

Application of San Diego Gas & Electric Company (U 902  
G) and Southern California Gas Company (U 904 G)  
Updating Firm Access Rights Service and Rates.

Application No. 10-03-028  
Exhibit No.: \_\_\_\_\_

**PREPARED DIRECT TESTIMONY**  
**OF GARY LENART**  
**ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY**  
**AND SOUTHERN CALIFORNIA GAS COMPANY**

**BEFORE THE PUBLIC UTILITIES COMMISSION**  
**OF THE STATE OF CALIFORNIA**

**MARCH 29, 2010**

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**PREPARED DIRECT TESTIMONY  
OF GARY LENART  
ON BEHALF OF SDG&E AND SOCALGAS**

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**I. QUALIFICATIONS**

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My name is Gary G. Lenart. My business address is 555 West Fifth Street, Los Angeles, California, 90013-1011. I am employed by the Southern California Gas Company (SoCalGas) as the Gas Rates Manager in the Regulatory Affairs Department for SoCalGas and San Diego Gas & Electric Company (SDG&E).

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I hold a Bachelor of Science degree in Business Finance and Computer Science from Bradley University in Peoria, Illinois and a Master of Business Administration from California State University at Northridge, California. I have been employed by SoCalGas since 1988, and have held positions of increasing responsibilities in the Accounting, Strategic Planning, New Product Development, Customer Service & Information, and Regulatory Affairs departments. I have been in my current position as Gas Rates Manager since August, 2010. In my current position, I am responsible for cost allocation and rate design for both utilities.

I have previously testified before the Commission.

**A. Rate Design Testimony**

The purpose of this testimony is to illustrate the impact of SDG&E/SoCalGas' proposals on end-use transportation rates<sup>1</sup> and to provide the new rates for Backbone Transmission Service (BTS), previously known as Firm Access Rights (FAR) service. In addition, this testimony will address changes to regulatory accounts that are required to implement these proposals.

As discussed in the testimony of Mr. Schwecke, SDG&E/SoCalGas support moving to a fully cost-based charge to recover all costs of the backbone transmission system of the combined utilities from customers of this BTS service. Once the backbone transmission system is fully

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<sup>1</sup> End-use transportation rates refer to SDG&E and SoCalGas rates for its core and noncore customer classes, such as Residential, Commercial & Industrial, Electric Generation, etc.

1 unbundled from rates, SDG&E/SoCalGas propose to make certain changes to applicable  
2 regulatory accounts to ensure all costs of providing backbone transmission service and all  
3 revenues attributable to the service are likewise unbundled from end-use transportation rates. In  
4 addition, SDG&E/SoCalGas propose to unbundle the cost of company-use fuel for transmission  
5 from transportation rates and to create a new in-kind charge for fuel used to operate the  
6 compressor stations on the backbone transmission system.

## 7 **II. BACKGROUND**

8 Per Commission Decision (D.)06-12-031 and Resolution G-3407, SoCalGas unbundled a  
9 portion of its transmission costs from end-use transportation rates. The amount unbundled from  
10 transportation rates was established as 5¢/dth/day multiplied by the higher of its FAR open  
11 season result or SoCalGas' forecasted Cold Year Throughput forecast. As noted in Advice  
12 Letter (AL) 3895, SoCalGas' FAR implementation advice filing, SoCalGas used a capacity of  
13 2,821 MMcf/day in determining the transmission dollars to be unbundled from end-use  
14 transportation rates. Based on these parameters, the amount currently unbundled from  
15 transportation rates is \$52.3 million.<sup>2</sup>

16 The FAR revenue requirement is balanced against actual FAR revenues in the Firm  
17 Access Rights Balancing Account (FARBA)<sup>3</sup>. Any under- or over-collection in the FARBA is  
18 amortized the following year as an adjustment to the 5¢/dth/day FAR charge.<sup>4</sup>

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<sup>2</sup> \$52.3 million is based on a btu factor of 1030 Mbtu/Mcf, which was adopted in D.09-11-006 (2009 BCAP decision).

<sup>3</sup> Originally, the FAR revenues were balanced in the ITBA-FAR subaccount. The name of the account, but not the function, was changed in SoCalGas' 2009 BCAP per D.09-11-006.

<sup>4</sup> Per AL 4025-A, the FAR charge for 2010 includes the amortization of a \$7.5 million over-collection, which results in a rate of 4.284¢/dth/day.

1 **III. UNBUNDLING BACKBONE TRANSMISSION COSTS**

2 **A. Embedded Cost of Backbone Transmission**

3 As discussed in the testimony of Ms. Fung, SDG&E/SoCalGas propose to unbundle the  
4 total embedded cost of the combined backbone transmission system from end-use transportation  
5 rates.

6 This proposal will reduce the transmission system costs in current end-use transportation  
7 rates by an additional \$67.5 million, for a total of \$119.8 million.

8 **B. Company Use Fuel for Transmission**

9 Currently, SDG&E/SoCalGas recover the fuel costs for transmission compressors as part  
10 of end-use transportation rates. The estimated fuel costs are allocated on an  
11 equal-cent-per-therm (ECPT) basis to all end-use transportation customers of SDG&E and  
12 SoCalGas. The actual costs are balanced against these recorded costs in the Integrated  
13 Transmission Balancing Account (ITBA).

14 However, the compressors are really an integral part of the SDG&E/SoCalGas backbone  
15 transmission system. Therefore, the fuel costs associated with these compressors should be  
16 unbundled from rates to end-use transportation customers and should be part of the charges for  
17 Backbone Transmission Service.

18 This proposal will reduce the costs in current end-use transportation rates by \$11.3  
19 million.<sup>5</sup>

20 Table 1 reflects the impact on class average rates of these proposals (see attachment 1 for  
21 a complete set of rate tables for both SDG&E and SoCalGas):

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<sup>5</sup> Per D. 09-11-006, the Company Use fuel for Transmission is \$9.9 million and \$1.4 million for SoCalGas and SDG&E, respectively.

<b>TABLE 1</b>		
<b>Change in Transportation Rates Due to FAR Update \$/therm except as noted</b>		
	<b>SCG</b>	<b>SDGE</b>
Residential	(\$0.009)	(\$0.008)
Core C&I	(\$0.008)	(\$0.008)
NGV	(\$0.008)	(\$0.008)
Noncore C&I – Distribution	(\$0.008)	(\$0.008)
Electric Generation - Distribution	(\$0.008)	(\$0.008)
Transmission Level Service	(\$0.008)	(\$0.008)
SDGE	\$0.00002	n/a
BTS/FAR charge \$/dth/day	\$0.050	n/a

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2 **C. Regulatory Account Modifications**

3 SDG&E/SoCalGas propose to make changes to existing regulatory accounts to ensure all  
4 costs and revenues associated with the Backbone Transmission Service are removed from end-  
5 use transportation rates. Specifically, SDG&E/SoCalGas propose all future Information  
6 Technology (IT) costs associated with providing additional services on the Backbone  
7 Transmission system be allocated as a cost to the Backbone Transmission customers.  
8 Additionally, all revenue, including interruptible off-system delivery revenues, should be  
9 credited to the Backbone Transmission rate. To implement these changes, SDG&E/SoCalGas  
10 propose to rename the FARBA to the Backbone Transmission Balancing Account (BTBA) and  
11 record the activities as further described below.

