

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 13, 2015

**Advice Letter 4719**

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

**Subject: Revisions to Rule No. 32, Core Aggregation Transportation, Pursuant  
to D.14-08-043 – Registration of Core Transport Agents (CTAs)**

Dear Ms. Prince:

Advice Letter 4719 is effective December 1, 2014.

Sincerely,

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

Edward 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*

December 1, 2014

Advice No. 4719  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Revisions to Rule No. 32, Core Aggregation Transportation, Pursuant to Decision (D.) 14-08-043 – Registration of Core Transport Agents (CTAs)**

Southern California Gas Company (SoCalGas) hereby submits for approval by the California Public Utilities Commission (Commission) revisions to its Rule No. 32, Core Aggregation Transportation, and Rule No. 01, Definitions, applicable throughout its service territory, as shown on Attachment A.

### **Purpose**

Pursuant to D.14-08-043, SoCalGas proposes to revise Rule No. 32 to include provisions informing Core Transport Agents (CTAs) that they must register with the Commission in order to do business as a CTA in SoCalGas' service territory.

### **Background**

On September 2, 2014, the Commission issued D.14-08-043, Decision Adopting Registration Standards for Core Transport Agents, in OIR 14-03-002, which adopted registration standards for CTAs, serving residential and small commercial end-use gas customers. D.14-08-043 also extends the sign-up cancellation period for residential customers from three to 30 days after receiving their first service bill from their CTA.

## Tariff Revisions

SoCalGas proposes to make the following revisions to its Rule No. 32:

Section	Proposed Changes
Throughout The Rule	Replace references to Energy Service Providers (ESPs) to Core Transport Agents (CTAs)
A. General	To the last paragraph, add “and D.14-08-043, Decision Adopting Registration Standards for Core Transport Agents, and establishing requirements for CTAs as set forth in Public Utilities Code Sections 980 through 989.5.”
A.1.a.	Revise the first sentence to read, “CTAs are required to complete an Agreement for Core Aggregation Service (Service Agreement), Form 6536-A, with SoCalGas and a Credit Application (Credit Application) that includes all financial information needed by SoCalGas to establish credit.” To the end of this paragraph add, “CTAs will be required to register with the CPUC in accordance with D.14-08-043 and Public Utilities Code Section 981.”
A.1.b.	Add the words, “Registered and” at the beginning.
A.1.c.	Add new section, “Registered CTAs shall ensure that any person or entity performing marketing or sales activities, or administering its service agreements on the CTAs’ behalf, complies with rules adopted by the CPUC pursuant to Public Utilities Code Sections 980 through 989.5.” The existing A.1.c should be renumbered as A.1.d.
A.2.c.	Delete the last sentence and replace it with, “In accordance with D.14-08-043 and Public Utilities Code Section 983, the CPUC shall accept, compile and attempt to informally resolve consumer complaints regarding CTAs.”
A.3.a.(3)	On the fifth line after “Section 395”, add “and D.14-08-043”.
A.3.a.(3)	To the end, add “Pursuant to Public Utilities Code 989.1, a non-residential customer has until midnight of the third (3rd) business day after the day on which the third party verification occurred to cancel its enrollment and, in accordance with D.14-08-043, a residential customer may cancel until midnight of the thirtieth (30th) calendar day after the date the first bill for CTA service is received by the customer.”
A.3.(6)	Delete the last sentence that begins with “The current...”
G.	Add the word “Section” after “Public Utilities Code” on the second line.

As a result of the above changes to Rule No. 32, SoCalGas finds it necessary to revise Rule No. 01, Definitions, to change the term “Core Transportation Aggregator” to “Core Transport Agent (CTA)” with the following definition: “formerly Core Transportation Aggregator or Energy Service Provider (ESP): Individuals, companies or consortiums that arrange for natural gas procurement related activities (procurement, interstate transportation and balancing) on behalf of core customers. See Rule No. 32.”

SoCalGas is keeping the term "Energy Service Provider (ESP)" in its Rule No. 01 for now, since there are many occurrences of the term throughout SoCalGas' tariff rules. SoCalGas plans to delete the term and all references to it in the next clean-up filing

For ease of review, SoCalGas submits under separate cover a redline version of Rule Nos. 32 and 01 only to the Energy Division.

### **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 received within 20 days of the date this advice letter was filed with the Commission which is December 21, 2014. 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 the Energy Division Tariff Unit ([EDTariffUnit@cpuc.ca.gov](mailto: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](mailto:snewsom@semprautilities.com)

### **Effective Date**

SoCalGas believes that this filing is subject to Energy Division disposition and should be classified as Tier 1 (effective pending staff approval) pursuant to GO 96-B. SoCalGas respectfully requests that this filing be approved on December 1, 2014, the date filed.

### **Notice**

A copy of this advice letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list in R.14-03-002. Address change requests to the GO 96-B should be directed by electronic mail to [tariffs@socalgas.com](mailto:tariffs@socalgas.com) or call 213-244-3387. For

changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or by electronic mail at [process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov)

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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) #: 4719

Subject of AL : Revisions to Rule No. 32, Core Aggregation Transportation, Pursuant to D.14-08-043 -  
Registration of Core Transport Agents

Keywords (choose from CPUC listing): Core, Transportation

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

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

D.14-08-043

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 AL<sup>1</sup>: N/A

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

Resolution Required?  Yes  No

Tier Designation:  1  2  3

Requested effective date: 12/1/14

No. of tariff sheets: 23

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: Rule 32, Rule 1, TOCs

Service affected and changes proposed<sup>1</sup> 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](mailto:EDTariffUnit@cpuc.ca.gov)

**Southern California Gas Company**

**Attention: Sid Newsom**

**555 West 5<sup>th</sup> Street, GT14D6**

**Los Angeles, CA 90013-1011**

[SNewsom@semprautilities.com](mailto:SNewsom@semprautilities.com)

[tariffs@socalgas.com](mailto:tariffs@socalgas.com)

<sup>1</sup> Discuss in AL if more space is needed.

