

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



September 18, 2012

Advice Letter 2390-E

Brian K. Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

**Subject: Revisions to Schedule S, Standby Service and the Special Agreement
for Electric Service, Compliance with Decision 03-04-060**

Dear Mr. Cherry:

Advice Letter 2390-E is effective July 26, 2003.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director
Energy Division

June 16, 2003

Advice 2390-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Revisions to Schedule S - Standby Service, and Special Agreement For Electrical Standby Service

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariffs. The affected tariff sheets are listed on the enclosed Attachment I.¹

Purpose

The primary purpose of this filing is to revise PG&E Electric Schedule S – Standby Service, and Special Agreement for Electrical Standby Service to comply with California Public Utilities Commission (Commission) Decision (D.) 03-04-060. For consistency and administrative ease, this filing also adds language to Schedule S Special Conditions 1 and 2.

Background

The Commission issued D. 03-04-060 in Rulemaking (R.) 99-10-025 on April 17, 2003. This decision ordered PG&E to revise its tariffs to allow combined heat and power applications and renewable resources, as defined in D. 02-10-062, sized 5 megawatts or smaller, installed between May 2001 and December 31, 2004, that meet all other criteria in 353.1, to be served under the same rates as customers with similar load profiles that do not install distributed generation. The decision also ordered PG&E to modify its tariffs to allow ultra-clean resources, as defined in PUC Code 352.2(a), sized 5 MW or smaller, installed between January 1, 2003 and December 31, 2005, that meet all other criteria in 353.1 to be served under the same rates as customers with similar load profiles that do not install distributed generation. The decision ordered the revised tariffs to reflect that eligibility for the rates will automatically continue in effect for additional six-month

¹ PG&E reserves all legal rights to challenge the decisions or statutes under which it has been required to make this advice filing, and nothing in this advice filing constitutes a waiver of such rights. Also, PG&E reserves any additional legal rights to challenge the requirement to make this advice filing by reason of its status as a debtor under Chapter 11 of the Bankruptcy Code, and nothing in this advice filing constitutes a waiver of such rights.

periods in the event that no decision has been adopted to revise rates consistent with the policies adopted in D. 01-07-027, prior to June 1, 2011, or every six months thereafter. Therefore, PG&E is revising Electric Schedule S - Standby Service, and Special Agreement for Electrical Standby Service to reflect the revisions ordered by the Decision.

Additionally, PG&E is proposing to revise Special Conditions 1 and 2 for purposes of consistency and administrative ease.

Special Condition 1. *Reservation Capacity* currently states:

If the customer's standby demand exceeds this contracted capacity in any billing month, that standby demand shall become the new Reservation or Contract Capacity for 36 months, beginning with that month. See Special Condition 7 for the definition of Reservation Capacity for Supplemental Standby Service customers.

PG&E proposes to add in tariff language to clarify that this 36-month Contract Capacity change does not apply to Special Condition 7.

In Special Condition 2 *Reactive Demand Charge* the tariff currently provides a mechanism whereby customers can reduce their reactive demand if corrective measures which result in reducing the customer's reactive demand are instituted. PG&E proposes to maintain this provision but limit this adjustment to once in a twelve-month period.

This filing will not increase any rates or charges, conflict with any schedules or rules, nor cause the withdrawal of service.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **July 7, 2003**, which is 21 days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

IMC Branch Chief – Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Protests also should be sent by e-mail and facsimile to Mr. Jerry Royer, Energy Division, as shown above, and by U.S. mail to Mr. Royer at the above address.

The protest should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company
Attention: Brian Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: RxDd@pge.com

Effective Date

PG&E requests that this advice filing become effective on regular notice, **July 26, 2003**, which is 40 days after the date of filing.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list, and the parties on the service list for R. 99-10-025. Address changes should be directed to Sandra Ciach at (415) 973-7572. Advice letter filings can also be accessed electronically at:

http://www.pge.com/customer_services/business/tariffs/

Vice President - Regulatory Relations

Attachments

cc: R. 99-10-025



SCHEDULE S—STANDBY SERVICE
(Continued)

**SPECIAL
CONDITIONS:**

1. RESERVATION CAPACITY: The Reservation Capacity to be used for billing under the above rates shall be as set forth in the customer's contract for service. For new or revised contracts, the Reservation Capacity shall be determined by the customer. However, if the customer's standby demand exceeds this contracted capacity in any billing month, that standby demand shall become the new Reservation or Contract Capacity for 36 months, beginning with that month except for Special Condition 7. See Special Condition 7 for the definition of Reservation Capacity for Supplemental Standby Service customers.

