

PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNTS Sheet 1
AFFILIATE TRANSFER FEE ACCOUNT (ATFA)

The ATFA is a memorandum account recorded on SoCalGas' financial statements. The purpose of the ATFA is to record fees received by SoCalGas from covered affiliates when an employee of SoCalGas is transferred, assigned, or otherwise employed by that affiliate. A covered affiliate is one that is engaged in the provision of a product that uses gas or electricity, or the provision of services that relate to the use of gas or electricity, and is not otherwise exempted. This account is authorized by Ordering Paragraph 1 of D.97-12-088, which adopted Appendix A, Rule V.G.2.c.

SoCalGas maintains this account by making monthly entries as follows: a credit entry equal to fees received by SoCalGas from a covered affiliate when an employee of SoCalGas is transferred, assigned, or otherwise employed by the covered affiliate. As described in Rule V.G.2.c., fees do not apply to all employee transfers, e.g., clerical workers, and the transfer of employees during the initial implementation period.

For each BCAP filing, SoCalGas will reconcile this account and adjust rates as needed.

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(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3653
 DECISION NO.

ISSUED BY
Lee Schavrien
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Aug 15, 2006
 EFFECTIVE Sep 14, 2006
 RESOLUTION NO. _____