ATTACHMENT A  
Advice No. 4719

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 50950-G	Rule No. 01, DEFINITIONS, Sheet 4	Revised 48489-G
Revised 50951-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 1	Revised 48975-G
Revised 50952-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 2	Revised 48976-G
Revised 50953-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 3	Revised 48977-G
Revised 50954-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 4	Revised 48978-G
Revised 50955-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 5	Revised 48979-G
Revised 50956-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 6	Revised 48980-G
Revised 50957-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 7	Revised 48981-G
Revised 50958-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 8	Revised 48982-G
Revised 50959-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 9	Revised 39586-G
Revised 50960-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 10	Revised 30027-G
Revised 50961-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 11	Revised 30028-G
Revised 50962-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 12	Revised 30029-G
Revised 50963-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 13	Revised 30030-G
Revised 50964-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 14	Revised 30031-G
Revised 50965-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 15	Revised 30032-G
Revised 50966-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 16	Revised 30033-G
Revised 50967-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 17	Revised 47201-G
Revised 50968-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 18	Revised 43386-G
Revised 50969-G	Rule No. 32, CORE AGGREGATION TRANSPORTATION, Sheet 19	Revised 45777-G
Revised 50970-G	TABLE OF CONTENTS	Revised 50546-G
Revised 50971-G	TABLE OF CONTENTS	Revised 50818-G
Revised 50972-G	TABLE OF CONTENTS	Revised 50949-G

Rule No. 01  
DEFINITIONS

Sheet 4

(Continued)

Core Subscription Service: Utility natural gas procurement service available to noncore customers. Core subscription service is subject to special conditions as identified in the customer's applicable rate schedule. Core subscription service has been discontinued pursuant to Decision 01-12-018 effective December 1, 2003.

Core Transport Agent (CTA), formerly Core Transportation Aggregator or Energy Service Provider (ESP): Individuals, companies or consortiums that arrange for natural gas procurement related activities (procurement, interstate transportation and balancing) on behalf of core customers. See Rule No. 32.

Critical Customer: Customer facility where the interruption of natural gas service would cause a danger to human life, health or safety, and includes customers such as hospitals, other state-licensed health care facilities, medical research facilities, medical facilities at military installations and detention facilities, municipal water pumping plants and sanitation facilities.

Cross-Over Rate: Procurement rate authorized in D.02-08-065 that is comprised of: (1) the higher of the weighted average estimated cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068, plus any adjustments for over- or under-collection balance in the Core Purchased Gas Account (CPGA) as defined and approved in D.98-07-068, or the Adjusted Border Price; (2) authorized franchise fees and uncollectible expenses; and (3) authorized core brokerage fee. The Border Price is equal to the average of the first of the month "Southern Cal Border Avg." index from Natural Gas Intelligence and the "Southern California Gas Co., California" index from Inside FERC. The Adjusted Border Price is equal to the Border Price, plus access charges as described in D.06-12-031.

Cubic Foot of Gas: The quantity of gas that, at a temperature of sixty (60) degrees Fahrenheit and a pressure of 14.73 pounds per square inch absolute, occupies one cubic foot.

Curtailement: Utility initiated suspension of natural gas service. Utility may temporarily reduce the quantity of gas it will transport or deliver or may terminate service entirely for certain service categories as needed for operational requirements.

Customer: Person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or in the absence of a signed instrument, by the receipt and payment of bills regularly issued in their name.

Customer-Owned Gas: Natural gas transported by the Utility for customer's own use where title to such natural gas is held by the Utility customer or third party and is not a part of the Utility-owned system supplies.

Daily Forecast Quantity: A forecast of core customer daily usage as provided by the Utility's Demand Forecasting Group (in the Regulatory Affairs department) using a consistent daily load forecast equation, and will be developed no sooner than two hours before the start of flow day. Weather forecasts input into the equation will be from an independent third party and the most current available as of 5:00 a.m. of flow day.

(Continued)

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. 4719  
DECISION NO. 14-08-043

ISSUED BY  
**Lee Schavrien**  
Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
DATE FILED Dec 1, 2014  
EFFECTIVE Dec 1, 2014  
RESOLUTION NO. \_\_\_\_\_



CORE AGGREGATION TRANSPORTATION

A. GENERAL

The terms and conditions of this Rule shall apply to Core Transport Agents (CTAs) who are also known as Energy Service Providers (ESPs), and their end-use customers (Core Transportation Customers), as defined in Southern California Gas Company's (SoCalGas) Rule No. 1.

The specific requirements for Core Transportation Customers are described in each core transportation rate schedule. The transportation of customer-owned gas in conjunction with service under this Rule is subject specifically to the terms and conditions of Rule No. 30, Transportation of Customer-Owned Gas, and Rule No. 23, Continuity of Service and Interruption of Delivery.

The terms and conditions of Core Transportation Service as well as the specific rights and obligations of CTAs, Core Transportation Customers, and SoCalGas with regard to Core Transportation Service have been updated in this Rule to reflect CPUC D.98-02-108, which conforms the customer switching process for Core Transportation Service (also known as Core Aggregation Transportation or CAT Service) with the procedures and policies established for electric direct access and D.14-08-043, Decision Adopting Registration Standards for Core Transport Agents, which establishes requirements for CTAs as set forth in Public Utilities Code Sections 980 through 989.5.