12 **D. IT Costs**

13 In D.06-12-031, the Commission established the Firm Access Rights Memorandum  
14 Account (FARMA), later replaced with the Firm Access and Storage Rights Memorandum

1 Account (FASRMA)<sup>6</sup>, to recover the IT costs for establishing the FAR system. The costs to  
2 initially establish the system of firm, tradable rights have been recovered through this account.  
3 However, to the extent there are new IT updates required to enhance the Backbone Transmission  
4 Service, SDG&E/SoCalGas propose to recover those new costs from the customers benefiting  
5 from such enhancements. Therefore, SDG&E/SoCalGas propose to track and recover any new  
6 IT costs through a subaccount to the BTBA.

#### 7 **E. Off-system Revenues**

8 Per D. 06-12-031, interruptible off-system revenues are recorded as a credit to end-use  
9 transportation rates through the ITBA. SDG&E/SoCalGas propose that with the full unbundling  
10 of Backbone Transmission costs, it would be appropriate to credit any interruptible off-system  
11 revenues to the Backbone Transmission rate. Therefore, SDG&E/SoCalGas propose to modify  
12 the ITBA and the BTBA (i.e., renamed FARBA) to record all future off-system revenues as a  
13 credit to the Backbone charge.

#### 14 **F. Company-use Fuel Costs**

15 As discussed previously, SDG&E/SoCalGas propose to unbundle company-use fuel for  
16 transmission from transportation rates. Therefore, SDG&E and SoCalGas will update their  
17 ITBA to reflect this change.

18 By making these changes, SDG&E/SoCalGas will ensure all costs and revenues  
19 associated with Backbone Transmission Service are recorded to the BTBA and are part of the  
20 Backbone charge while all costs and revenues associated with Local Transmission service are  
21 recorded to the ITBA and are part of end-use transportation rates.

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<sup>6</sup> Per D.07-12-019, the FARMA account was replaced by the FARSMA, which tracks IT costs for both the FAR system and trading system for storage capacities.

1 **IV. CHARGES FOR BACKBONE TRANSMISSION SERVICE**

2 Backbone Transmission Service will continue to be offered as a Firm or Interruptible  
3 service. There will be two charges for Backbone Transmission Service, a transportation charge  
4 and an in-kind fuel charge.

5 SDG&E/SoCalGas are proposing to retain the rate structure established in the FAR  
6 proceeding with the addition of the in-kind fuel charge. Firm service will be provided at a  
7 capacity reservation charge. While, Interruptible service will be provided at a volumetric rate up  
8 to the reservation charge at a 100% load factor. Both Firm and Interruptible service customers  
9 will pay the in-kind fuel charge.

10 In this application, we seek to update the BTS charge (formerly, the FAR charge) to  
11 reflect the full embedded cost of the backbone transmission system and revise the demand  
12 determinant used to calculate the BTS rate. The embedded cost of backbone transmission and  
13 the selection of the billing determinant for the reservation charge are addressed in the testimony  
14 of Ms. Fung. The following table presents the illustrative capacity rate for BTS service based on  
15 2010 revenues.

16 **Table 2**  
17 **BTS Charge**  
18

	<b>Current</b>	<b>Proposed</b>	<b>Increase (decrease)</b>
BTS Costs	\$52.3	\$119.8	\$67.5
FARBA	<u>(\$7.5)</u>	<u>(\$7.5)</u>	<u>\$0</u>
Revenue Requirement	\$44.8	\$112.3	\$67.5
Capacity MMcfd	2,821	3,232	411
Conversion	1.016	1.0302	
BTS Charge \$/dth/day	\$0.04284	\$0.09242 <sup>7</sup>	\$0.04958

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<sup>7</sup> This rate is based on the 2010 transmission revenues and reflects a \$7.5 million over-collection in the balancing account. Without the balancing account over-collection, the rate would be \$0.0986 per dth per day as shown in Ms. Fung's testimony.

1           The BTS reservation and interruptible charges will be updated annually to reflect changes  
2 in SDG&E/SoCalGas' authorized margin<sup>8</sup> and to reflect updates to SoCalGas' BTBA.

3           The second charge for BTS service will be an in-kind fuel charge to recover the cost of  
4 Company Use fuel for transmission. As discussed previously, this compressor fuel is associated  
5 with transporting gas from the receipt points to the market centers. Therefore, it is more  
6 reasonable to recover these costs from BTS customers than through end-use transportation rates.

7           SDG&E/SoCalGas propose to recover this charge through an in-kind fuel factor, rather  
8 than as a volumetric rate adder to the BTS charge. The use of an in-kind fuel factor is common  
9 on interstate pipelines and the PG&E backbone transmission system where transportation service  
10 is provided on a reservation charge basis. Therefore, the BTS customers should be familiar with  
11 in-kind fuel factors and should be able to adapt to this new rate structure.

12           As noted by Ms. Fung, actual compressor fuel use in 2009 indicates that the initial factor  
13 would be 0.22% and would be subject to periodic updates based on actual fuel use at the  
14 compressor stations on the backbone transmission system.

15           This concludes my testimony.

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<sup>8</sup> The BCAP Phase II Settlement Agreement established the total embedded cost of transmission based on 2009 revenues. Provision 2.D. establishes that annual changes in base margin will be allocated based on System Average Percent Change ("SAPC") and applied to each functional category of the base margin.



# Attachment 1

**TABLE 1**  
**Natural Gas Transportation Rate Revenues**  
**Southern California Gas Company**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

