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August 6, 2008

ADVICE LETTER 1790-G
(U902-G)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: REVISION OF CROSS-OVER RATE EFFECTIVE AUGUST 10, 2008

PURPOSE

This routine monthly filing sets the Cross-Over Rate contained in Schedule GPC applicable to residential and core commercial and industrial customers effective August 10, 2008, as authorized by the California Public Utilities Commission's (Commission) Decision (D.) 02-08-065.

BACKGROUND

On August 22, 2002, the Commission issued D.02-08-065 authorizing SDG&E to implement revised uniform rules for noncore customers requesting core service, and large core customers requesting utility procurement service. Pursuant to this Decision, noncore customers switching to bundled core transportation and utility procurement service are required to pay a cross-over procurement rate for the first 12 months.

The Cross-Over Rate, as set forth in Schedule GPC, will be the higher of 1) the posted monthly procurement rate or 2) the California Border Price. 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 (NGW). Since the NGW index that will be used in calculating the Cross-Over Rate is not published until the first Monday of every month, SDG&E will file the Cross-Over Rate on or before the ninth calendar day of each month with the rate becoming effective on the tenth day of the month.

This Cross-Over Rate 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) core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customers were returned to utility procurement because their gas supplier was no longer doing any business in California; or (3) 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.

REQUESTED RATE REVISION

The Cross-Over Rate for August 2008 is \$0.87770 per therm, which is the same as the Core Procurement rate as filed by Advice Letter 1789-G on July 31, 2008. The workpaper showing the calculation of the Cross-Over Rate is incorporated herein as Attachment B.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received within 20 days of the date this Advice Letter was filed with the Commission. 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 Honesto Gatchalian (inj@cpuc.ca.gov) and Maria Salinas (mas@cpuc.ca.gov) of the Energy Division. It is also requested that a copy of the protest be sent via electronic mail and facsimile to SDG&E on the same date it is mailed or delivered to the Commission (at the addresses shown below).

Attn: Todd Cahill
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No (858) 654-1788
E-mail: tcahill@SempraUtilities.com

EFFECTIVE DATE

SDG&E believes this Advice Letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to GO 96-B. In compliance with D.02-08-065, the tariff sheets filed herein are to be effective for service on and after August 10, 2008.

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list by providing them a copy hereof electronically or via the U.S. mail, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1788 or by e-mail to SDG&ETariffs@semprautilities.com.

KEN DEREMER
Director – Tariffs & Regulatory Accounts

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. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Will Fuller

Phone #: (858) 654-1885

E-mail: wfuller@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) #: 1790-G

Subject of AL: Revision of Cross-Over Rate Effective August 10, 2008

Keywords (choose from CPUC listing): Compliance, Cross-Over, Core / 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 N/A

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation:

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 8/10/08

No. of tariff sheets: 10

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: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 1789-G

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

mas@cpuc.ca.gov and jnj@cpuc.ca.gov

San Diego Gas & Electric

Attention: Todd Cahill

8330 Century Park Ct, Room 32C

San Diego, CA 92123

tcahill@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

D. Appling
S. Cauchois
J. Greig
R. Pocta
W. Scott

Energy Division

P. Clanon
S. Gallagher
H. Gatchalian
D. Lafrenz
M. Salinas

CA. Energy Commission

F. DeLeon
R. Tavares

Alcantar & Kahl LLP

K. Harteloo

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell
C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

Children's Hospital & Health Center

T. Jacoby

City of Chula Vista

M. Meacham
E. Hull

City of Poway

R. Willcox

City of San Diego

J. Cervantes
G. Lonergan
M. Valerio

Commerce Energy Group

V. Gan

Constellation New Energy

W. Chen

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill
J. Pau

Dept. of General Services

H. Nanjo
M. Clark

Douglass & Liddell

D. Douglass
D. Liddell
G. Klatt

Duke Energy North America

M. Gillette

Dynegy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell
M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg
J. Heather Patrick
J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard
R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

Pacific Gas & Electric Co.

