PUC)
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Schedule No. GT-F
FIRM INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION CUSTOMERS

Sheet 2

(Continued)

RATES (Continued)

Transportation Charges (Continued)

GT-F4D, Enhanced Oil Recovery
 Rate, per therm 4.139¢

GT-F5D, Electric Generation*

For customers using less than 3 million therms per year
 Rate, per therm 6.364¢

For customers using 3 million therms or more per year
 Rate, per therm 3.306¢

The applicable GT-F5D transmission charge shall be determined on the basis of the customer's GT-F5D usage (combined with GT-I5D usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the transportation charge shall be determined on a pro rata basis using the months for which usage is available.

* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 22 herein.

California Air Resources Board (CARB) Fee Credit (0.422¢)/therm

The CARB Fee Credit is applicable to Commercial/Industrial, Enhanced Oil Recovery and Electric Generation customers who are identified by CARB as being billed directly for CARB administrative fees. A customer who is supplying fuel to a facility on behalf of the owner (e.g. tolling arrangement) of a facility that has been identified by CARB as being billed directly, may receive the CARB Fee Credit if so authorized by the facility owner and agreed to by the utility. Applicable CARB Fee Credits may be provided from the date CARB identifies a customer as being direct billed, or provided based upon documentation satisfactory to the Utility for the time period for which payments were made directly to CARB, whichever is earlier.

Minimum Charge

For commercial/industrial, enhanced oil recovery and electric generation using less than 3 million therms per year service, the minimum monthly charge shall be the applicable monthly customer charge. For electric generation customers using 3 million therms or more per year, the minimum monthly charge shall be the GT-F3D customer charge.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4522
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)
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Schedule No. GT-F

Sheet 3

FIRM INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION LEVEL CUSTOMERS

(Continued)

RATES (Continued)

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

SPECIAL CONDITIONS

GENERAL

1. Definitions: The definitions of the principal terms used in this schedule are found either herein or in Rule No. 1.
2. Number of Therms: The number of therms to be billed shall be determined in accordance with Rule No. 2.
3. Multiple Use Customer: Customers may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s). Where service is rendered under (b), a separate monthly customer charge will be applicable for service under each schedule with a customer charge unless otherwise stated.
4. Utility Service Agreement: As a condition precedent to service under this schedule, an executed Master Services Contract, Schedule A, Intrastate Transmission Service (Form Nos. 6597 and 6597-1) is required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
5. Term: The contract term for service under this schedule shall be a minimum of two years. In the event the Customer does not subsequently have a new executed agreement for an additional term or an automatic renewal pursuant to Special Condition 15, service will continue to be provided month to month under Schedule No. GT-I.
6. Curtailement: In the event of curtailement, customers served hereunder will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailement shall apply as set forth in Rule No. 23.
7. Change of Consumer's Apparatus or Equipment: In the event customers make a material change, either in the amount or character of their gas appliances or equipment, written notice thereof must be made to the Utility in accordance with Rule No. 29, Change of Consumer's Apparatus or Equipment.

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4522
 DECISION NO.

ISSUED BY
Lee Schavrien
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Jul 18, 2013
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Schedule No. GT-F

Sheet 4

FIRM INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION LEVEL CUSTOMERS

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

8. Conditional Reclassification: Customers who do not meet historical usage criteria for noncore rate classification under this schedule may conditionally qualify for noncore rate status by submitting a written request to the Utility and providing therein certified evidence documenting the customer's load increases which will meet the minimum consumption requirement on a permanent basis. The customer's written request must further acknowledge that if usage following conditional reclassification is less than the required minimum, the customer shall be rebilled in accordance with the rate schedule otherwise applicable to its usage. The Utility reserves the right to accept or reject any such request.
9. Service Election: Electric generation, refinery and enhanced oil recovery customers are eligible to receive service under this schedule unless qualified to receive Transmission Level Service, regardless of size. Commercial and non-refinery industrial customers currently meeting the size requirements set forth for Priority 2A customers under Rule No. 23 may elect service under this schedule unless qualified to receive Transmission Level Service. Commercial and non-refinery industrial customers who either (a) elect core service or (b) close their facilities for a period of a year or more (excluding changes in name or ownership) will no longer be eligible for service under this schedule unless they meet the size requirements set forth for Priority 2A customers under Rule No. 23.
10. Transportation and Balancing Rules: All terms and conditions of Rule No. 30 and Schedule No. G-IMB all apply to the transportation of customer-owned gas under this schedule.
11. Gas Exchange Arrangements: Customers having existing gas exchange agreements with the Utility must exchange the maximum amount of gas allowable under those agreements prior to the delivery of customer-owned gas for transportation under other service agreements, unless otherwise agreed to by the Utility.