2-1-2010 Rates SCG FAR Upd v3-2-2010

	Present Rates			Proposed Rates			Changes		
	2/1/2010	Average	2/1/2010	BCAP	Proposed	Proposed	Revenue	Rate	% Rate
	Volumes	Rate	Revenues	Volumes	Rate	Revenues	Change	Change	change
	Mth	\$/therm	\$000's	Mth	\$/therm	\$000's	\$000's	\$/therm	%
	A	B	C	D	E	F	G	H	I
1 <b>CORE</b>									
2 Residential	2,483,989	\$0.50882	\$1,263,906	2,483,989	\$0.49995	\$1,241,867	(\$22,039)	(\$0.00887)	-1.7%
3 Commercial & Industrial	970,519	\$0.30605	\$297,023	970,519	\$0.29760	\$288,828	(\$8,195)	(\$0.00844)	-2.8%
4									
5 NGV - Pre SempraWide (1)	117,231	\$0.07934	\$9,302	117,231	\$0.07150	\$8,382	(\$920)	(\$0.00785)	-9.9%
6 SempraWide Adjustment	117,231	\$0.00323	\$379	117,231	\$0.00319	\$374	(\$5)	(\$0.00004)	-1.3%
7 NGV - Post SempraWide (1)	117,231	\$0.08258	\$9,680	117,231	\$0.07469	\$8,756	(\$925)	(\$0.00789)	-9.6%
8									
9 Gas A/C	1,210	\$0.07200	\$87	1,210	\$0.06448	\$78	(\$9)	(\$0.00752)	-10.5%
10 Gas Engine	18,080	\$0.09197	\$1,663	18,080	\$0.08468	\$1,531	(\$132)	(\$0.00730)	-7.9%
11 Total Core	3,591,030	\$0.43786	\$1,572,360	3,591,030	\$0.42914	\$1,541,060	(\$31,300)	(\$0.00872)	-2.0%
12									
13 <b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b>									
14 Distribution Level Service	982,465	\$0.06822	\$67,028	982,465	\$0.06032	\$59,260	(\$7,768)	(\$0.00791)	-11.6%
15 Transmission Level Service (2)	457,697	\$0.02206	\$10,096	457,697	\$0.01412	\$6,462	(\$3,635)	(\$0.00794)	-36.0%
16 Total Noncore C&I	1,440,163	\$0.05355	\$77,124	1,440,163	\$0.04563	\$65,721	(\$11,403)	(\$0.00792)	-14.8%
17									
18 <b>NONCORE ELECTRIC GENERATION</b>									
19 Distribution Level Service									
20 Pre Sempra Wide	353,995	\$0.03329	\$11,785	353,995	\$0.02546	\$9,012	(\$2,772)	(\$0.00783)	-23.5%
21 Sempra Wide Adjustment	353,995	\$0.00067	\$239	353,995	\$0.00055	\$193	(\$45)	(\$0.00013)	-18.9%
22 Post Sempra Wide	353,995	\$0.03396	\$12,023	353,995	\$0.02601	\$9,206	(\$2,817)	(\$0.00796)	-23.4%
23 Transmission Level Service (2)	2,472,969	\$0.02206	\$54,551	2,472,969	\$0.01412	\$34,912	(\$19,638)	(\$0.00794)	-36.0%
24 Total Electric Generation	2,826,964	\$0.02355	\$66,574	2,826,964	\$0.01561	\$44,118	(\$22,456)	(\$0.00794)	-33.7%
25									
26 <b>TOTAL RETAIL NONCORE</b>	4,267,127	\$0.03368	\$143,698	4,267,127	\$0.02574	\$109,840	(\$33,859)	(\$0.00793)	-23.6%
27									
28 <b>WHOLESALE &amp; INTERNATIONAL</b>									
29 Wholesale Long Beach (2)	117,093	\$0.02206	\$2,583	117,093	\$0.01412	\$1,653	(\$930)	(\$0.00794)	-36.0%
30 SDGE Wholesale	1,230,285	\$0.00574	\$7,063	1,230,285	\$0.00576	\$7,084	\$21	\$0.00002	0.3%
31 Wholesale SWG (2)	81,737	\$0.02206	\$1,803	81,737	\$0.01412	\$1,154	(\$649)	(\$0.00794)	-36.0%
32 Wholesale Vernon (2)	116,135	\$0.02206	\$2,562	116,135	\$0.01412	\$1,640	(\$922)	(\$0.00794)	-36.0%
33 International (2)	53,990	\$0.02206	\$1,191	53,990	\$0.01412	\$762	(\$429)	(\$0.00794)	-36.0%
34 Total Wholesale & International	1,599,240	\$0.00951	\$15,202	1,599,240	\$0.00769	\$12,293	(\$2,909)	(\$0.00182)	-19.1%
35									
36 <b>TOTAL NONCORE</b>	5,866,366	\$0.02709	\$158,900	5,866,366	\$0.02082	\$122,133	(\$36,768)	(\$0.00627)	-23.1%
37									
38 Unbundled Storage			\$25,615			\$25,615	\$0		
39									
40 <b>Total (excluding BBT)</b>	9,457,396	\$0.18577	\$1,756,875	9,457,396	\$0.17857	\$1,688,807	(\$68,068)	(\$0.00720)	-3.9%
41									
42 <b>BBT Amount (3)</b>	2,866	\$0.04284	\$44,819	3,330	\$0.09242	\$112,318	\$67,499	\$0.04958	115.7%
43 <b>SYSTEM TOTALw/SL,BBT,ILS,SW</b>	9,457,396	\$0.19051	\$1,801,694	9,457,396	\$0.19045	\$1,801,125	(\$569)	(\$0.00006)	0.0%
44									
45 EOR Revenues	156,187	\$0.02822	\$4,408	156,187	\$0.02027	\$3,166	(\$1,242)	(\$0.00795)	-28.2%
46 Total Throughput w/EOR Mth/yr	9,613,583			9,613,583					

- Under present rates, NGV is not directly allocated costs and is not calculated on Sempra-Wide basis. Amounts for NGV under present rates are not included in total. See Table 3 for Present NGV Rate detail.
- These proposed costs and rates for Transmission Level Service customers represents the average transmission rate. See Table 5 for actual transmission level service rates.
- FAR charge is proposed as a separate rate. Core will pay through procurement rate, noncore as a separate charge. See Table 5 for actual FAR charge.
- Composite rate changed in 2009BCAP to include gas costs.

Whole Sale & International (excl SDGE)	368,955	\$0.02206	\$8,139	368,955	\$0.01412	\$5,209	(\$2,930)	(\$0.00794)	-36.0%
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**TABLE 2**  
**Core Transportation Rates**  
**Southern California Gas Company**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