J. Clark
M. Huffman
S. Lawrie
E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

R. W. Beck, Inc.

C. Elder

San Diego Regional Energy Office

S. Freedman
J. Porter

School Project for Utility Rate Reduction

M. Rochman

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander
K. Cini
K. Gansecki
H. Romero

TransCanada

R. Hunter
D. White

TURN

M. Florio
M. Hawiger

UCAN

M. Shames

U.S. Dept. of the Navy

K. Davoodi
N. Furuta
L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing

Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties

1.86-06-005
1.00-08-003
A.96-03-017

ATTACHMENT A
ADVICE LETTER 1790-G

| Cal. P.U.C. Sheet No. | Title of Sheet | Canceling Cal. P.U.C. Sheet No. |
|--------------------------|--|------------------------------------|
| Revised 17138-G | PRELIMINARY STATEMENT, II. STATEMENT OF RATES, Sheet 2 | Revised 17125-G |
| Revised 17139-G | SCHEDULE GR, RESIDENTIAL NATURAL GAS SERVICE, (Includes Rates for GR, GR-C, GTC/GTCA), Sheet 1 | Revised 17127-G |
| Revised 17140-G | SCHEDULE GM, MULTI-FAMILY NATURAL GAS SERVICE, (Includes Rates for GM, GM-C and GTC/GTCA), Sheet 2 | Revised 17128-G |
| Revised 17141-G | SCHEDULE GS, SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE, (Includes Rates for GS/GT, GS/GT-C, and GTC/GTCA), Sheet 1 | Revised 17129-G |
| Revised 17142-G | SCHEDULE GN-3, NATURAL GAS SERVICE FOR CORE COMMERCIAL CUSTOMERS, (Includes Rates for GN-3, GN- 3C, and GTC/GTCA,), Sheet 2 | Revised 17130-G |
| Revised 17143-G | SCHEDULE G-NGV, SALE OF NATURAL GAS FOR MOTOR- VEHICLE FUEL, (Includes Rates for G-NGV, G-NGV-C, and GT- NGV), Sheet 1 | Revised 17131-G |
| Revised 17144-G | SCHEDULE G-NGVR, NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES, (Includes G-NGVR, G- NGVR-C, and GT-NGVR Rates), Sheet 1 | Revised 17132-G |
| Revised 17145-G | SCHEDULE GPC, GAS PROCUREMENT FOR CORE CUSTOMERS, Sheet 1 | Revised 17133-G |
| Revised 17146-G | TABLE OF CONTENTS, Sheet 1 | Revised 17135-G |
| Revised 17147-G | TABLE OF CONTENTS, Sheet 3 | Revised 17136-G |



PRELIMINARY STATEMENT

Sheet 2

II. STATEMENT OF RATES

| A. <u>CORE RESIDENTIAL</u> | Unit Charge | Unbundled 1/ | Bundled 3/ | Cross-Over 3/ | |
|----------------------------|-------------|--------------|------------|---------------|--|
|----------------------------|-------------|--------------|------------|---------------|--|

Schedules GR (See GR Schedule for GR-C, and GTC/GTCA, Rates) GM (See GM Schedule for GM-C, GTC/GTCA), and GS (See GS Schedule for GT, GS/GT-C, GTC/GTCA):

| | | | | | |
|----------------------|----------|-----------|-----------|-----------|---|
| Regular Baseline | \$/therm | \$0.51653 | \$1.39422 | \$1.39422 | R |
| Regular Non-Baseline | \$/therm | \$0.75882 | \$1.63652 | \$1.63652 | R |

| | | | | | |
|-----------------------|----------|------|---------|------|--|
| Schedule GL-1: | \$/month | N.A. | | | |
| Facility Charge | \$/therm | N.A. | 14.79 | N.A. | |
| Volumetric Surcharge | | | 0.16571 | N.A. | |

Schedule G-NGVR (includes rates for G-NGVR, G-NGVR-C, , and GT-NGVR):

| | Customer Charge | | | | |
|---------|-----------------|-----------|-----------|-----------|---|
| Regular | \$5.00 | \$0.28787 | \$1.16556 | \$1.16556 | R |