FULL REQUIREMENTS SERVICE

12. No Stated Annual Quantity: Customers may elect full requirements service under this schedule. Full requirements customers are not required to contract for a stated annual quantity.
13. No Alternate Fuels or Bypass: Full requirements customers are prohibited from using alternate fuels or bypass pipeline service, except as specified for Full Requirements in Rule No. 1.
14. Notice of Unauthorized Alternate Fuel or Bypass: In the event of any unauthorized alternate fuel use or bypass, customers must provide the Utility written notice thereof quantifying the extent to which alternate fuel or bypass use occurred. Such notice must be provided prior to the end of the month in which the usage took place. Any unauthorized alternate fuel or bypass use will be subject to a use-or-pay charge equal to 80% of the applicable transportation charge. No other use-or-pay charges are applicable to full requirements service.

(Continued)

(TO BE INSERTED BY UTILITY)
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 DECISION NO.

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Schedule No. GT-F

Sheet 5

FIRM INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION LEVEL CUSTOMERS

(Continued)

SPECIAL CONDITIONS (Continued)

FULL REQUIREMENTS SERVICE (Continued)

15. Renewal: For contracts with an effective date on or after August 1, 2009, full requirements service will automatically be renewed for an additional two-year term following the initial term or any subsequent two-year term unless either party provides a minimum of twenty (20) days prior written notice that the contract or full requirements service is terminated or replaced by a new contract at the end of such term. For contracts with an earlier effective date, in the event the Customer does not subsequently execute an agreement electing an additional term, service will continue to be provided month to month under Schedule No. GT-I.

PARTIAL REQUIREMENTS SERVICE

16. Annual Contract Quantity: A customer not electing full requirements service must contract for an annual quantity of gas applicable each contract year during the term of the customer's contract. The annual contract quantity may not be changed during the term of the customer's contract. The annual contract quantity must be broken down by month into fixed service quantities for each contract year during the term of the contract. The customer may request changes to the monthly quantities on a month-to-month basis, however, the total of the monthly contract quantities for the contract year must equal the annual contract quantity. The monthly contract quantity breakdown may be established on the basis of seasonal variations in the customer's usage in accordance with the customer's historic usage pattern. The Utility reserves the right to accept or reject such requested quantities after considering the customer's historic usage pattern and other evidence provided by the customer regarding operational changes affecting the customer's consumption.
17. Use-or-Pay Charge: If at the end of a contract year, the partial requirements customer's annual usage is less than 75% of the customer's annual contract quantity, the customer will pay a use-or-pay charge equal to 80% of the transportation charge for the last billing month of the contract year times the difference between the customer's actual usage and the 75% threshold.
18. Forgiving Use-or-Pay Charge: Use-or-pay charges applicable to partial requirements service shall only be forgiven to the extent the customer's reduced consumption is specifically due to intrastate curtailment or an event of force majeure, as defined in Rule No. 1, on either the interstate or intrastate systems.
19. Renewal: The contract must be renewed by an amendment or a new contract to continue partial requirements service for another term. In the event the contract is not renewed or extended by the end of the current contract term, partial requirements service will be replaced with month-to-month service under Schedule No. GT-I.

(Continued)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 4522
DECISION NO.

ISSUED BY
Lee Schavrien
Senior Vice President

(TO BE INSERTED BY CAL. PUC)
DATE FILED Jul 18, 2013
EFFECTIVE Aug 17, 2013
RESOLUTION NO. _____

Schedule No. GT-F

Sheet 6

FIRM INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION LEVEL CUSTOMERS

(Continued)

SPECIAL CONDITIONS (Continued)

ELECTRONIC METER READING

20. Customers electing noncore service status must have electronic meter-reading equipment installed at Customer's expense as a condition of noncore service.

USE-OR-PAY AGGREGATION

21. Individual customers served under this schedule may aggregate their firm intrastate transportation service at their facilities for the purpose of use-or-pay penalty determination. In the event a customer aggregates firm intrastate transportation service provided at different transportation rates, any applicable use-or-pay penalty shall be assessed at a weighted average transportation charge based on the proportion of the customer's annual contract quantities for such rates. For use-or-pay aggregation, firm intrastate transportation service may only be aggregated under contracts with concurrent contract year periods. As a condition of service aggregation, customers shall be required to designate in their contracts the applicable facilities and services to be aggregated.