1. Eligibility and Application for CTA Status

- a. CTAs are required to complete an Agreement for Core Aggregation Service (Service Agreement), Form 6536-A, with SoCalGas and a Credit Application (Credit Application) that includes all financial information needed by SoCalGas to establish credit. CTAs are required to complete a new Credit Application on an annual basis and whenever the CTA's load increases by 25,000 therms per day or more from the CTA's load at the time the most recent Credit Application was completed. CTAs will be required to register with the CPUC in accordance with D.14-08-043 and Public Utilities Code Section 981.
- b. Registered and approved CTAs may provide service to customers eligible for Core Service, as defined in Rule No. 1 in accordance with D.93-09-082. The aggregate load of customers served by each CTA must meet a minimum transport quantity of 250,000 therms annually. If a CTA's aggregated load falls below the 250,000 therms per year, the CTA will be given 90 days from notification to make up the deficient load. If sufficient load is not added within 90 days of the date of notification by SoCalGas, the CTA's contract will be terminated, at SoCalGas' sole discretion, and end-use customers served by the CTA will be able to authorize service from a different CTA or return to SoCalGas' Core Procurement Service.
- c. Registered CTAs shall ensure that any person or entity performing marketing or sales activities, or administering its service agreements on the CTAs' behalf, complies with rules adopted by the CPUC pursuant to Public Utilities Code Sections 980 through 989.5.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4719  
 DECISION NO. 14-08-043

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Dec 1, 2014  
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Rule No. 32

Sheet 2

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

1. Eligibility and Application for CTA Status (Continued)

d. The term of the Service Agreement between a CTA and SoCalGas is 12 months, beginning with the first calendar day of the month after the Service Agreement is accepted by SoCalGas, and then month-to-month thereafter, until terminated as set forth in section C.5. below.

2. Changing Customer Status to Core Transportation Service

a. Eligibility for Program service is limited to customers eligible for Core Service, as defined in Rule No. 1, in accordance with D.93-09-082.

b. CTAs communicate changes in customer's status to SoCalGas via successful submission of an electronic Direct Access Service Request (DASR). By submission of the DASR, the CTA warrants that the customer being enrolled in the Transportation Service program by the DASR:

(1) Has been informed of, and consents to all terms and conditions of SoCalGas' Core Transportation Service;

(2) Intended to change their status to "Core Transportation Service" and receive gas procurement and related services from that specific CTA;

(3) Has authorized the CTA to act on the customer's behalf in various gas procurement activities; and,

(4) Has authorized SoCalGas to release the customer's current and historic gas consumption information to that specific CTA.

c. CTAs will maintain a signed customer contract (which includes customer acknowledgments and indemnification of SoCalGas as described in the Service Agreement) or records of independent third party verification in the manner set forth for requesting electronic direct access service in the Public Utilities Code Section 366.5. In accordance with D.14-08-043 and Public Utilities Code Section 983, the CPUC shall accept, compile and attempt to informally resolve consumer complaints regarding CTAs.

(Continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 4719  
 DECISION NO. 14-08-043

ISSUED BY

**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)

DATE FILED Dec 1, 2014  
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CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

2. Changing Customer Status to Core Transportation Service (Continued)

d. The term of the electronic DASR (or Authorization Form) used to submit new Core Transportation Service Customers prior to implementation of D.98-02-108) is a minimum of twelve months, beginning with the first day of the month that Core Transportation Service is received by the customer under the Program, and then month-to-month thereafter, until terminated as set forth in section A.3.a.(10) below.

3. DASR Transaction Processing

a. The DASR system is used to submit customer enrollment (Service Request) and termination (Termination Request) transactions for Core Transportation Service.

- (1) DASRs may only be submitted by approved CTAs who have executed a Service Agreement with SoCalGas, and are in compliance with all applicable tariffs and requirements of the Core Transportation Program. T
- (2) DASRs must be submitted by the customer's authorized CTA, or by the customer, if customer is self-aggregating. T
- (3) DASRs shall not be submitted to SoCalGas until three days after the verification required under Public Utilities Code Section 366.5 has been performed. It is the responsibility of the CTA to ensure that the requests of the residential and small commercial customers to cancel service pursuant to Public Utilities Code Section 395 and D.14-08-043 are honored. If a DASR is accidentally submitted for a customer prior to the three day cooling off, and the customer cancels, the submitting CTA shall direct SoCalGas to submit a Cancellation Request. (The Cancellation Request differs from a Termination Request because the customer would not be considered "active" in the program.) Pursuant to Public Utilities Code Section 989.1, a non-residential customer has until midnight of the third (3rd) business day after the day on which the third party verification occurred to cancel its enrollment and, in accordance with D.14-08-043, a residential customer may cancel until midnight of the thirtieth (30th) calendar day after the date the first bill for CTA service is received by the customer. T  
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- (4) Submitted DASRs which comply with all processing, legal and regulatory requirements will be accepted by SoCalGas, and will be implemented based on the following time schedule:
  - a) Compliant DASRs received from the first calendar day through the fifteenth calendar day of any month are processed for implementation no later than the customer's meter read date in the following calendar month.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4719  
 DECISION NO. 14-08-043

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Dec 1, 2014  
 EFFECTIVE Dec 1, 2014  
 RESOLUTION NO. \_\_\_\_\_