B. CORE COMMERCIAL

Schedule GN-3:² (See GN-3 Schedule for GN-3C, and GTC/GTCA Rates)

| | | | | | | |
|-----------------|--------------------|----------|-----------|-----------|-----------|---|
| Customer Charge | Up to 1000 therms | \$/month | \$5.58 | \$5.58 | \$5.58 | |
| | 1001-21,000 therms | \$/month | \$11.16 | \$11.16 | \$11.16 | |
| | Over 21,000 therms | \$/month | \$111.61 | \$111.61 | \$111.61 | |
| Winter Usage | Up to 1000 therms | \$/therm | \$0.41225 | \$1.28995 | \$1.28995 | R |
| | 1001-21,000 therms | \$/therm | \$0.16514 | \$1.04284 | \$1.04284 | R |
| | Over 21,000 therms | \$/therm | \$0.11280 | \$0.99050 | \$0.99050 | R |
| Summer Usage | Up to 1000 therms | \$/therm | \$0.32425 | \$1.20195 | \$1.20195 | R |
| | 1001-21,000 therms | \$/therm | \$0.16036 | \$1.03806 | \$1.03806 | R |
| | Over 21,000 therms | \$/therm | \$0.09659 | \$0.97429 | \$0.97429 | R |

Schedule G-NGV Service:
(includes rates for GT-NGV)

| | | | | | |
|--------------|----------|-----------|-----------|-----------|---|
| Compressed | \$/therm | \$0.93551 | \$1.81321 | \$1.81321 | R |
| Uncompressed | \$/therm | \$0.13488 | \$1.01258 | \$1.01258 | R |

| | | | | | |
|---------------------------------|----------|---------|-----------|-----------|---|
| Core Portfolio Price (GPC) 3/ | \$/therm | N.A. | \$0.87770 | N.A. | |
| Cross-over Rate (GPC-A) 3/ | \$/therm | N.A. | N.A. | \$0.87770 | R |
| Sch. GTC & GTCA Rate Adjustment | \$/therm | 0.00000 | N.A. | N.A. | |

NA. = Not Applicable

- 1/ The rates for core transportation-only customers, with the exception of customers taking service under Schedule GT-NGV, include any FERC Settlement Proceeds Memorandum Account (FSPMA) credit adjustments.
- 2/ Summer Usage = April 1 to Nov.30; Winter Usage = Dec.1 to March 31.
- 3/ The above will change monthly based on changes in the rates on Schedule GPC.

(Continued)



SCHEDULE GR

Sheet 1

RESIDENTIAL NATURAL GAS SERVICE
(Includes Rates for GR, GR-C, GTC/GTCA)

APPLICABILITY

The GR rate is applicable to natural gas procurement service for individually metered residential customers.

The GR-C, cross-over rate, is a core procurement option for individually metered residential core transportation customers with annual consumption over 50,000 therms, as set forth in Special Condition 10.

The GTC/GTCA rate is applicable to intrastate gas transportation-only services to individually metered residential customers, as set forth in Special Condition 11.

Customers taking service under this schedule may be eligible for a 20% California Alternate Rate for Energy (CARE) program discount, reflected as a separate line item on the bill, if they qualify to receive service under the terms and conditions of Schedule G-CARE.

TERRITORY

Within the entire territory served natural gas by the utility.

RATES

| | <u>GR</u> | <u>GR-C</u> | | <u>GTC/GTCA^{1/}</u> |
|--|------------------|------------------|---|------------------------------|
| <u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 3 and 4): | | | | |
| Procurement Charge: ^{2/} | \$0.87770 | \$0.87770 | R | N/A |
| Transmission Charge: | <u>\$0.51653</u> | <u>\$0.51653</u> | | <u>\$0.51653</u> |
| Total Baseline Charge: | \$1.39422 | \$1.39422 | R | \$0.51653 |
| <u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage): | | | | |
| Procurement Charge: ^{2/} | \$0.87770 | \$0.87770 | R | N/A |
| Transmission Charge: | <u>\$0.75882</u> | <u>\$0.75882</u> | | <u>\$0.75882</u> |
| Total Non-Baseline Charge: | \$1.63652 | \$1.63652 | R | \$0.75882 |

^{1/} The rates for core transportation-only customers, with the exception of customers taking service under Schedule GT-NGV, include any FERC Settlement Proceeds Memorandum Account (FSPMA) credit adjustments.

^{2/} This charge is applicable to Utility Procurement Customers and includes the GPC and GPC-A Procurement Charges shown in Schedule GPC which are subject to change monthly as set forth in Special Condition 7.