**2-1-2010 Rates SCG FAR Upd v3-2-2010**

	Present Rates			Proposed Rates			Changes		
	2/1/2010 Volumes Mth	2/1/2010 Rate \$/th	2/1/2010 Revenue \$000's	BCAP Volumes Mth	Rate \$/th	Revenue \$000's	Revenue Change \$000's	Rate Change \$/th	% Rate change %
	A	B	C	D	E	F	G	H	I
1 <u>RESIDENTIAL SERVICE</u>									
2 <u>Customer Charge</u>									
3 Single Family	3,676,464	\$5.00	\$220,588	3,676,464	\$5.00	\$220,588	\$0	\$0.00000	0.0%
4 Multi-Family	1,685,965	\$5.00	\$101,158	1,685,965	\$5.00	\$101,158	\$0	\$0.00000	0.0%
5 Small Master Meter	92,860	\$5.00	\$5,572	92,860	\$5.00	\$5,572	\$0	\$0.00000	0.0%
6 Submeter Credit-\$/unit/day	149,095	(\$0.30805)	(\$16,764)	149,095	(\$0.30805)	(\$16,764)	\$0	\$0.00000	0.0%
7 Volumetric Transportation Rate									
8 Baseline Rate	1,703,882	\$0.31040	\$528,891	1,703,882	\$0.30149	\$513,702	(\$15,189)	(\$0.00891)	-2.9%
9 Non-Baseline Rate	768,363	\$0.55040	\$422,910	768,363	\$0.54149	\$416,060	(\$6,850)	(\$0.00891)	-1.6%
10	2,472,246	\$0.51061	\$1,262,355	2,472,246	\$0.50170	\$1,240,316	(\$22,039)	(\$0.00891)	-1.7%
11 NBL/BL Ratio:									
12 Composite Rate \$/th		\$1.00067			\$0.99175				
13 Gas Rate \$/th		\$0.50800			\$0.50800				
14 NBL/Composite rate ratio (4) =		1.06			1.06				
15									
16 <u>Large Master Meter</u>									
17 Customer Charge	61	\$339.80	\$249	61	\$339.80	\$249	\$0	\$0.00	0.0%
18 Baseline Rate	9,017	\$0.09471	\$854	9,017	\$0.09429	\$850	(\$4)	(\$0.00042)	-0.4%
19 Non-Baseline Rate	2,726	\$0.16794	\$458	2,726	\$0.16934	\$462	\$4	\$0.00140	0.8%
20	11,743	\$0.13292	\$1,561	11,743	\$0.13292	\$1,561	\$0	\$0.00000	0.0%
21 Core Aggregation Transport (CAT):									
22 CAT Adder to Volumetric Rate	13,319	(\$0.00069)	(\$9)	13,319	(\$0.00069)	(\$9)	\$0	\$0.00000	0%
23 Residential:									
24 Baseline Rate		\$0.30971			\$0.30080			(\$0.00891)	-2.9%
25 NonBaseline Rate		\$0.54971			\$0.54080			(\$0.00891)	-1.6%
26 Large Master Meter:									
27 Baseline Rate		\$0.09402			\$0.09359			(\$0.00042)	-0.5%
28 NonBaseline Rate		\$0.16725			\$0.16865			\$0.00140	0.8%
29									
30 TOTAL RESIDENTIAL	2,483,989	\$0.50882	\$1,263,906	2,483,989	\$0.49995	\$1,241,867	(\$22,039)	(\$0.00887)	-1.7%
31									
32 <u>CORE COMMERCIAL &amp; INDUSTRIAL</u>									
33 Customer Charge 1	127,666	\$15.00	\$22,980	127,666	\$15.00	\$22,980	\$0	\$0.00	0.0%
34 Customer Charge 2	87,620	\$15.00	\$15,772	87,620	\$15.00	\$15,772	\$0	\$0.00	0.0%
35 Volumetric Transportation Rate									
36 Tier 1 = 250th/mo	215,926	\$0.51487	\$111,174	215,926	\$0.49924	\$107,800	(\$3,374)	(\$0.01562)	-3.0%
37 Tier 2 = next 4167 th/mo	488,341	\$0.25616	\$125,093	488,341	\$0.24800	\$121,110	(\$3,983)	(\$0.00816)	-3.2%
38 Tier 3 = over 4167 th/mo	266,252	\$0.08269	\$22,018	266,252	\$0.07955	\$21,179	(\$838)	(\$0.00315)	-3.8%
39	970,519	\$0.30606	\$297,035	970,519	\$0.29761	\$288,840	(\$8,195)	(\$0.00844)	-2.8%
40 Core Aggregation Transport (CAT):									
41 CAT Adder to Volumetric Rate	17,488	(\$0.00069)	(\$12)	17,488	(\$0.00069)	(\$12)	\$0	\$0.00000	0%
42 Tier 1 = 250th/mo		\$0.51418			\$0.49855			(\$0.01562)	-3.0%
43 Tier 2 = next 4167 th/mo		\$0.25547			\$0.24731			(\$0.00816)	-3.2%
44 Tier 3 = over 4167 th/mo		\$0.08200			\$0.07885			(\$0.00315)	-3.8%
45									
46 TOTAL CORE C&I	970,519	\$0.30605	\$297,023	970,519	\$0.29760	\$288,828	(\$8,195)	(\$0.00844)	-2.8%

See footnotes Table 1

**TABLE 3**  
**Other Core Transportation Rates**  
**Southern California Gas Company**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

2-1-2010 Rates SCG FAR Upd v3-2-2010

	Present Rates			Proposed Rates			Changes		
	2/1/2010	2/1/2010	2/1/2010	BCAP	Rate	Revenue	Revenue	Rate	% Rate
	Volumes	Rate	Revenue						
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	\$000's	\$/th	%
A	B	C	D	E	F	G	H	I	
<u>NATURAL GAS VEHICLES (Proposed Rate is a Sempra-Wide rate)</u>									
Customer Charge, P-1	229	\$13.00	\$36	229	\$13.00	\$36	\$0	\$0.00000	0.0%
Customer Charge, P-2A	44	\$65.00	\$34	44	\$65.00	\$34	\$0	\$0.00000	0.0%
Uncompressed Rate	117,231	\$0.07076	\$8,295	117,231	\$0.06287	\$7,370	(\$925)	(\$0.00789)	-11.1%
Total Uncompressed NGV	117,231	\$0.07135	\$8,365	117,231	\$0.06347	\$7,440	(\$925)	(\$0.00789)	-11.1%
Compressed Rate Adder	1,484	\$0.88637	\$1,316	1,484	\$0.88637	\$1,316	\$0	\$0.00000	0.0%
<b>TOTAL NGV SERVICE</b>	<b>117,231</b>	<b>\$0.08258</b>	<b>\$9,680</b>	<b>117,231</b>	<b>\$0.07469</b>	<b>\$8,756</b>	<b>(\$925)</b>	<b>(\$0.00789)</b>	<b>-9.6%</b>
<u>RESIDENTIAL NATURAL GAS VEHICLES (optional rate)</u>									
Customer Charge	5,455	\$10.00	\$655	5,455	\$10.00	\$655	\$0	\$0.00000	0.0%
Uncompressed Rate	3,416	\$0.15984	\$546	3,416	\$0.15229	\$520	(\$26)	(\$0.00755)	-4.7%
Core Aggregation Transport (CAT):	3,416	\$0.35150	\$1,201	3,416	\$0.34396	\$1,175	(\$26)	(\$0.00755)	-2.1%
CAT Adder to Volumetric Rate	0	(\$0.00069)	\$0	0	(\$0.00069)	\$0	\$0	\$0.00000	0.0%
Gas A/C Rate		\$0.15915			\$0.15160		\$0	(\$0.00755)	-4.7%
<b>TOTAL RESIDENTIAL NGV SERVICE</b>	<b>3,416</b>	<b>\$0.35150</b>	<b>\$1,201</b>	<b>3,416</b>	<b>\$0.34396</b>	<b>\$1,175</b>	<b>(\$26)</b>	<b>(\$0.00755)</b>	<b>-2.1%</b>
<u>NON-RESIDENTIAL GAS A/C</u>									
Customer Charge	22	\$150	\$40	22	\$150	\$40	\$0	\$0.00000	0.0%
Volumetric Rate	1,210	\$0.03928	\$48	1,210	\$0.03176	\$38	(\$9)	(\$0.00752)	-19.2%
Core Aggregation Transport (CAT):	1,210	\$0.07200	\$87	1,210	\$0.06448	\$78	(\$9)	(\$0.00752)	-10.5%
CAT Adder to Volumetric Rate	0	(\$0.00069)	\$0	0	(\$0.00069)	\$0	\$0	\$0.00000	0.0%
Gas A/C Rate		\$0.03859			\$0.03107		\$0	(\$0.00752)	-19.5%
<b>TOTAL A/C SERVICE</b>	<b>1,210</b>	<b>\$0.07200</b>	<b>\$87</b>	<b>1,210</b>	<b>\$0.06448</b>	<b>\$78</b>	<b>(\$9)</b>	<b>(\$0.00752)</b>	<b>-10.5%</b>
<u>GAS ENGINES</u>									
Customer Charge	1,094	\$50	\$656	1,094	\$50	\$656	\$0	\$0.00000	0.0%
Volumetric	18,080	\$0.05567	\$1,006	18,080	\$0.04837	\$875	(\$132)	(\$0.00730)	-13.1%
Core Aggregation Transport (CAT):	18,080	\$0.09197	\$1,663	18,080	\$0.08468	\$1,531	(\$132)	(\$0.00730)	-7.9%
CAT Adder to Volumetric Rate	0	(\$0.00069)	\$0	0	(\$0.00069)	\$0	\$0	\$0.00000	0.0%
Gas Engine Rate		\$0.05497			\$0.04768		\$0	(\$0.00730)	-13.3%
<b>TOTAL GAS ENGINES</b>	<b>18,080</b>	<b>\$0.09197</b>	<b>\$1,663</b>	<b>18,080</b>	<b>\$0.08468</b>	<b>\$1,531</b>	<b>(\$132)</b>	<b>(\$0.00730)</b>	<b>-7.9%</b>
<u>VERNON CORE COMMERCIAL &amp; INDUSTRIAL</u>									
Customer Charge 1		\$15.00			\$15.00			\$0.00000	0.0%
Customer Charge 2		\$15.00			\$15.00			\$0.00000	0.0%
Volumetric Transportation Rate									
Tier 1 = 250th/mo		\$0.51487			\$0.49924			(\$0.01562)	-3.0%
Tier 2 = next 4167 th/mo		\$0.20759			\$0.19954			(\$0.00805)	-3.9%
Tier 3 = over 4167 th/mo		\$0.08269			\$0.07955			(\$0.00315)	-3.8%
Core Aggregation Transport (CAT):									
CAT Adder to Volumetric Rate		(\$0.00069)			(\$0.00069)			\$0.00000	0%
Tier 1 = 250th/mo		\$0.51418			\$0.49855			(\$0.01562)	-3.0%
Tier 2 = next 4167 th/mo		\$0.20689			\$0.19884			(\$0.00805)	-3.9%
Tier 3 = over 4167 th/mo		\$0.08200			\$0.07885			(\$0.00315)	-3.8%
<u>STREET &amp; OUTDOOR LIGHTING (equals average Non-CAT CCI Rate)</u>									
Street & Outdoor Lighting Base Rate		\$0.30606			\$0.29761			(\$0.00844)	-2.8%