(T)
(T)

2. REACTIVE DEMAND CHARGE: When the customer's plant (or other source) is operated in parallel with PG&E's system, the customer will design and operate its facilities so that the reactive current requirements of the portion of the customer's load supplied from the customer's plant (or other source) are not supplied at any time from PG&E's system. If the customer places a reactive demand on PG&E's system in any month in excess of 0.1 kilovolt-ampere reactive (kVAR) per kW of Reservation Capacity, then a Reactive Demand Charge will be added to the customer's standby bill, except as specified below for customers operating synchronous generators under net sales contracts. This additional charge will be equal to the largest measured number of kVAR created by the generator during any time of its past operation times the current Reactive Demand Charge. This Reactive Demand Charge will be subsequently applied to the customer's monthly bill until the customer demonstrates to PG&E's satisfaction that adequate correction has been provided. An adjustment to the reactive demand ratchet as a result of the customer's action in reducing the reactive demand shall occur only once in a twelve month period.

(T)
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(T)

For customers operating synchronous generators under net sale contracts, reactive demand in excess of 0.1 kVAR per kW of station generation capability will be used in determining applicability of the Reactive Demand Charge, rather than customer current Reservation Capacity.

3. REDUCED CUSTOMER CHARGE: Standby customers whose Reservation Capacity is less than 500 kW may qualify for a reduced Customer Charge. The following daily Customer Charges apply to customers who own or pay special facilities charges pursuant to Rule 21 for all of the interconnection facilities in place for PG&E to provide service to them:

Small Light and Power	\$0.21684
(Reservation Capacity ≤ 50 kW)	
Medium Light and Power	\$1.85955
(Reservation Capacity > 50 kW and < 500 kW)	
Medium Light and Power	\$1.85955
(Reservation Capacity > 500 kW and < 1000 kW served at primary and secondary voltages)	

(Continued)



SCHEDULE S—STANDBY SERVICE
(Continued)

SPECIAL
CONDITIONS:
(Cont'd.)

- h. Customers receiving the standby exemption shall provide proof to PG&E within 12 months of commencing service, and every 12 months thereafter, that customer has provided the CPUC with the information required by PU Code 353.15.

(N)

Exempt until June 1, 2006:

- a. Is a project that does not operate in a combined heat and power application, or otherwise meet the criteria to qualify for the exemption until June 2011 identified above, which commenced initial operation between May 1, 2001, and September 1, 2002.
- b. Is located within a singly facility.
- c. Is five megawatts or smaller in aggregate capacity.
- d. Serves onsite loads or over-the-fence transactions allowed under Sections 216 and 218.
- e. Is powered by fuel other than diesel.
- f. Complies with emission standards and guidance adopted by the State Air Resources Board pursuant to Sections 41514.9 and 41514.10 of the Health and Safety Code. Prior to the adoption of those standards and guidance, for the purposes of this article, the project shall meet emissions levels equivalent to nine parts per million oxides of nitrogen, or the equivalent standards taking in to account efficiency as determined by the State Air Resources Board, averaged over a three-hour period, or best available control technology for the applicable air district, whichever is lower, except for distributed generation units that displace and therefore significantly reduce emissions from natural gas flares or reinjection compressors as determined by the State Air Resources Control Board. These units shall comply with the best available control technology as determined by the air pollution control district or air quality management district in which they are located.
- g. Must take service on a time-of-use (TOU) schedule in order to receive this exemption until a real-time pricing program, as described in PU Code 353.3, is made available. Once available, customers qualifying for the DER exemption must participate in the real-time program referred to above.
- h. Customers receiving the standby exemption shall provide proof to PG&E within 12 months of commencing service, and every 12 months thereafter, that customer has provided the CPUC with the information required by PU Code 353.15.

A customer which qualifies for the standby exemption above may elect to continue on the standby rates if it believes that the standby rate schedule, as applied to its operations, will result in lower rates than the rate that would apply under the otherwise applicable rate schedule for customers without distributed generation.

(N)

(Continued)



Pacific Gas and Electric Company
San Francisco, California

Canceling

Revised
Revised

Cal. P.U.C. Sheet No.
Cal. P.U.C. Sheet No.

20416-E
19235-E

PACIFIC GAS AND ELECTRIC COMPANY
SPECIAL AGREEMENT FOR
ELECTRICAL STANDBY SERVICE
FORM NO. 79-285 (REV 6/03)
(ATTACHED)

(T)

Advice Letter No. 2390-E
Decision No. 03-04-060

Issued by
Karen A. Tomcala
Vice President
Regulatory Relations

Date Filed June 16, 2003
Effective _____
Resolution No. _____

48769



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