

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 1

APPLICABILITY

Applicable for natural gas procurement service provided to core customers from the Utility's core portfolio, as defined in Rule No. 1. Service hereunder will be rendered in accordance with the provisions of the customer's otherwise-applicable rate schedule, as defined in Special Condition 2.

TERRITORY

Applicable throughout the service territory.

RATES

The residential and non-residential procurement charges will be subject to change monthly, as set forth in D.98-07-068. The adjusted procurement charge is subject to change monthly, as set forth in Resolution G-3357. The procurement charges will be based upon the estimated average price of flowing gas supplies during the injection season, and a blend of the weighted average estimated monthly price of flowing gas supplies and the estimated price of gas withdrawn from storage, when applicable. The Cross-Over Rate, as set forth in D.02-08-065, will be the higher of the procurement charge described above or the Adjusted Border Price, as described below. The Utility will file the core procurement charges and affected core service rate schedules on the last business day of the previous month, to be effective the first day of the following month; except the Cross-Over Rate. The Cross-Over Rate will be filed on or before the 9th calendar day of each month, to be effective the 10th calendar day of each month.

G-CPNR

This charge is for non-residential core service. Pursuant to D.96-08-037, Utility was authorized to change its non-residential procurement charge monthly beginning in January 1997.

The non-residential monthly gas procurement charge is comprised of: (1) the weighted average estimated cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068, including reservation charges associated with interstate pipeline capacity contracts entered into by the Utility pursuant to D.04-09-022 and D.02-06-023, and the carrying cost of storage inventory pursuant to D.07-12-019; (2) authorized franchise fees and uncollectible expenses; (3) authorized core brokerage fee; (4) any adjustments for over- or under-collection imbalance in the Core Purchased Gas Account (CPGA) imbalance band as defined and approved in D.98-07-068; (5) access charges as described in D.06-12-031; and (6) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 3706-A
 DECISION NO. 06-12-031, 07-06-003

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Sep 17, 2007
 EFFECTIVE Oct 1, 2008
 RESOLUTION NO. G-3407

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 2

(Continued)

RATES (Continued)

G-CPNR (Continued)

Cost of Gas, per therm	46.955¢
Brokerage Fee, per therm	<u>0.188¢</u>
Total Core Procurement Charge, per therm	47.143¢

G-CPNRC

This is the non-residential Cross-Over Rate authorized in D.02-08-065. This charge will be applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) non-residential core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customer was returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) non-residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The monthly gas procurement charge is comprised of: (1) the higher of the Cost of Gas in the G-CPNR rate above, less authorized franchise fees and uncollectible expenses, 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 "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates, plus access charges as described in D06-12-031.

Cost of Gas, (1) and (2) above, per therm	46.955¢	I
Brokerage Fee, per therm	<u>0.188¢</u>	
Total Core Procurement Charge, per therm	47.143¢	I

G-CPR

This charge is for residential service. Pursuant to D.96-08-037, Utility was authorized to change the residential gas procurement charge monthly concurrent with its implementation of the 1996 BCAP Decision (D.97-04-082).

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4034
 DECISION NO.
 206

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Nov 6, 2009
 EFFECTIVE Nov 10, 2009
 RESOLUTION NO. G-3351

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 3

(Continued)

RATES (Continued)

G-CPR (Continued)

The monthly residential gas procurement charge is comprised of: (1) the weighted average estimated cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068, including reservation charges associated with interstate pipeline capacity contracts entered into by the Utility pursuant to D.04-09-022 and D.02-06-023, and the carrying cost of storage inventory pursuant to D.07-12-019; (2) authorized franchise fees and uncollectible expenses; (3) authorized core brokerage fee; (4) any adjustments for over- or under- collection imbalance in the Core Purchased Gas Account (CPGA) imbalance band as defined and approved in D.98-07-068; (5) access charges as described in D.06-12-031; and (6) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

Cost of Gas, per therm	46.955¢
Brokerage Fee, per therm	<u>0.188¢</u>
Total Core Procurement Charge, per therm	47.143¢

G-CPRC

This is the residential Cross-Over Rate authorized in D.02-08-065. This charge will be applicable for the first 12 months for: (1) residential core transportation customers who consumed over 50,000 therms in the last 12 months and who transfer to utility procurement, or (2) residential core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation only service within 90 days.

The monthly gas procurement charge is comprised of: (1) the higher of the Cost of Gas in the G-CPR rate above, less authorized franchise fees and uncollectible expenses, 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 "Bid Week, California-South, Delivered to Pipeline" index from Natural Gas Week. The Adjusted Border Price is equal to the Border Price less the currently authorized core interstate capacity costs included in core transportation rates, plus access charges as described in D06-12-031.