Rule No. 32

Sheet 4

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

3. DASR Transaction Processing (Continued)

(4) (Continued)

- b) Compliant DASRs received from the fifteenth calendar day through the last calendar day of any month are processed for implementation no later than the customer's meter read date in the second calendar month after the DASR is submitted.
- c) All DASR transactions (Service Request, Termination Request and Cancellation Request) are considered "received" by SoCalGas when acknowledgment of receipt is sent by SoCalGas via e-mail on the first business day after e-mail submission..
- d) SoCalGas will process DASRs within three working days after the receipt date and provide written notification to the customer of the DASR status: "Accepted," or "Rejected by Utility" (including a reason). Upon acceptance of a DASR, the customer will be notified of the effective switch date.
- (5) SoCalGas maintains the right to deny any DASR request where the information provided by the CTA is false, incomplete, or inaccurate in any material respect.
- (6) DASRs are accepted on a first-come, first-served basis, as determined by the time stamp placed on the transaction by the DASR System. If more than one authorization is received for an account, the first compliant authorization will be processed.

(Continued)

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. 4719  
DECISION NO. 14-08-043

ISSUED BY  
**Lee Schavrien**  
Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
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CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

3. DASR Transaction Processing (Continued)

- (7) A DASR may be rejected based on, but not limited to, the following partial listing of reasons:
- a) Customer bill account is currently on noncore service.
  - b) Customer is currently summary billed - to participate in Transportation Service (CAT) program and receive summary billing from SoCalGas, the customer must select billing for transportation by SoCalGas.
  - c) Customer is currently on SoCalGas' Electronic Data Interchange (EDI) billing service. To remain a SoCalGas EDI customer, Core Transportation Service Customers must select billing for transportation by SoCalGas.
  - d) Customer is currently participating in SoCalGas' Level Pay Program. Customer may only remain on Level Pay if they select billing for transportation by SoCalGas.
  - e) Customer facility status is "off-for-repairs," "seasonal close," or is otherwise inactive. Inactive customers cannot be enrolled in Core Transportation Service.
  - f) DASR file contains invalid data such as invalid Bill Account, Meter Number, Bill Method, or CTA OCC.
- (8) The DASRs will remain in effect unless any of the following events occur:
- a) After the initial twelve-month term, a termination transaction is submitted by SoCalGas in response to a customer request, or a termination transaction is submitted by the CTA at customer or CTA request;
  - b) Any party files for or is forced into bankruptcy proceedings or goes out of business;
  - c) The customer is no longer receiving service at the meter location, or the customer status and applicable tariff schedules change due to changes in customer gas consumption;

(Continued)

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. 4719  
DECISION NO. 14-08-043

ISSUED BY  
**Lee Schavrien**  
Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
DATE FILED Dec 1, 2014  
EFFECTIVE Dec 1, 2014  
RESOLUTION NO. \_\_\_\_\_

Rule No. 32

Sheet 6

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

3. DASR Transaction Processing (Continued)

(8) (Continued)

- d) The CTA submits a request to terminate service to the customer for the customer's failure to pay for service provided to the customer by CTA;
- e) SoCalGas cancels CTA's authorization for CTA failure to pay for capacity service provided to the CTA or for other breach of the Service Agreement or applicable tariffs. In this event, SoCalGas will send written notice of cancellation to the CTA and to the customer, pursuant to Section C.5, Termination of the Service Agreement;
- f) There is a change in SoCalGas' tariff rate schedules that materially affects the rights of the parties; or,
- g) There is a regulatory or other legislative change which impacts a CTA's right or ability to provide service hereunder.

(9) Core Transportation Service Customers who wish to exit the program and return to SoCalGas Core Procurement Service, or who wish to change CTAs, may contact their existing CTA to request termination or submit a request for termination to SoCalGas. Upon receipt of the customer request for termination, SoCalGas will verify the customer has completed the minimum 12 month contractual requirement for Core Transportation Service, and terminate the customer's participation in the program. When SoCalGas terminates the customer's participation, SoCalGas will notify the CTA within three business days via e-mail.

(10) The customer will have 90 days from the termination submission in which to select a different CTA (defined as not affiliated with original CTA) or the customer may return to Procurement Service from SoCalGas under the customer's otherwise-applicable rate. If the customer returns to SoCalGas Procurement Service, they must remain a Procurement Customer for the longer of: 1) twelve months, or 2) the balance of their five (5) year core commitment pursuant to D.02-08-065, as applicable. Additionally, any customer whose annual consumption is over 50,000 therms will be on the Cross-Over Rate (G-CPNRC), pursuant to Schedule No. G-CP, during the 90 day period when they are selecting another CTA. These same customers would remain on this Cross-Over Rate for a total of 12 months if they fail to select another CTA during the 90 day period. Those customers who return to utility procurement because their CTA no longer provides any service in the State of California, as further defined in Rule No. 1, are exempt from the Cross-Over Rate.

(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVISE LETTER NO. 4719  
 DECISION NO. 14-08-043

ISSUED BY  
**Lee Schavrien**  
 Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
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CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

3. DASR Transaction Processing (Continued)

(11) Upon successful processing of a termination request, SoCalGas will notify the customer in writing of the termination, including reason.

b. Customers remain responsible to SoCalGas for any charges incurred by their CTA associated with Program Service prior to the effective date of service termination, except Procurement Management Charges as defined in Rule No. 1, even if such charges are rendered after cancellation has taken place.

4. Rates

Charges for service shall be in accordance with SoCalGas' core transportation rates for each end-use customer, as set forth in the core transportation rate schedules. Aggregation with other loads does not change the otherwise applicable rate schedule for a specific facility.

