

Utility Name
Period Covered (January 2012 – December 2012)
As of

For each of the gas revenue requirement components listed below provide:

1. The annual authorized revenue requirement in dollars as of the date specified.
2. Provide the applicable citation(s) relating to the revenue requirements reported under the appropriate column(s) CPUC Mandate, State-Mandate, or Federal/FERC Mandate.
3. Indicate whether the revenue requirements are related to programs or activities.
4. Indicate if any costs reported is a subset of costs identified elsewhere.

Gas Revenue Requirement Components

<u>Description</u>		<u>Progra m</u>	<u>Activit y</u>	<u>CPUC- Mandate</u>	<u>State- Mandate</u>	<u>Federal / FERC- Mandate</u>	<u>Annual Revenue Requirement (\$000)</u>
I. Core Procurement							
a. Core Gas Supply Portfolio - report illustrative forecast gas commodity and shrinkage costs. (Actual gas commodity costs, including balancing account balances related to these costs, are recovered monthly.) ^{1 2 3}							

¹ PG&E: The illustrative is based on an annual weighted average cost of gas (WACOG) of \$X.XXX per therm for core customers. The average filed WACOG for the most recent 12 months is \$X.XXXXX per therm.

² SDG&E: The GPC rate primarily reflects the cost of gas, capacity charge, carrying costs, franchise fees and uncollectibles and brokerage fees. Effective April 1, 2008, SDG&E implemented the Core Portfolio Consolidation (AL 1739-G (12/21/07)), which establishes the core procurement rate for both SDG&E and SoCalGas customers.

³ SoCalGas: The illustrative is based on an annual WACOG of \$X.XXXX per therm for core customers. The average filed WACOG for the most recent 12 months is \$X.XXXX per therm.

⁴ PG&E: Includes core capacity and storage costs and core brokerage fees.

⁵ SDG&E: Interstate capacity costs and carrying costs of storage are included in Item 1.a. Core storage costs are included in transportation rates and are included in Section II.p.

⁶ SoCalGas: Core storage costs are included in transportation rates and are included in Section II.1. Amortization of balancing account balances and other related costs are included in Section I.1.

Utility Name
Period Covered (January 2012 – December 2012)
As of

b. Other - report authorized capacity, storage, and other procurement-related costs included in procurement rates, (Actual costs, including balancing account balances related to these costs, are recovered monthly.) ^{4 5 6}							
c. 10/20 Winter Gas Savings Program - report incremental authorized 10/20 winter gas savings program costs.							
d. Core Gas Hedging Plan - report authorized gas hedging program costs for winter 2010-2011.							
e. Gas Cost Incentive Mechanism (GCIM)/Gas Procurement Incentive Mechanism (CPIM) - report authorized gas rewards (penalties) recovered (refunded) in gas procurement rates.							
II. Transportation							
a. Distribution (Total Costs) – report authorized revenue requirement recovered in distribution rates for amounts authorized in the most recent General Rate Case (GRC) (net of the CARE discount), including annual attrition and cost of capital adjustments, and amortization of balances related to distribution in any account. ^{7 8 9}							
1. Gas Pipeline Integrity Management and Safety Subtotal							

⁴ PG&E: Includes core capacity and storage costs and core brokerage fees.

⁵ SDG&E: Interstate capacity costs and carrying costs of storage are included in Item 1.a. Core storage costs are included in transportation rates and are included in Section II.p.

⁶ SoCalGas: Core storage costs are included in transportation rates and are included in Section II.1. Amortization of balancing account balances and other related costs are included in Section I.1.

⁷ PG&E: Includes the balances for the Core Fixed Cost Account - Distribution Cost Subaccount and Noncore Distribution Fixed Cost Account. Amounts authorized in the GRC include Administrative and General (A&G) Expenses.

⁸ SDG&E: Includes primarily the Core Fixed Cost Account, Non-Core Fixed Cost Account, Integrated Transmission adjusted revenue requirement, SoCalGas transportation costs, storage costs unaccounted for and company use costs. SDG&E does not separate its gas distribution and transmission revenue requirements. Amounts authorized in the GRC include A&G expenses.

⁹ SoCalGas: Includes the Core Fixed Cost Account, Enhanced Oil Recovery Account, Non-Core Fixed Cost Account, Wheeler Ridge Firm Access Charge Memorandum Account, and Integrated Transmission Balancing Account. SoCalGas does not separate its gas distribution and transmission revenue requirements. Total transportation revenue requirement is reflected in Section II.1. Amounts authorized in the GRC include A&G expenses.

Utility Name
Period Covered (January 2012 – December 2012)
As of

b. Transmission – report authorized revenue requirement for transmission, storage and other costs, included in transportation rates including amortization of balances in any accounts related to these costs. ¹⁰						
1. Gas Pipeline Integrity Management and Safety Subtotal						
c. Advanced Metering Infrastructure (AMI) Program - report AMI authorized revenue requirements recovered in rates and amortization of balances related to AMI in any accounts. AMI Memorandum Account – recorded pre-deployment costs recovered in rates Smart Meter Program (AMI) deployment expenses and revenue recorded in the AMI Balancing Account ^{11 12}						
d. Self Generation Incentive Program (SGIP) - report SGIP authorized revenue requirements recovered in rates, including amortization of SGIP related balances in any accounts.						
e. California Solar Initiative (CSI) Program- report authorized revenue requirement recovered in rates for funding the CSI program, including amortization of balances in any accounts which record CSI costs. ¹³						
f. Annual Earnings Assessment (AEAP) Incentives – report authorized AEAP settlement costs in rates, including amortization of balances related to the AEAP settlement in any accounts.						