(Continued)



SCHEDULE GM

Sheet 2

MULTI-FAMILY NATURAL GAS SERVICE
(Includes Rates for GM, GM-C and GTC/GTCA)

RATES

GTC/GTCA¹

| | <u>GM</u> | <u>GM-C</u> | |
|--|------------------|------------------|------------------|
| <u>Baseline Rate</u> , per therm (baseline usage defined in Special Condition 4) | | | |
| Procurement Charge ² | \$0.87770 | \$0.87770 R | |
| Transmission Charge | <u>\$0.51653</u> | <u>\$0.51653</u> | <u>\$0.51653</u> |
| Total Baseline Charge..... | \$1.39422 | \$1.39422 R | \$0.51653 |
| | | | |
| <u>Non-Baseline Rate (usage in excess of baseline usage)</u> | | | |
| Procurement Charge ² | \$0.87770 | \$0.87770 R | |
| Transmission Charge..... | <u>\$0.75882</u> | <u>\$0.75882</u> | <u>\$0.75882</u> |
| Total Non-Baseline Charge..... | \$1.63652 | \$1.63652 R | \$0.75882 |

Franchise Fee Differential:

A Franchise Fee Differential of 1.03% will be applied to the monthly billings calculated under this schedule for all customers within the corporate limits of the City of San Diego. Such Franchise Fee Differential shall be so indicated and added as a separate item to bills rendered to such customers.

Additional Charges

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

SPECIAL CONDITIONS

1. Definitions. The definitions of principal terms used in this schedule are found either herein or in Rule 1, Definitions.
2. Number of Therms. The number of therms to be billed shall be determined in accordance with Rule 2. The daily therm allowance in the Baseline Usage, shown in Special Condition 4, shall be multiplied by the number of qualified residential units. It is the responsibility of the customer to advise the Utility within 15 days following any change in the submetering arrangements or the number of dwelling units or Mobilehome Park spaces provided gas service. The number of qualifying units is subject to verification by the Utility.
3. Exclusions. Gas service for non-domestic enterprises such as roominghouses, boarding houses, dormitories, rest homes, military barracks, transient trailer parks, stores, restaurants, service stations, and other similar establishments will be separately metered and billed under the applicable schedules.

¹ The rates for core transportation-only customers, with the exception of customers taking service under Schedule GT-NGV, include any FERC Settlement Proceeds Memorandum Account (FSPMA) credit adjustments.

² This charge is applicable to Utility Procurement Customers and includes the GPC and GPC-A Procurement Charges shown in Schedule GPC which are subject to change monthly as set forth in Special Condition 7.

(Continued)

2H6

Advice Ltr. No. 1790-G

Decision No. _____

Issued by
Lee Schavrien
Senior Vice President
Regulatory Affairs

Date Filed Aug 6, 2008

Effective Aug 10, 2008

Resolution No. _____



SCHEDULE GS

Sheet 1

SUBMETERED MULTI-FAMILY AND MOBILEHOME PARK NATURAL GAS SERVICE
(Includes Rates for GS/GT, GS/GT-C, and GTC/GTCA)

APPLICABILITY

This schedule is closed as of December 13, 1981 for gas service to new Multi-family Accommodation structures where such multi-unit tenants use gas directly in gas appliances in each occupancy and which requires venting, except where equipped with only vented decorative appliances. This schedule is closed to new Mobilehome Parks or manufactured housing communities for which construction has commenced after January 1, 1997.

The GS rate is applicable to natural gas procurement service for Multi-family Accommodations and the GT rate is applicable to Mobilehome Parks supplied through one meter on a single premises and submetered to all individual units in accordance with the provisions of Rule 19. The GS and GT rates are the same with the exception of the applicable Submetering Credit outlined on Sheet 2 of this Schedule.

The GS-C/GT-C, Cross Over Rate, is a core procurement option for submetered core transportation customers with annual consumption over 50,000 therms as set forth in Special Condition 10.

The GTC/GTCA rate is applicable to intrastate gas transportation-only services to submetered residential customers, as set forth in Special Condition 11.

Customers taking service under this schedule may be eligible for a 20% California Alternate Rates for Energy (CARE) program discount, reflected as a separate line item on the bill, if they qualify to receive service under the terms and conditions of Schedule G-CARE.