**TABLE 4**  
**Noncore Commercial & Industrial and Electric Generation Rates**  
**Southern California Gas Company**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

**2-1-2010 Rates SCG FAR Upd v3-2-2010**

	Present Rates			Proposed Rates			Changes		
	2/1/2010 Volumes	2/1/2010 Rate	2/1/2010 Revenue	BCAP Volumes	Rate	Revenue	Revenue Change	Rate Change	% Rate change
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	\$000's	\$/th	%
	A	B	C	D	E	F	G	H	I
1 <u>NonCore Commercial &amp; Industrial Distribution Level</u>									
2 Customer Charge	670	\$350.00	\$2,816	670	\$350.00	\$2,816	\$0	\$0.00000	0.0%
3									
4 <u>Volumetric Rates</u>									
5 Tier 1 = 250kth/yr	147,174	\$0.15533	\$22,861	147,174	\$0.13765	\$20,258	(\$2,603)	(\$0.01768)	-11.4%
6 Tier 2 = 250k to 1000k	244,409	\$0.09182	\$22,440	244,409	\$0.08088	\$19,767	(\$2,673)	(\$0.01094)	-11.9%
7 Tier 3 = 1 to 2 million th/yr	130,163	\$0.05050	\$6,573	130,163	\$0.04387	\$5,711	(\$862)	(\$0.00662)	-13.1%
8 Tier 4 = over 2 million th/yr	460,719	\$0.02678	\$12,338	460,719	\$0.02324	\$10,708	(\$1,630)	(\$0.00354)	-13.2%
9 Volumetric totals (excl itcs)	982,465	\$0.06536	\$64,212	982,465	\$0.05745	\$56,444	(\$7,768)	(\$0.00791)	-12.1%
10 ITCS									
11 NCCI - DISTRIBUTION LEVEL	982,465	\$0.06822	\$67,028	982,465	\$0.06032	\$59,260	(\$7,768)	(\$0.00791)	-11.6%
12									
13 <u>NonCore Commercial &amp; Industrial Transmission Level (2)</u>									
14 Customer Charge									
15 <u>Volumetric Rates</u>									
16 Tier 1 0-2,000,000 th/yr									
17 Tier 2 over 2,000,000 th/yr									
18 Volumetric totals (excl itcs)									
19 ITCS									
20 NCCI-TRANSMISSION LEVEL (2)	457,697	\$0.02206	\$10,096	457,697	\$0.01412	\$6,462	(\$3,635)	(\$0.00794)	-36.0%
21									
22 TOTAL NONCORE C&I	1,440,163	\$0.05355	\$77,124	1,440,163	\$0.04563	\$65,721	(\$11,403)	(\$0.00792)	-14.8%
23									
24 <u>ELECTRIC GENERATION</u>									
25									
26 <u>Small EG (proposed rates are for Distribution Level only)</u>									
27 Customer Charge	134	\$50.00	\$80	134	\$50.00	\$80	\$0	\$0.00000	0.0%
28 Volumetric Rate (excl ITCS)	60,420	\$0.05619	\$3,395	60,420	\$0.04842	\$2,925	(\$469)	(\$0.00777)	-13.8%
29 ITCS									
30 Total Volumetric Rate Tier 1	60,420	\$0.05619	\$3,395	60,420	\$0.04842	\$2,925	(\$469)	(\$0.00777)	-13.8%
31 EG Distribution Level Tier 1	60,420	\$0.05752	\$3,475	60,420	\$0.04975	\$3,006	(\$469)	(\$0.00777)	-13.5%
32									
33 <u>Large EG (proposed rates are for Distribution Level only)</u>									
34 Customer Charge	32	\$0.00	\$0	32	\$0.00	\$0	\$0	\$0.00000	
35 Volumetric Rate (excl ITCS)	293,575	\$0.02912	\$8,548	293,575	\$0.02112	\$6,200	(\$2,348)	(\$0.00800)	-27.5%
36 ITCS									
37 Total Volumetric Rate Tier 2	293,575	\$0.02912	\$8,548	293,575	\$0.02112	\$6,200	(\$2,348)	(\$0.00800)	-27.5%
38 EG Distribution Level Tier 2	293,575	\$0.02912	\$8,548	293,575	\$0.02112	\$6,200	(\$2,348)	(\$0.00800)	-27.5%
39 EG Distribution Level	353,995	\$0.03396	\$12,023	353,995	\$0.02601	\$9,206	(\$2,817)	(\$0.00796)	-23.4%
40									
41 EG Transmission Level (2)	2,472,969	\$0.02206	\$54,551	2,472,969	\$0.01412	\$34,912	(\$19,638)	(\$0.00794)	-36.0%
42									
43 TOTAL ELECTRIC GENERATION	2,826,964	\$0.02355	\$66,574	2,826,964	\$0.01561	\$44,118	(\$22,456)	(\$0.00794)	-33.7%
44									
45 <u>EOR Rates &amp; revenue:</u>									
46 Distribution Level EOR:									
47 Customer Charge	14	\$500.00	\$84	14	\$500.00	\$84	\$0	\$0.00	0.0%
48 Volumetric Rate	80,880	\$0.03293	\$2,663	80,880	\$0.02497	\$2,019	(\$644)	(\$0.00796)	-24.2%
49 Distribution Level EOR	80,880	\$0.03396	\$2,747	80,880	\$0.02601	\$2,103	(\$644)	(\$0.00796)	-23.4%
50									
51 Transmission Level EOR	75,307	\$0.02206	\$1,661	75,307	\$0.01412	\$1,063	(\$598)	(\$0.00794)	-36.0%
52 Total EOR	156,187	\$0.02822	\$4,408	156,187	\$0.02027	\$3,166	(\$1,242)	(\$0.00795)	-28.2%