¹⁰ PG&E: Includes local transmission and backbone and storage costs adopted in the most recent Gas Transmission and Storage (GT&S) Rate Case/Gas Accord that are not included in Core Procurement, and includes the balance for the Core Fixed Cost Account- Core Cost Subaccount. Amounts authorized in the GT&S Rate Case/Gas Accord include A&G. For SDG&E and SoCalGas, transmission is included in transportation.

¹¹ Per Advice letter 1693-G (5/14/07), SDG&E deferred recovery of Smart Meter Program costs until January 2008.

¹² Authorized amounts include A&G.

¹³ SDG&E: CSI program does not apply to SDG&E pursuant to D.06-12-033.

Utility Name
Period Covered (January 2012 – December 2012)
As of

g. Low Emission Vehicle (LEV) Program - report LEV gas costs in rates and not recovered in GRC distribution base revenue. ¹⁴						
h. Hazardous Substance Mechanism (HSM) - report authorized HSM costs in rates.						
i. Performance Based Regulation (PBR) Sharing Mechanism - report authorized costs returned to customers under the utility's PBR earnings sharing mechanism. ¹⁵						
j. Customer Service and Safety Performance Indicator Awards or Penalty - report authorized award (penalty) recovered from (returned to) customers under the utility's PBR mechanism. ¹⁶						
k. Non-Public Interest Research, Development and Demonstration (RD&D) - report authorized RD&D costs in rates, including amortization of balances related to the RD&D memorandum account.						
l. Core Pricing Flexibility Program - report authorized adjustments to the core fixed cost balancing account for revenue gains or shortfalls associated with discounted core rates.						
m. Noncore Competitive Load Growth Program - report authorized adjustments to the noncore fixed cost balancing account for revenue gains or shortfalls associated with negotiated rate contracts or contracts where Rule 38 shareholder funding has been used.						

¹⁴ SDG&E: LEV gas costs in rates and not recovered in GRC distribution base revenue. Costs are primarily for compressed service charges per A.L. 1510-G-B (9/27/05).

¹⁵ SDG&E: Per AL 1690-G, there were no 2006 PBR Sharable Earnings to be included in rates effective January 1, 2008.

¹⁶ SDG&E: Per AL 1690-G and 1712-G, the rates effective in January 1, 2008 include the 2006 Customer Service and Safety Award.

Utility Name
Period Covered (January 2012 – December 2012)
As of

<p>n. Catastrophic Event Memorandum Account (CEMA) - report authorized costs associated with the recovery of the Utility's costs of restoring services to its customers; repairing, replacing or restoring damaged facilities; and complying with governmental agency orders in connection with events which are officially declared disasters by competent state or federal authorities.</p>						
<p>o. Z-Factor - authorized revenue requirements associated with exogenous events, unforeseen in certain proceedings, largely uncontrollable by management, having a material and disproportionate impact on the utility.</p>						
<p>p. Other Balancing Accounts Balances – report any authorized costs or revenue requirements recovered from or returned to customers not included in other categories. ^{17 18 19}</p>						
<p>q. CPUC Fee - report authorized CPUC fees in rates.²⁰</p>						
<p>r. Franchise Fees and Uncollectible Accounts Expense - report authorized F&U costs in rates not included in other transportation categories. Included in SDG&E transportation rate.</p>						

¹⁷ PG&E: Includes the balances in the Noncore Customer Class Charge Account (NCA), Balancing Charge Account, Affiliate Transfer Fees Account, Enhanced Oil Recovery Account, Core Brokerage Fee Balancing Account, Core Transport Interstate Transition Subaccount, El Paso Settlement Memorandum Account, and Gas Reimbursable Fees Balancing Account.

¹⁸ SoCalGas: Includes the Brokerage Fee Account (Noncore), Interstate Transition Cost Surcharge Account, El Paso Turned-Back Capacity Balancing Account, Research Royalty Memorandum Account, Montebello True-up Tracking Account, Noncore Storage Balancing Account, Natural Gas Vehicle Account, Affiliate Transfer Fee Account, Intervener Award Memorandum Account, Economic Practicality Shortfall Memorandum Account, and the Noncore Fixed Cost Tracking Account.

¹⁹ SDG&E: Includes the Gas Storage Balancing Account, Rewards and Penalties Balancing Account, Interstate Transition Cost Surcharge Account, Natural Gas Vehicle Account and Gain/Loss on Sale Memorandum Account.

²⁰ SDG&E: The CPUC Fee (G-PUC) is not a revenue requirement. Effective July 1, 2007, the G-PUC is 0.068 cents per therm.

²¹ SDG&E: Total paid for calendar year 2007.

Utility Name
Period Covered (January 2012 – December 2012)
As of

s. Franchise Fee Surcharge (G - SUR) – report forecast annual franchise fee surcharges based on the last calendar year recorded data. ²¹						
III. Public Purpose Program Surcharges						
a. Energy Efficiency (EE) Programs- report authorized EE costs in gas PPP surcharges, including amortization of balances related to the EE program in any accounts.						
b. Low Income Energy Efficiency (LIEE) Program - report authorized LIEE costs in gas PPP surcharges, including amortization of balances related to the LIEE program in any accounts.						
c. Public Interest RD&D and State Board of Equalization (BOE) Administrative Fees- report authorized RD&D costs and BOE fees in gas PPP surcharges, including amortization of balances related to these costs in any accounts.						
d. California Alternate Rates for Energy (CARE) Program - report authorized CARE costs in gas PPP surcharges, including CARE administrative expenses, the CARE discount and amortization of balances related to the CARE program in any accounts.						

²¹ SDG&E: Total paid for calendar year 2007.