Additionally, for the first twelve months of service to a customer under the Program, the customer's core transportation rates will include a component that reflects the most recent positive or negative imbalances in SoCalGas' core gas balancing account. For the first twelve months the customer participates in the Program, this component shall be an adder or subtracter that reflects the current status of the Purchased Gas Account. After the first twelve months of service to a customer under the Program, the customer's transportation rate will not include the balancing account component.

Charges by SoCalGas may be adjusted to reflect the applicable taxes, franchise fees or other fees, regulatory surcharges and interstate or intrastate pipeline charges that may occur.

5. Release of Customer Information

Upon receipt of a compliant DASR, SoCalGas will provide the CTA with available information for up to 12 months of customer gas consumption no later than the 20<sup>th</sup> of the month after the scheduled switch date.

Except as provided above, SoCalGas must receive a signed "Customer Information Authorization" (Form No. CIA-1A) or "Commercial/Industrial Customer Information Authorization" (Form No. CIA-1B) to release customer-specific usage data to parties. Subject to customer authorization, SoCalGas will provide a maximum of the most recent 12 month's customer usage data (or all data available if customer has less than 12 month's usage history) to the customer or its authorized agent. If a customer, or a customer's CTA, requests this historic usage more than two times per year for a specific service account, SoCalGas shall have the ability to assess a processing charge if approved by the CPUC.

(Continued)

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. 4719  
DECISION NO. 14-08-043

ISSUED BY  
**Lee Schavrien**  
Senior Vice President

(TO BE INSERTED BY CAL. PUC)  
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RESOLUTION NO. \_\_\_\_\_

CORE AGGREGATION TRANSPORTATION

(Continued)

A. GENERAL (Continued)

6. Taxes

The CTA shall pay the applicable Utility User's Tax, and any other fees and taxes applicable within the city or political subdivision where the gas is actually used unless otherwise provided for in a specific ordinance or other legislative ruling. For those customers located in Los Angeles county, pursuant to Los Angeles City Ordinance No. 168164, dated August 4, 1992, SoCalGas shall collect the user tax for all gas delivered through the gas system for transportation service customers and consumed in Los Angeles County.

7. Applicable Contract Provisions

All contracts and customer authorizations of CTAs under this Rule shall be subject to Rule No. 4, except as set forth below. DASRs and Customer Authorizations shall be deemed to be "contracts for gas service between CTA and Core Transportation Service Customer" for purposes of applying Rule No. 4 to this Rule:

a. Damages

SoCalGas shall not be assessed any special, punitive, consequential, incidental, or indirect damages, whether in contract or tort, for any actions or inactions arising from or related to the Program.

b. CPUC Jurisdiction

The contracts and authorizations pertaining to Transportation Only Service under this Rule, shall at all times be subject to such changes or modifications by the CPUC as said Commission may, from time to time, direct in the exercise of its jurisdiction.

8. Contract Quantities

SoCalGas will assign a Daily Contracted Quantity (DCQ) on a monthly basis.

The DCQ will be calculated using the following formula:

$$DCQ = A / B \times C$$

Where: "A" = CTA group's most recent twelve months historical consumption,

"B" = Most recent twelve months deliveries on SoCalGas' system for the customer class, and

"C" = Utilities Authorized Core Cold Year Throughput

(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

B. ESTABLISHMENT OF CREDIT (Continued)

2. Security Deposit (Continued)

b. Amount of Security Deposit

The amount of security deposit, or the established credit limit required, is a function of the DCQ. The formula for determining the security deposit or credit limit depends upon the nature of services for which CTAs bill their customers. This creditworthiness requirement (CWR) shall be calculated as follows:

(1) CTA Bills Customers For Gas Commodity Only:

$$CWR1.0 = 120 \text{ days} \times DCQ \times \text{Core Standby Rate};$$

Where: CWR1.0 equals the security deposit in dollars for CTA Procurement Management Charges, as defined in Rule No. 1, for which the CTA is liable. For administrative purposes, the core standby rate will be calculated at 150% of the SoCalGas forecasted core procurement rate.

(2) CTA Bills All Customers For Gas Commodity And Transportation Charges:

$$CWR2.0 = CWR1.0 + (75 \text{ days} \times DCQ \times \text{Average Retail Core Transportation Charge});$$

Where: CWR2.0 equals CWR1.0 plus the security deposit in dollars for handling the customer's money in the event that a CTA bills and collects SoCalGas' transportation charges.

If a security deposit is to be in lieu of a creditworthiness evaluation it is due and payable upon demand prior to commencement of the CTA's participation in the Program.

Any deposit will be considered past due if it is not paid within fifteen calendar days after it is requested by SoCalGas. Past due notices will be mailed to the CTA and to each of its customers. If the deposit is not paid within seven days of the issuance of the past due notice, the CTA's participation will be subject to termination.

All forms of security shall be retained as long as the CTA is participating in the Program unless otherwise reduced pursuant to the provisions of Section B.3., Other Forms of Security Deposit, listed below.