TERRITORY

Within the entire territory served natural gas by the Utility.

RATES

| | <u>GS/GT</u> | <u>GS-C/GT-C</u> | <u>GTC/GTCA</u> ^{1/} |
|---|------------------|------------------|-------------------------------|
| <u>Baseline Rate</u> , per therm (baseline usage defined in Special Conditions 4 and 5) | | | |
| Procurement Charge ^{2/} | \$0.87770 | \$0.87770 R | N/A |
| Transportation Charge | <u>\$0.51653</u> | <u>\$0.51653</u> | <u>\$0.51653</u> |
| Total Baseline Charge..... | \$1.39422 | \$1.39422 R | \$0.51653 |
| <u>Non-Baseline Rate</u> , per therm (usage in excess of baseline usage) | | | |
| Procurement Charge ^{2/} | \$0.87770 | \$0.87770 R | N/A |
| Transportation Charge..... | <u>\$0.75882</u> | <u>\$0.75882</u> | <u>\$0.75882</u> |
| Total Non-Baseline Charge..... | \$1.63652 | \$1.63652 R | \$0.75882 |

^{1/} The rates for core transportation-only customers, with the exception of customers taking service under Schedule GT-NGV, include any FERC Settlement Proceeds Memorandum Account (FSPMA) credit adjustments.

^{2/} This charge is applicable to Utility procurement customers and includes the GPC and GPC-A Procurement charges shown in Schedule GPC which are subject to change monthly as set forth in Special Condition 7.

(Continued)



SCHEDULE GN-3

Sheet 2

NATURAL GAS SERVICE FOR CORE COMMERCIAL CUSTOMERS

(Includes Rates for GN-3, GN-3C, and GTC/GTCA,)

RATES (continued)

Volumetric charges, \$ per therm:

| <u>Winter Season</u> (December 1 – March 31) | <u>GN-3</u> | <u>GN-3C</u> | <u>GTC/GTCA</u> ² |
|--|------------------|------------------|------------------------------|
| Procurement Charge (0 to 1,000) | \$0.87770 | \$0.87770 R | N/A |
| <u>Transmission Charge</u> | <u>\$0.41225</u> | <u>\$0.41225</u> | \$0.41225 |
| Total Charge | \$1.28995 | \$1.28995 R | |
| Procurement Charge (1,001 to 21,000) | \$0.87770 | \$0.87770 R | N/A |
| <u>Transmission Charge</u> | <u>\$0.16514</u> | <u>\$0.16514</u> | \$0.16514 |
| Total Charge | \$1.04284 | \$1.04284 R | |
| Procurement Charge (Over 21,000) | \$0.87770 | \$0.87770 R | N/A |
| <u>Transmission Charge</u> | <u>\$0.11280</u> | <u>\$0.11280</u> | \$0.11280 |
| Total Charge | \$0.99050 | \$0.99050 R | |
| <u>Summer Season</u> (April 1 – November 30) | | | |
| Procurement Charge (0 to 1,000) | \$0.87770 | \$0.87770 R | N/A |
| <u>Transmission Charge</u> | <u>\$0.32425</u> | <u>\$0.32425</u> | \$0.32425 |
| Total Charge | \$1.20195 | \$1.20195 R | |
| Procurement Charge (1,001 to 21,000) | \$0.87770 | \$0.87770 R | N/A |
| <u>Transmission Charge</u> | <u>\$0.16036</u> | <u>\$0.16036</u> | \$0.16036 |
| Total Charge | \$1.03806 | \$1.03806 R | |
| Procurement Charge (Over 21,000) | \$0.87770 | \$0.87770 R | N/A |
| <u>Transmission Charge</u> | <u>\$0.09659</u> | <u>\$0.09659</u> | \$0.09659 |
| Total Charge | \$0.97429 | \$0.97429 R | |

² The rates for core transportation-only customers, with the exception of customers taking service under Schedule GT-NGV, include any FERC Settlement Proceeds Memorandum Account (FSPMA) credit adjustments.

Standby Service Fee for GTC/GTCA Customers

Per decatherm \$10

This fee shall be assessed to customers only during curtailments of transportation services to firm noncore customers. This fee will apply only to the difference between the customer's nominations and their confirmed deliveries.