ELECTRIC GENERATION

22. Amount of Gas Billed: Subject to Special Condition 25, the amount of gas to be billed at the electric generation rate for customers having both electric generation and non-electric generation end use on a single meter will be the lesser of:
- a. Total metered throughput; or
 - b. An amount of gas equal to the customer's recorded power production in kilowatt-hours (KWH) times the average heat rate for their electric generation facilities. The difference between total meter throughput and the volume limitation specified herein will be charged the rate applicable to the other end use served off the meter.
23. Average Heat Rate: When required, as a condition of service under the electric generation rate, electric generation customers will provide the Utility with the average heat rate for electric generation equipment as supported by documentation from the manufacturer. If not available, operating data shall be used to determine customer's average heat rate.
24. Measurement Devices: Electric generation customers receiving electric generation service will make available upon request any measurement devices required to directly or indirectly determine the kilowatt-hours generated or the average heat rate for the electric generation equipment. The Utility shall have the right to read, inspect and/or test all such measurement devices during normal business hours. Additional gas and/or steam metering facilities required to separately determine gas usage to which the electric generation rate is applicable may be installed, owned and operated by the Utility in accordance with Rule No. 21; however, the Utility may, at its sole discretion, utilize estimated data to determine such gas usage.

(Continued)

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Schedule No. GT-F

Sheet 7

FIRM INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION LEVEL CUSTOMERS

(Continued)

(Continued)

(TO BE INSERTED BY UTILITY)
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Schedule No. GT-I Sheet 2
INTERRUPTIBLE INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION LEVEL CUSTOMERS

(Continued)

RATES (Continued)

Transportation Charges (Continued)

GT-I4D, Enhanced Oil Recovery
 Rate, per therm 4.139¢

GT-I5D, Electric Generation*

For customers using less than 3 million therms per year
 Rate, per therm 6.364¢

For customers using 3 million therms or more per year
 Rate, per therm 3.306¢

The applicable GT-I5D transmission charge shall be determined on the basis of the customer's GT-I5D usage (combined with GT-F5D usage, if applicable) for the most recent twelve-month period. For customers with less than twelve months of historical usage, the transportation charge shall be determined on a pro rata basis using the months for which usage is available.

* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 16 herein.

California Air Resources Board (CARB) Fee Credit (0.422¢)/therm

The CARB Fee Credit is applicable to Commercial/Industrial, Enhanced Oil Recovery and Electric Generation customers who are identified by CARB as being billed directly for CARB administrative fees. A customer who is supplying fuel to a facility on behalf of the owner (e.g. tolling arrangement) of a facility that has been identified by CARB as being billed directly, may receive the CARB Fee Credit if so authorized by the facility owner and agreed to by the utility. Applicable CARB Fee Credits may be provided from the date CARB identifies a customer as being direct billed, or provided based upon documentation satisfactory to the Utility for the time period for which payments were made directly to CARB, whichever is earlier.

Minimum Charge

For commercial/industrial, enhanced oil recovery and electric generation using less than 3 million therms per year service, the minimum monthly charge shall be the applicable monthly customer charge. For electric generation customers using 3 million therms or more per year, the minimum monthly charge shall be the GT-I3D customer charge.

(Continued)

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Schedule No. GT-I

Sheet 3

INTERRUPTIBLE INTRASTATE TRANSPORTATION SERVICE
FOR DISTRIBUTION LEVEL CUSTOMERS

(Continued)

RATES (Continued)

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

SPECIAL CONDITIONS

GENERAL

1. Definitions: The definitions of the principal terms used in this schedule are found either herein or in Rule No. 1, Definitions.
2. Number of Therms: The number of therms to be billed shall be determined in accordance with Rule No. 2.
3. Multiple Use Customers: Customers may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s). Where service is rendered under (b), a separate monthly customer charge will be applicable for service under each schedule with a customer charge unless otherwise stated.
4. Utility Service Agreement: As a condition precedent to service under this schedule, an executed Master Services Contract, Schedule A, Intrastate Transmission Service (Form Nos. 6597 and 6597-1) is required. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.

In the event customers are unable to execute the necessary contracts by the time service is required, and no alternate schedule is available, they may temporarily receive transportation service under this schedule. Customers receiving temporary service without executed contracts will not be able to: (a) take advantage of Contracted Marketer services, (b) designate Agents to nominate on their behalf, (c) avail themselves of other services which require executed contracts, or (d) group separate facilities for nomination purposes, and instead must nominate separately for the non-contracted facility. All other tariffs and Rules, including, but not limited to, Schedule No. G-IMB, will apply to customers without executed contracts.

5. Term: The minimum contract term for service hereunder shall be one month.
6. Curtailment: In the event of curtailment, customers served hereunder will be curtailed in accordance with Rule No. 23. Penalties for violation of curtailment shall apply as set forth in Rule No. 23.

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