(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

B. ESTABLISHMENT OF CREDIT (Continued)

3. Other Forms of Security Deposit

CTAs may select guaranteed deliveries and/or storage collateral, and, for CTAs who bill for SoCalGas' Transportation charges, accelerated payments to reduce their creditworthiness requirements.

a. Guaranteed Deliveries

The CTA may guarantee weekly delivery of gas equal to 80%, or some other portion acceptable to the CTA and SoCalGas, of the projected customer usage. Projected customer usage will be calculated on a month-to-date basis as follows:

(1)  $80\% \times \text{historical daily usage} \times \text{number of days}$ ;

Where: "number of days" = 7, 14, 21, 28, 30 or 31

If the CTA fails to meet the 80% condition, then the CTA will have seven days or until the end of the month, whichever occurs first, to cure. If the CTA is unable to cure within the cure period, then the CTA's participation in the Program is subject to immediate termination by SoCalGas. By satisfying this condition, a CTA can reduce its creditworthiness requirement by 80% of the Core Standby Rate as follows:

(2)  $\text{CWR1.1} = 24 \text{ days} \times \text{DCQ} \times \text{Core Standby Rate}$

b. Storage Collateral

A CTA may elect to reduce its creditworthiness requirements by maintaining a set or prescribed quantity of gas in storage at all times. Gas stored for collateral is in addition to gas stored to meet core reliability requirements.

If the CTA fails to maintain the prescribed quantity of gas in storage, the CTA will have seven days or until the end of the month, whichever occurs first, to cure. If the CTA is unable to cure within the cure period, the CTA may purchase gas necessary to meet the condition from SoCalGas, at the retail core standby procurement charge, or SoCalGas may immediately terminate the CTA's participation in the Program.

The CTA will grant to SoCalGas a first priority security interest in all gas in storage pursuant to appropriate documents acceptable to SoCalGas.

(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

B. ESTABLISHMENT OF CREDIT (Continued)

3. Other Forms of Security Deposit (Continued)

b. Storage Collateral (Continued)

The prescribed quantity shall be specified by the CTA subject to SoCalGas' concurrence and will reduce the creditworthiness requirement by reducing the number of days used in the calculation of CWR1.2 by the quotient of the prescribed quantity divided by the DCQ as follows:

(1)  $CWR1.2 = (120 \text{ days} - (\text{prescribed quantity} / DCQ)) \times DCQ \times \text{Core Standby Rate}$ .

c. Accelerated Payments/Immediate Payment For Services Rendered

If the CTA bills customers for SoCalGas' transportation charges, then the CTA may pay these charges at the end of billing cycles 5, 10, 15 and 21 (i.e., make weekly payments).

These weekly payments are estimated based on the retail core transportation charges for the customers served by the CTA. The payments and charges may be reconciled at month-end billing time. If payment is not received by the 4:00 P.M. on the due date, SoCalGas will notify the CTA of non-payment. If payment is not received by close of business on the next business day, then the CTA's participation is subject to immediate termination. Any payment received after the due date will be considered past due and subject to the conditions described below in Section C.3., Late Payments.

This condition would be implemented in lieu of weekly summary billing. In addition, the CTA's creditworthiness requirement will be reduced as follows:

(1)  $CWR2.1 = CWR1."X" + (22 \times DCQ \times \text{Average Retail Core Transportation Charge})$ .

Where: "X" is equal to 0, 1, or 2 (e.g., CWR1.0, CWR1.1 or CWR1.2)

4. Additional Documents

The CTA shall execute and deliver all documents and instruments (including, without limitation, security agreements and Uniform Commercial Code financing statements) reasonably requested from time to time to implement the provisions set forth above and to perfect any security interest granted to SoCalGas.

(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS

SoCalGas may allow or require the CTA to bill end-use customers for SoCalGas' transportation charges and the CTA may allow SoCalGas to bill end-use customers for the CTA's commodity charges, if available.

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1. Weekly Billing

For a CTA who bills for SoCalGas' transportation charges, in order to eliminate the cash lag in the current month-end billing of SoCalGas' transportation charges and reduce the CTA's creditworthiness requirements, weekly summary billing of customer accounts will be implemented. Interstate transmission charges, and imbalance billing and notification will occur monthly. On a monthly basis, the CTA will receive from SoCalGas the interstate transportation credit less any unpaid, overdue Procurement Management Charges owed by the CTA.

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2. Payment Terms

The CTA's bill is due and payable upon receipt. All payments will be made electronically or by wire transfer unless otherwise agreed to by SoCalGas. The bill will be considered past due if it is not paid within fifteen calendar days after transmittal. Past due notices will be mailed to the CTA and each of its customers. If the bill is not paid within seven days of the issuance of the past due notice, the CTA's participation will be subject to immediate termination by SoCalGas.

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For a CTA who does not bill for SoCalGas' transportation charges, bills issued to the CTA for any Procurement Management Charges remaining after offset will be past due if not paid within fifteen calendar days after the date the bill is mailed.

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3. Late Payment

If a CTA does not pay any bill rendered to it by SoCalGas within fifteen days after transmittal, then:

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a. A seven-day notice may be mailed to the CTA and its customers may be advised of such notice. If the charges in the notice remain unpaid after the expiration of the seven-day notice, participation under the Program is subject to termination. If participation is terminated, the CTA remains responsible for all charges incurred under the Program, even if such charges are identified after the termination becomes effective.

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b. The outstanding balance will be subject to any applicable late payment fees as authorized by the CPUC.