See footnotes Table 1

**TABLE 5**  
**Transmission Level Service Transportation Rates**  
**Southern California Gas Company**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

2-1-2010 Rates SCG FAR Upd v3-2-2010

	Present Rates			Proposed Rates			
	BCAP	Rate	Revenue @	BCAP	Rate	Revenue	
	Volumes	\$/th	BCAP Vols	Volumes	\$/th	\$/000's	
	Mth		\$000's	Mth, Mdth			
	A	B	C	D	E	F	
<b>Rate applicable to NonCore C&amp;I, EOR &amp; EG customer Classes:</b>							
1	Reservation Service Option (RS):						
2	Daily Reservation rate \$/th/day	\$0.01318		\$0.00871			
3	Usage Charge for RS \$/th	\$0.00304		\$0.00155			
4	Class Average Volumetric Rate (CA)						
5	Volumetric Rate \$/th	\$0.01900		\$0.01256			
6	Usage Charge for CA \$/th	\$0.00304		\$0.00155			
7	Class Average Volumetric Rate (CA) \$/th						
8		\$0.02204		\$0.01410			
9	120% CA (for NonBypass Volumetric NV) \$/th	\$0.02645		\$0.01692			
10	135% CA (for Bypass Volumetric BV) \$/th	\$0.02976		\$0.01904			
11	Total Transmission Level Service (NCCL, EOR, EG)	2,930,667	\$0.02206	\$64,647	2,930,667	\$0.01412	\$41,374
12	<b>Rate applicable to Wholesale &amp; International customer Classes:</b>						
13	Reservation Service Option (RS):						
14	Daily Reservation rate \$/th/day	\$0.01314		\$0.00868			
15	Usage Charge for RS \$/th	\$0.00303		\$0.00154			
16	Class Average Volumetric Rate (CA)						
17	Volumetric Rate \$/th	\$0.01896		\$0.01253			
18	Usage Charge for CA \$/th	\$0.00303		\$0.00154			
19	Class Average Volumetric Rate (CA) \$/th						
20		\$0.02199		\$0.01407			
21	120% CA (for NonBypass Volumetric NV) \$/th	\$0.02639		\$0.01688			
22	135% CA (for Bypass Volumetric BV) \$/th	\$0.02968		\$0.01900			
23	Total Transmission Level Service (WS & Int'l)	368,955	\$0.02206	\$8,139	368,955	\$0.01412	\$5,209
24	<b>Average Transmission Level Service</b>	<b>3,299,622</b>	<b>\$0.02206</b>	<b>\$72,786</b>	<b>3,299,622</b>	<b>\$0.01412</b>	<b>\$46,583</b>
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37	<b>Backbone Transmission Charge BBT</b>						
38	BBT Reservation Charge \$/dth/day	2,866	\$0.04284	\$44,819	3,330	\$0.09242	\$112,318
39							
40							
41	<b>Storage Rates:</b>						
42	Inventory BCF; rate = \$/dth	133	\$0.224	\$30,727	133	\$0.224	\$30,727
43	Injection mmcf/d; rate = \$/dth/day	850	\$28.752	\$25,177	850	\$28.752	\$25,177
44	Withdrawal mmcf/d; rate = \$/dth/day	3,195	\$9.469	\$31,166	3,195	\$9.469	\$31,166
45				\$87,071			\$87,071
46							

See footnotes Table 1

**TABLE 1**  
**Natural Gas Transportation Rate Revenues**  
**San Diego Gas & Electric**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

2-1-2010 Rates SDGE FAR Upd v3-2-2010

	At Present Rates			At Proposed Rates			Changes		
	Feb-1-10	Average	Feb-1-10	BCAP	Average	Proposed	Revenues	Rates	Rate
	Volumes	Rate	Revenues	Volumes	Rate	Revenues			
mtherms	\$/therm	\$000's	mtherms	\$/therm	\$000's	\$000's	\$/therm	%	
	A	B	C	D	E	F	G	H	I
<b>CORE</b>									
Residential	326,003	\$0.69983	\$228,146	326,003	\$0.69222	\$225,667	(\$2,478)	(\$0.00760)	-1.1%
Comm'l & Industrial	158,725	\$0.29838	\$47,360	158,725	\$0.29013	\$46,051	(\$1,309)	(\$0.00825)	-2.8%
NGV Pre SW	15,238	\$0.10445	\$1,592	15,238	\$0.09616	\$1,465	(\$126)	(\$0.00829)	-7.9%
SW Adjustment	15,238	(\$0.02500)	(\$381)	15,238	(\$0.02469)	(\$376)	\$5	\$0.00031	-1.3%
NGV Post SW	15,238	\$0.07944	\$1,211	15,238	\$0.07147	\$1,089	(\$121)	(\$0.00797)	-10.0%
Total CORE	499,967	\$0.55347	\$276,716	499,967	\$0.54565	\$272,807	(\$3,908)	(\$0.00782)	-1.4%
<b>NONCORE COMMERCIAL &amp; INDUSTRIAL</b>									
Distribution Level Service	37,270	\$0.10678	\$3,980	37,270	\$0.09867	\$3,677	(\$302)	(\$0.00811)	-7.6%
Transmission Level Service (1)	3,193	\$0.02206	\$70	3,193	\$0.01412	\$45	(\$25)	(\$0.00794)	-36.0%
Total Noncore C&I	40,463	\$0.10009	\$4,050	40,463	\$0.09199	\$3,722	(\$328)	(\$0.00810)	-8.1%
<b>NONCORE ELECTRIC GENERATION</b>									
Distribution Level Service									
Pre Sempra Wide	179,522	\$0.03492	\$6,269	179,522	\$0.02666	\$4,786	(\$1,483)	(\$0.00826)	-23.7%
Sempra Wide Adjustment	179,522	(\$0.00134)	(\$240)	179,522	(\$0.00108)	(\$195)	\$45	\$0.00025	-18.9%
Post Sempra Wide	179,522	\$0.03358	\$6,029	179,522	\$0.02557	\$4,591	(\$1,438)	(\$0.00801)	-23.8%
Transmission Level Service (1)	496,393	\$0.02206	\$10,950	496,393	\$0.01412	\$7,008	(\$3,942)	(\$0.00794)	-36.0%
Total Electric Generation	675,916	\$0.02512	\$16,979	675,916	\$0.01716	\$11,599	(\$5,380)	(\$0.00796)	-31.7%
<b>TOTAL NONCORE</b>	716,379	\$0.02935	\$21,029	716,379	\$0.02139	\$15,322	(\$5,708)	(\$0.00797)	-27.1%
Total (excluding BBT) (2)	1,216,345	\$0.24479	\$297,745	1,216,345	\$0.23688	\$288,129	(\$9,616)	(\$0.00791)	-3.2%
<b>System Total</b>	<b>1,216,345</b>	<b>\$0.24479</b>	<b>\$297,745</b>	<b>1,216,345</b>	<b>\$0.23688</b>	<b>\$288,129</b>	<b>(\$9,616)</b>	<b>(\$0.00791)</b>	<b>-3.2%</b>

1) These proposed costs and rates for Transmission Level Service customers represents the average transmission rate.