The customer's storage volumes, if available, may be used to offset the standby service fee. Revenues collected from this fee shall be credited to the Utility's Non-Margin Fixed Cost Account (NMFCA). Curtailments of standby services provided to core customers are described in Rule 14.

GTC/GTCA customers who receive service under this schedule shall also be eligible for standby services ahead of such services offered to noncore customers, including core subscription customers.

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

(Continued)



SCHEDULE G-NGV

Sheet 1

SALE OF NATURAL GAS FOR MOTOR-VEHICLE FUEL
(Includes Rates for G-NGV, G-NGV-C, and GT-NGV)

APPLICABILITY

Applicable to the sale of natural gas at the customer's premises (G-NGV and G-NGV-C rates) and to the transportation of customer-owned gas (GT-NGV rates) for use in motor-vehicles.

TERRITORY

Within the entire territory served natural gas by the Utility.

RATES

| | <u>G-NGV</u> | <u>G-NGV-C¹</u> | <u>GT-NGV²</u> |
|--|--------------|----------------------------|---------------------------|
| A. <u>Compressed Natural Gas For Vehicles:</u> | | | |
| Procurement Charge | \$0.87770 | \$0.87770 R | N/A |
| Transportation Charge | \$0.93551 | \$0.93551 | \$0.93551 |
| Bundled Charge, \$ per therm: | \$1.81321 | \$1.81321 R | |
| B. <u>Uncompressed Natural Gas For Vehicles:</u> | | | |
| Procurement Charge | \$0.87770 | \$0.87770 R | N/A |
| Transportation Charge | \$0.13488 | \$0.13488 | \$0.13488 |
| Bundled Charge, \$ per therm: | \$1.01258 | \$1.01258 R | |

Compression of natural gas to the pressure required for its use as motor vehicle fuel will be performed by the customer using customer's equipment at the customer's designated premises.

Franchise Fee Differential

A Franchise Fee Differential of 1.03% will be applied to the monthly billings calculated under this schedule for all customers within the corporate limits of the City of San Diego. Such Franchise Fee Differential shall be so indicated and added as a separate item to bills rendered to such customers.

Late Payment Charge

A late payment charge may be added to a customer's bill whenever a customer fails to pay for services under this schedule as set forth in Rule 9, Rendering and Payment of Bills.

Additional Charges

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

^{1/} Applicable only the first 12 months of service for non-residential core transportation customers with qualifying load 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.

^{2/} Applicable to transportation-only service, including Core Aggregation Transportation service.

(Continued)



SCHEDULE G-NGVR

Sheet 1

NATURAL GAS SERVICE FOR HOME REFUELING OF MOTOR VEHICLES
(Includes G-NGVR, G-NGVR-C, and GT-NGVR Rates)

APPLICABILITY

The G-NGVR rate is applicable to natural gas procurement service for individually metered residential customers who have an installed natural gas vehicle (NGV) home refueling appliance, as set forth in Special Conditions 3.

The G-NGVR-C, cross-over rate, is a core procurement option for individually metered residential core transportation customers with annual consumption over 50,000 therms, as set forth in Special Condition 9.

The GT-NGVR rate is applicable to intrastate gas transportation-only services to individually metered residential customers, as set forth in Special Condition 10.

Customers taking service under this schedule may also be eligible for a 20% California Alternate Rates for Energy (CARE) program discount, reflected as a separate line item on the bill, if they qualify to receive service under the terms and conditions of Schedule G-CARE,

TERRITORY

Within the entire territory served natural gas by the utility.

RATES

| | <u>G-NGVR</u> | <u>G-NGVR-C</u> | | <u>GT-NGVR</u> |
|--|------------------|------------------|---|------------------|
| <u>Customer Charge</u> , per meter month | \$5.00 | \$5.00 | | \$5.00 |
| <u>Rate</u> , per therm: | | | | |
| Procurement Charge: ^{1/} | \$0.87770 | \$0.87770 | R | N/A |
| Transmission Charge:..... | <u>\$0.28787</u> | <u>\$0.28787</u> | | <u>\$0.28787</u> |
| Total Charge: | \$1.16556 | \$1.16556 | R | \$0.28787 |

Franchise Fee Differential:

A Franchise Fee Differential of 1.03% will be applied to the monthly billings calculated under this schedule for all customers within the corporate limits of the City of San Diego. Such Franchise Fee Differential shall be so indicated and added as a separate item to bills rendered to such customers.