Cost of Gas, (1) and (2) above, per therm	46.955¢
Brokerage Fee, per therm	<u>0.188¢</u>
Total Core Procurement Charge, per therm	47.143¢

The Border Price will be posted on the Utility's Internet web site at <http://www.socalgas.com>.

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(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 4034
 DECISION NO.
 306

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Nov 6, 2009
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 RESOLUTION NO. G-3351

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 4

(Continued)

RATES (Continued)

G-CPA

This rate is for the purposes of calculating the municipal surcharge as defined in Schedule No. G-MSUR; the Buy-Back Rates as defined in Schedule No. G-IMB; involuntary diversions; and VCPPA deliveries as defined in Rule No. 23 and purchases of storage gas as defined in Rule No. 32. This rate is equivalent to the Core Subscription Procurement Charge, previously reported in Schedule No. G-CS, that was eliminated pursuant to Decision 01-12-018 and Resolution G-3357, effective December 1, 2003.

The monthly adjusted gas procurement charge is comprised of: (1) the weighted average estimated cost of gas (WACOG) for the current month, derived in the manner set forth in D.98-07-068, including reservation charges associated with interstate pipeline capacity contracts entered into by the Utility pursuant to D.04-09-022 and D.02-06-023, and the carrying cost of storage inventory pursuant to D.07-12-019; (2) authorized franchise fees and uncollectible expenses; (3) any adjustments for over- or under-collection imbalance in the Core Purchased Gas Account (CPGA) imbalance band as defined and approved in D.98-07-068; (4) access charges as described in D.06-12-031; and (5) an adjustment for the Gas Cost Incentive Mechanism (GCIM) reward/penalty pursuant to D.02-06-023. The charge is exclusive of (1) core storage gas withdrawals and (2) authorized core brokerage fee. The CPGA component is an adder in the case of an under-collection and a subtracter in the case of an over-collection.

Adjusted Core Procurement Charge, per therm 47.368¢

The current procurement charge will be posted on the Utility's Electronic Bulletin Board (EBB), as defined in Rule No. 1, and Internet web site at <http://www.socalgas.com/regulatory>.

The Utility will reflect all applicable taxes, fees, and surcharges and/or credits imposed as a result of providing service hereunder.

The number of therms to be billed will be determined in accordance with Rule No. 2.

SPECIAL CONDITIONS

1. Definitions of the principal terms used in this rate schedule and the Utility's other tariffs are provided in Rule No. 1.
2. Service provided hereunder is subject to the terms and conditions of the Utility's tariff schedules on file with the Commission. Charges for transmission service will be in accordance with the Utility's core transportation rate schedules. The terms and conditions in the customer's otherwise-applicable core procurement schedule apply.

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(TO BE INSERTED BY UTILITY)
 ADVISE LETTER NO. 4029
 DECISION NO. 98-07-068

ISSUED BY
Lee Schavrien
 Senior Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 DATE FILED Oct 30, 2009
 EFFECTIVE Nov 1, 2009
 RESOLUTION NO. _____

Schedule No. G-CP
CORE PROCUREMENT SERVICE

Sheet 5

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SPECIAL CONDITIONS (Continued)

3. Gas purchases made by the Utility on behalf of core customers will come from a single gas portfolio. The monthly WACOG will be based on the estimated prices of gas purchased for this single gas portfolio.

4. Term of Service: Notwithstanding the following exception, customers who transfer from noncore service to this schedule are required to make a five (5) year commitment to core procurement service, and execute a Master Services Contract (Form No. 6597) and Schedule A, Intrastate Transmission Service (Form No. 6597-1). The exception is limited to noncore customers who have been disqualified from noncore service and are required to return to core service. Upon expiration of their five (5) year commitment, the customer shall be on a month to month term thereafter.

Core transportation customers who transfer to this schedule are required at a minimum to make a one (1) year commitment to core procurement service. If those customers are currently in a five (5) year commitment due to previously transferring from noncore service, then they must fulfill the balance of their five (5) year commitment while remaining on core procurement service. Upon expiration of their one (1) year or five (5) year commitment, as applicable, the customer shall be on a month to month term thereafter.

The term of service for all other customers shall be one (1) month.

5. All special conditions specified in the otherwise-applicable rate schedules will apply unless superseded by the special conditions specified herein.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 3385
DECISION NO. 01-12-018

5C11

ISSUED BY

Lee Schavrien
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Jun 9, 2004
EFFECTIVE Jul 19, 2004

RESOLUTION NO. _____

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