See Table 5 for actual transmission level service rates.

2) FAR charge is proposed as a separate rate. Core will pay through procurement rate, noncore as a separate charge.

See SCG Rate Table 5 for actual FAR charge.

**TABLE 2**  
**Core Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

2-1-2010 Rates SDGE FAR Upd v3-2-2010

	Present Rates			Proposed Rates			Changes		
	Feb-1-10 Volumes Mth	Feb-1-10 Rate \$/th	Feb-1-10 Revenue \$000's	BCAP Volumes Mth	Rates Proposed \$/th	Revenue \$000's	Revenues \$000's	Rates \$/th	Rate change %
	A	B	C	D	E	F	G	H	I
<b>1 Schedule GR,GM</b>									
2 Baseline \$/therm	220,010	\$0.65567	\$144,254	220,010	\$0.64844	\$142,664	(\$1,591)	(\$0.00723)	-1.1%
3 Non-Baseline \$/therm	105,993	\$0.82299	\$87,231	105,993	\$0.81472	\$86,354	(\$876)	(\$0.00827)	-1.0%
4 Average Rate \$/therm	326,003	\$0.71007	\$231,485	326,003	\$0.70250	\$229,018	(\$2,467)	(\$0.00757)	-1.1%
5 NBL/BL Composite Ratio (incl G-PC)		1.14			1.14				
<b>6 Schedule GS,GT</b>									
7 GS Unit Discount \$/day	6,004	(\$0.25493)	(\$559)	6,004	(\$0.25493)	(\$559)	\$0	\$0.00000	0.0%
8 GT Unit Discount \$/day	27,745	(\$0.34064)	(\$3,450)	27,745	(\$0.34064)	(\$3,450)	\$0	\$0.00000	0.0%
<b>9 Other Adjustments:</b>									
10 Employee Discount			(\$459)			(\$459)			
11 SDFFD			\$1,054			\$1,042			
<b>12 Schedule GL-1</b>									
13 LNG Facility Charge, domestic use \$/month	321	\$14.79	\$57	321	\$14.79	\$57	\$0	\$0.00000	0.0%
14 LNG Facility Charge, non-domestic use \$/mth/mbtu		\$0.05480			\$0.05480		\$0	\$0.00000	0.0%
15 LNG Volumetric Surcharge \$/th	110	\$0.16571	\$18	110	\$0.16571	\$18	\$0	\$0.00000	0.0%
			\$75			\$75			
<b>17 Schedule GTC &amp; GTCA (transprt only SCG &amp; SDGE systems)</b>									
18 CAT Adder to Volumetric Rate	247	(\$0.00403)	(\$1)	247	(\$0.00403)	(\$1)	\$0	\$0.00000	0%
19 Baseline \$/therm		\$0.65164			\$0.64441		\$0	(\$0.00723)	-1.1%
20 Non-Baseline \$/therm		\$0.81896			\$0.81069		\$0	(\$0.00827)	-1.0%
21 Average Rate \$/therm		\$0.70604			\$0.69847		\$0	(\$0.00757)	-1.1%
<b>22 Schedule GTC-SD (transport only SDGE system)</b>									
23 GTC-SD Rate Adder									
24 Baseline \$/therm									
25 Non-Baseline \$/therm									
26 Average Rate \$/therm									
<b>27 Total Residential</b>	<b>326,003</b>	<b>\$0.69983</b>	<b>\$228,146</b>	<b>326,003</b>	<b>\$0.69222</b>	<b>\$225,667</b>	<b>(\$2,478)</b>	<b>(\$0.00760)</b>	<b>-1.1%</b>
<b>28 Other Core Rates \$/therm</b>									
29 Schedule GPC - Procurement Price		\$0.50800			\$0.50800				
<b>32 Schedule GN-3</b>									
33 Customer Charge \$/month	29,831	\$10.00	\$3,580	29,831	\$10.00	\$3,580			
34 0 to 1,000 therms/month									
35 1,001 to 21,000 therms/month									
36 over 21,000 therms/month									
37									
38 Volumetric Charges \$/therm - Winter Months									
39 Tier 1 = 0 to 1,000 therms/month	69,961	\$0.35251	\$24,662	69,961	\$0.34085	\$23,846	(\$816)	(\$0.01166)	-3.3%
40 Tier 2 = 1,001 to 21,000 therms/month	74,938	\$0.21934	\$16,437	74,938	\$0.21361	\$16,007	(\$430)	(\$0.00573)	-2.6%
41 Tier 3 = over 21,000 therms/month	13,826	\$0.18172	\$2,512	13,826	\$0.17766	\$2,456	(\$56)	(\$0.00406)	-2.2%
42									
43 Volumetric Charges \$/therm - Summer Months									
44 Tier 1 = 0 to 1,000 therms/month									
45 Tier 2 = 1,001 to 21,000 therms/month									
46 Tier 3 = over 21,000 therms/month									
47									
<b>48 Schedule GTC &amp; GTCA (transprt only SCG &amp; SDGE systems)</b>									
49 CAT Adder to Volumetric Rate	23,606	(\$0.00403)	(\$95)	23,606	(\$0.00403)	(\$95)	\$0	\$0.00000	0.0%
50 Volumetric Charges \$/therm - Winter Months									
51 Tier 1 = 0 to 1,000 therms/month		\$0.34848			\$0.33682				
52 Tier 2 = 1,001 to 21,000 therms/month		\$0.21531			\$0.20957				
53 Tier 3 = over 21,000 therms/month		\$0.17769			\$0.17363				
54									
55 Volumetric Charges \$/therm - Summer Months									
56 Tier 1 = 0 to 1,000 therms/month									
57 Tier 2 = 1,001 to 21,000 therms/month									
58 Tier 3 = over 21,000 therms/month									
59									
60 Adjustment for SDFFD			\$264			\$256			
<b>61 Total Core C&amp;I</b>	<b>158,725</b>	<b>\$0.29838</b>	<b>\$47,360</b>	<b>158,725</b>	<b>\$0.29013</b>	<b>\$46,051</b>	<b>(\$1,309)</b>	<b>(\$0.00825)</b>	<b>-2.8%</b>