(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS (Continued)

3. Late Payment (Continued)

c. The CTA will be unable to add customers, or increase its DCQ to its contract until late payment is cured; and, T

d. The CTA may not trade, sell or withdraw any gas in storage until late payment is cured. T

If a CTA pays late three or more times by seven days or less, or pays late one or more times by greater than seven days in any contiguous twelve month period, then, in addition to all other rights of SoCalGas resulting from such late payments (or any non-payments), the CTA will lose its "good payment" status as defined below in Section C.4., Good Payment History. SoCalGas may also require full collateral in the form of cash, irrevocable standby letter of credit, security bond, or any other security instrument deemed appropriate by SoCalGas. If such collateral is requested and not provided by the CTA to SoCalGas, the CTA's participation will be subject to termination by SoCalGas. T  
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In addition, if a CTA that bills customers for SoCalGas' transmission charges loses its good payment status, the CTA will be required to establish an escrow agreement/account with a financial institution acceptable to SoCalGas, in a form acceptable to SoCalGas, and will grant SoCalGas a first priority security interest in all proceeds and accounts receivable in escrow. The escrow account will give a third party, acceptable to SoCalGas, the rights to receive accounts receivable and pay accounts payable on behalf of the CTA. The third party will keep a record of all payments made by each customer, and payment to the third party. T  
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4. Good Payment History

In order to establish a good payment history, the CTA must pay each bill in full within fifteen days after transmittal. A CTA's creditworthiness requirements will be reduced by 2% for every twelve consecutive months of good payment history. This calculation will be retroactive to the date of first participation by the CTA in the Program. Three or more late payments of seven days or less, or one or more late payments of greater than seven days during any contiguous twelve month period will cause the CTA to lose its "good payment" status and obligate it to reestablish full creditworthiness requirements. T  
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If at any time, under the provisions of this rule, SoCalGas does not receive the requested financial information or determines that there has been a detrimental change in the financial condition of the CTA, SoCalGas, at its sole discretion, may re-establish the original creditworthiness requirements for the CTA or establish new creditworthiness requirements. T

(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS (Continued)

5. Termination of the Service Agreement

If a payment is not received within seven days of the issuance of a past due notice, the CTA's participation in the Program will be subject to termination. In addition, if SoCalGas receives any notification that the CTA has filed or will be filing any type of bankruptcy, or is closing its business, the CTA's participation will be terminated immediately and all of the CTA's rights to conduct business with SoCalGas thereunder shall be terminated, consistent with any bankruptcy laws that may take precedence over the rules set forth herein. Further, SoCalGas may terminate a CTA's participation in the Program for failure to pay the interstate pipeline for the full cost of its assigned capacity.

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Upon termination of a CTA's participation:

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- a. Notices of such Termination will be sent to the CTA, to each of its customers, and to the CPUC;
- b. SoCalGas will establish an escrow agreement/account for collections of outstanding customer payments;
- c. Any gas in storage and gas that has been delivered into SoCalGas' system on behalf of the Customers served by CTAs will be used to off-set any immediate imbalances. This gas cannot be subject to encumbrances of any kind, including, but not limited to, liens, trades, or sales to other customers;
- d. The CTA will lose its right to a 10% tolerance for transportation imbalances and will be required to trade toward a zero imbalance; and,
- e. All fees, charges and other obligations of CTA to SoCalGas shall be immediately due and payable without further notice of demand and shall thereafter be subject to CPUC authorized late payment fees and interest, until paid in full.
- f. The customer will have 90 days from date of cancellation by the CTA in which to join another CTA's group or the customer may return to full service from SoCalGas (see Section A.1.b., above).

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At the time of termination, if the CTA has not paid SoCalGas billings, any deposit held on the CTA's accounts shall be applied to recoup unpaid bills. In addition, if a CTA is terminated and/or declares bankruptcy, the CTA will be liable to SoCalGas for any and all costs, expenses, and attorney's fees incurred by SoCalGas as a result of such termination or bankruptcy. Payment by the CTA of all such costs, expenses and attorney's fees will be a condition of re-entry into, or continuation in, the Program.

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(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

C. BILLING AND PAYMENT TERMS (Continued)

6. Customer Liability For CTA Obligations

If a security deposit has not been provided or does not adequately cover the outstanding charges owed by a CTA, excluding any Procurement Management Charges, the customers represented by the CTA will be liable for any such charges. These outstanding charges will first be reconciled and assigned to customers based on the customers' outstanding balance with SoCalGas and the payment records in the escrow account, if an escrow account has been established. Any outstanding charges that remain unreconciled after that process will then be allocated to customers served by the CTA on a pro rata basis to customers based on the customers' usage during the period the outstanding balance was accumulated.

Regardless of who renders bills for SoCalGas transportation charges, the CTA will continue to be financially liable for outstanding Procurement Management Charges.

7. SoCalGas Collection Assistance

SoCalGas will pursue normal collection activity for nonpayment of SoCalGas' charges, if SoCalGas bills such charges directly to the customer. SoCalGas will bill the customer directly for such charges when the CTA bills for the gas commodity only. Under this situation, the CTA's creditworthiness requirements will be reduced as set forth in Section B.2.b.(1).

8. Billing Disputes

If a Core Transportation Service customer disputes a SoCalGas bill, the disputed amount will be deposited by the customer with the CPUC pending resolution of the dispute under the existing CPUC procedures for resolving such disputes with SoCalGas. If a Core Transportation Service customer has a billing dispute with its CTA, the customer will remain obligated to pay SoCalGas charges in a timely manner. The CTA shall not withhold payment of any such SoCalGas charges pending resolution of any such disputes regarding the CTA's bills.

If the CTA, or customer whose transportation charges are billed by the CTA, disputes a SoCalGas bill, the disputed amount will be deposited by the CTA with the CPUC pending resolution of the dispute under existing CPUC procedures. No termination of participation in the Program will occur for this dispute while the CPUC is hearing this matter.