^{1/} This charge is applicable to Utility Procurement Customers and includes the GPC and GPC-A Procurement Charges shown in Schedule GPC which are subject to change monthly as set forth in Special Condition 6.

(Continued)



SCHEDULE GPC

Sheet 1

GAS PROCUREMENT FOR CORE CUSTOMERS

APPLICABILITY

Applicable to core customers who elect to purchase natural gas from the Utility, including the benefits derived from utility-managed storage service. Pursuant to D.02-08-065, this schedule is not available to electric generation, refinery, and enhanced oil recovery customers whose gas consumption exceeds 250,000 therms during the most recent 12-month period. For customers with less than 12 months of historical data, the usage level shall be determined on a pro rata basis using the months for which usage is available.

TERRITORY

Within the territory where natural gas is provided by the Utility.

RATES

| <u>Procurement Charges</u> | <u>GPC</u> <u>\$ per Therm</u> |
|--|-----------------------------------|
| Cost of Gas | 0.80481 |
| Capacity Charge 1/ | 0.05290 |
| Carrying Cost of Storage in Inventory Charge | 0.00144 |
| FF&U | <u>0.01667</u> |
| Subtotal | 0.87582 |
| Receipt Point Access Charge 2/ | xxx |
| Plus, Brokerage Fees (w/FF&U) | 0.00188 |
| Total GPC Rate | 0.87770 |
| GPC-A Rate | \$0.87770 |
| GPC-S Rate | \$0.87435 |

The GPC rates are applicable to customers who are not billed for service under GPC-A rates.

GPC-A Rate equals the higher of the total GPC Rate or the Border Price plus authorized franchise fees and uncollectible expenses, and receipt point access charges, and the authorized core brokerage fee. See Special Condition 3 of Schedule GPC for calculation methodology.

The GPC-A rates are 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) core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customers were returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) 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 Total GPC rate above shall be subject to change no more than twice per month upon five (5) days written notice to reflect changes in the per unit charges listed above.

The total GPC-A rate above will be filed on or before the ninth calendar day of each month with the rate becoming effective on the tenth calendar day of the month.

The GPC-S rate is for the purpose of calculating the gas franchise fee surcharge as defined in Schedule GP-SUR. See Special Condition 4 for calculation methodology.

1/ Includes a core interstate transition cost surcharge (CITCS) of \$0.00000 per therm.
2/ Receipt Point Access Charge grossed-up for FF&U.

(Continued)

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3H5
Advice Ltr. No. 1790-G
Decision No. _____

Issued by
Lee Schavrien
Senior Vice President
Regulatory Affairs

Date Filed Aug 6, 2008
Effective Aug 10, 2008
Resolution No. _____

ADVICE NO. 1790-G
ATTACHMENT B
CROSS-OVER RATE CALCULATION
EFFECTIVE AUGUST 10, 2008

INDICES

| | | |
|------------------------|--------------|-------|
| | (\$/Dth) | |
| NGI (SoCal bdr avg) | 8.430 | Input |
| NGW (Bid week, Ca-Sth) | 8.440 | Input |
| AVG | 8.435 | |

Cross-Over Rate = GCIM Index + F&U Charge + Brokerage Fee

| | | | | | | | | | |
|--------------------------|---|---|---|------------------------|--------------------|----------------|---|-----------------------------------|-------|
| GCIM Index | + | (F&U% x GCIM Index = F&U Charge) | | = | Cost of Gas | | | | |
| 0.84350 | | 1.9400% F&U %age | x | 0.84350 | = | 0.01636 | = | 0.85986 | \$/th |
| Cross-Over Rate = | = | 0.85986 | + | 0.00188 (Brok. Fee) | = | 0.86174 | = | New Rate 0.86174 | \$/th |
| GPC RATE | | | | | = | 0.87770 | = | 0.87770 | \$/th |
| GPC-A Rate | | | | | = | 0.87770 | = | 0.87770 | \$/th |