See footnotes Table 1



**TABLE 3**  
**Other Core Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

2-1-2010 Rates SDGE FAR Upd v3-2-2010

	Present Rates			Proposed Rates			Changes		
	Feb-1-10	Feb-1-10	Feb-1-10	BCAP	Rates				Rate
	Volumes	Rate	Revenue	Volumes	Proposed	Revenue	Revenues	Rates	change
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	\$000's	\$/th	%
	A	B	C	D	E	F	G	H	I
1 <b>Schedule G-NGV &amp; GT-NGV</b>									
2 Customer Charge									
3 P1 \$/month	30	\$13.00	\$5	30	\$13.00	\$5	\$0	\$0.00	0.0%
4 P2A \$/month	10	\$65.00	\$8	10	\$65.00	\$8	\$0	\$0.00	0.0%
5 Uncompressed Rate \$/therm	15,238	\$0.07116	\$1,084	15,238	\$0.06323	\$964	(\$121)	(\$0.00793)	-11.1%
6 Co-funded Station \$/therm									
7 Compressor Adder \$/therm	119	\$0.89145	\$106	119	\$0.89145	\$106	\$0	\$0.00000	0.0%
8									
9 <b>Schedule GTC-SD</b>									
10 Customer Charge									
11 P1 \$/month									
12 P2A \$/month									
13 Uncompressed Rate \$/therm									
14 Co-funded Station \$/therm									
15 Compressor Adder \$/therm									
16									
17 SDFFD			\$7			\$7			
18 Total NGV	15,238	\$0.07944	\$1,211	15,238	\$0.07147	\$1,089	(\$121)	(\$0.00797)	-10.0%

See footnotes Table 1

**TABLE 4**  
**NonCore Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

**2-1-2010 Rates SDGE FAR Upd v3-2-2010**

	Present Rates			Proposed Rates			Changes		
	Feb-1-10 Volumes Mth	Feb-1-10 Rate \$/th	Feb-1-10 Revenue \$000's	BCAP Volumes Mth	Rates Proposed \$/th	Revenue \$000's	Revenues \$000's	Rates \$/th	Rate change %
	A	B	C	D	E	F	G	H	I
1 <u>NonCore Commercial &amp; Industrial Distribution Level</u>									
2 Volumetric Charges \$/therm									
3 MPS - Winter	37,270	\$0.10002	\$3,728	37,270	\$0.09190	\$3,425	(\$302)	(\$0.00811)	-8.1%
4 MPS - Summer									
5									
6 HPS - Winter									
7 HPS - Summer									
8									
9 Customer Charges \$/month									
10 0 to 3,000 therms/month	60	\$350.00	\$252	60	\$350.00	\$252	\$0	\$0.00000	0.0%
11 3,001 to 7,000									
12 7,001 to 21,000									
13 21,001 to 126,000									
14 126,001 to 1,000,000									
15 SDDFD									
16 <b>NCCI-Distribution Total</b>	<b>37,270</b>	<b>\$0.10678</b>	<b>\$3,980</b>	<b>37,270</b>	<b>\$0.09867</b>	<b>\$3,677</b>	<b>(\$302)</b>	<b>(\$0.00811)</b>	<b>-7.6%</b>
17									
18 <u>NonCore Commercial &amp; Industrial Transmission Level (1)</u>									
19 Volumetric Charges \$/therm									
20 Transmission - Winter									
21 Transmission - Summer									
22 Customer Charges \$/month									
23 Over 1,000,000 therms/month									
24 SDDFD									
25 <b>NCCI-Transmission Total (1)</b>	<b>3,193</b>	<b>\$0.02206</b>	<b>\$70</b>	<b>3,193</b>	<b>\$0.01412</b>	<b>\$45</b>	<b>(\$25)</b>	<b>(\$0.00794)</b>	<b>-36.0%</b>
26									
27 AMR Charges									
28									
29 <b>Noncore C&amp;I Total</b>	<b>40,463</b>	<b>\$0.10009</b>	<b>\$4,050</b>	<b>40,463</b>	<b>\$0.09199</b>	<b>\$3,722</b>	<b>(\$328)</b>	<b>(\$0.00810)</b>	<b>-8.1%</b>
30									
31 <u>ELECTRIC GENERATION</u>									
32									
33 <u>Distribution Level Service Group A</u>									
34 Customer Charge, \$/month	57	\$50.00	\$34	57	\$50.00	\$34	\$0	\$0.00000	0.0%
35 Volumetric Rate (Incl ITCS) \$/therm	27,097	\$0.05651	\$1,531	27,097	\$0.04870	\$1,320	(\$212)	(\$0.00781)	-13.8%
36 <u>Distribution Level Service Group B</u>									
37 Volumetric Rate (Incl ITCS) \$/therm	152,425	\$0.02928	\$4,463	152,425	\$0.02124	\$3,237	(\$1,226)	(\$0.00804)	-27.5%
38 Total EG-Distribution	179,522	\$0.03358	\$6,029	179,522	\$0.02557	\$4,591	(\$1,438)	(\$0.00801)	-23.8%
39									
40 EG Transmission Level Service (1)	496,393	\$0.02206	\$10,950	496,393	\$0.01412	\$7,008	(\$3,942)	(\$0.00794)	-36.0%
41									
42 <b>TOTAL ELECTRIC GENERATION</b>	<b>675,916</b>	<b>\$0.02512</b>	<b>\$16,979</b>	<b>675,916</b>	<b>\$0.01716</b>	<b>\$11,599</b>	<b>(\$5,380)</b>	<b>(\$0.00796)</b>	<b>-31.7%</b>
43									
44									
45									

See footnotes Table 1

**TABLE 5**  
**Transmission Level Service Gas Transportation Rates**  
**San Diego Gas & Electric**  
**2009 BIENNIAL COST ALLOCATION PROCEEDING**

**2-1-2010 Rates SDGE FAR Upd v3-2-2010**

	Present Rates			Proposed Rates			
	Feb-1-10	Feb-1-10	Feb-1-10	BCAP	Rates		
	Volumes	Rate	Revenue	Volumes	Proposed	Revenue	
	Mth	\$/th	\$000's	Mth	\$/th	\$000's	
	A	B	C	D	E	F	
1							
2	Reservation Service Option (RS):						
3	Daily Reservation rate \$/th/day	\$0.01325			\$0.00876		
4	Usage Charge for RS \$/th	\$0.00306			\$0.00156		
5							
6							
7	Class Average Volumetric Rate (CA)						
8	Volumetric Rate \$/th	\$0.01911			\$0.01263		
9	Usage Charge for CA \$/th	\$0.00306			\$0.00156		
10	Class Average Volumetric Rate CA \$/th	\$0.02217			\$0.01419		
11							
12	120% CA (for NonBypass Volumetric NV) \$/th	\$0.02660			\$0.01702		
13	135% CA (for Bypass Volumetric BV) \$/th	\$0.02993			\$0.01915		
14							
15							
16	<b>Average Transmission Level Service</b>	499,587	\$0.02206	\$11,020	499,587	\$0.01412	\$7,053
17							
18							
19							

See footnotes Table 1