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CORE AGGREGATION TRANSPORTATION

(Continued)

D. DELIVERY OF GAS

1. Transportation of Customer Owned Gas

CTAs participating in the Program will perform gas deliveries pursuant to the provisions and conditions set forth in Rule No. 30, Transportation of Customer Owned Gas.

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2. Imbalance Service

The CTA is responsible for balancing transportation services with the customer's end-use consumption. The CTA is responsible for managing the imbalances of the end-users through means which include participation in the Utility's Imbalance Trading Program pursuant to the provisions of Schedule No. G-IMB. Imbalances will be calculated on an aggregated customer basis, not by individual account or delivery point. Imbalances will be determined by comparing the amount of gas delivered to the Utility and the amount of gas actually consumed by the customers.

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The CTA's DCQ will be used as a proxy for gas actually consumed by their customers. Immediately each month when actual meter usage information becomes available, an adjustment to the CTA's imbalance account will be made to account for any differences between actual consumption of its customers and the DCQ.

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The CTA shall be responsible for all imbalance charges, including any Utility Users Tax. The CTA may pool the positive and negative imbalances of its customers in order to avoid or minimize imbalance charges

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3. Backbone Transportation Service

CTAs may receive Backbone Transportation Service by utilizing Schedule No. G-BTS. CTAs will have the set-aside option, under Schedule No. G-BTS, to acquire firm Backbone Transportation Service during the open season process.

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E. STORAGE RIGHTS AND OBLIGATIONS

1. Allocation of Storage Rights

Storage rights and costs will be allocated to each CTA by SoCalGas in the same proportion as storage costs are allocated to the customer classes represented by each CTA in SoCalGas' core transportation rates based on the prorata share of the Utility Gas Procurement Department allocated rights.

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(Continued)

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CORE AGGREGATION TRANSPORTATION

(Continued)

E STORAGE RIGHTS AND OBLIGATIONS (Continued)

2. Storage Injection and Withdrawal Rights and Obligations

CTAs are given a proportionate share of injection rights from April 1 through October 31 and, withdrawal rights from November 1 through March 31. The CTA is responsible for storage injection and withdrawal rights pursuant to the provisions of Rule No. 30, Transportation of Customer-Owned Gas and G-IMB.

Gas in storage to meet core reliability cannot be used to cure and under-delivery during an imbalance trading period.

3. Monthly Storage Inventory Requirements

CTAs will be assigned month-end storage targets for the months of October, January and February to meet SoCalGas' storage targets and maintain minimum quantities to meet Abnormal Peak Day (APD) and cold year requirements. CTA storage targets will be assigned in a manner consistent with the Utility Gas Procurement Department.

This gas in storage may not be subject to encumbrances of any kind. CTAs will not be allowed to withdraw gas below these month-end targets.

CTA winter month storage minimums are based on a proportionate allocation of total core storage requirements as specified for the Utility Gas Procurement Department.

4. Adding And Deleting Customers

Storage rights will be adjusted on a monthly basis to account for the addition or deletion of customers. When a CTA adds new customer(s) or customer(s) return to SoCalGas, gas stored on behalf of such customer(s) shall be automatically sold, at the current month's Adjusted Core Procurement Charge, G-CPA, set forth in Schedule No. G-CP, to the CTA or to SoCalGas to which the customer is transferring if the amount of gas stored on behalf of customer(s) exceeds a minimum threshold of 1,000,000 therms. To the extent that this automatic transfer of title does not occur, the CTA or SoCalGas will remain obligated to meet all applicable storage targets.

5. Secondary Market Opportunities

CTAs who hold firm storage rights in addition to those which are held to meet core reliability requirements may release all or a portion of those rights in the secondary market by utilizing Schedule No. G-SMT. Any release of storage capacity must provide SoCalGas with the option to recall any gas stored on behalf of its core customers, at SoCalGas' discretion, if, in SoCalGas' sole judgment, such storage is necessary to serve returning customer(s) defined Section E.4.

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Rule No. 32

Sheet 19

CORE AGGREGATION TRANSPORTATION

(Continued)

E. STORAGE RIGHTS AND OBLIGATIONS (continued)

6. Storage Gas Remaining in Inventory

Any quantity of storage gas that is in excess of the inventory rights remaining after: a) the CTA's storage contract term expires; or b) the CTA trades away some or all of its inventory rights; or c) the CTA's inventory rights are reduced by SoCalGas based on a reduction in the CTA's customer load; or d) the CTA's storage contract is terminated, for whatever reason, prior to the completion of the term of such contract shall be immediately purchased by SoCalGas at the applicable Buy-Back Rate stated in Schedule No. G-IMB. The Buy-Back purchase amount paid to the CTA may be reduced by any outstanding amounts owed by the CTA for any other services provided by SoCalGas.

F. CURTAILMENT

In the event of curtailment, SoCalGas shall make every effort to maintain service to Core Transportation Service customers. Such curtailment shall be effectuated in accordance with the provisions of Rule No. 23, Continuity of Service and Interruption of Delivery. Penalties for violations of curtailment shall apply as set forth in Rule No. 23.

G. SERVICES PROVIDED BY SOCALGAS

SoCalGas shall read customer meters, send customers legally required notices and bill inserts in accordance with Public Utilities Code Section 454(a), and provide customers with all other regular SoCalGas services. This includes direct billing, unless the customer specifies in the DASR that SoCalGas bill the CTA for all charges.

H. OTHER TARIFFS

Service under this Rule is subject to the terms and conditions of SoCalGas' tariff schedules on file with the CPUC, including all applicable contracts and agreements.

(TO BE INSERTED BY UTILITY)

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Senior Vice President

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