

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



March 19, 2004

Advice Letter ~~2393-E-A, 2393-E-B~~
2393-E-C

Ms Anita Smith, Rate Analyst
Pacific Gas and Electric Company
77 Beale Street, Mail Code 10B
San Francisco, CA 94177

Subject: Tariff revisions to implement the adopted rules for Direct Access switching exemption

Dear Ms Smith:

Advice Letter 2393-E-A, 2393-E-B and 2393-E-C is effective January 8, 2004. A copy of the advice letter is returned herewith for your records.

Sincerely,

A handwritten signature in cursive script that reads "Paul Clanon".

Paul Clanon, Director
Energy Division



**Pacific Gas and
Electric Company**

February 26, 2004

Advice 2393-E-C

(Pacific Gas and Electric Company ID U 39 E)

Subject: Tariff Revisions to Implement the Adopted Rules for DA Direct Access Switching Exemption

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits this supplemental filing for tariff revisions to implement the Commission's adopted guidelines submitted in Advice 2393-E for the Direct Access ("DA") switching exemption. The tariffs in this filing replace and supersede in part the tariffs filed in Advice 2393-E-B, as described below. The affected tariff sheets are listed on Attachment I to this filing.

Purpose

PG&E is filing this supplemental filing to revise the calculation of Schedule TBCC charges as described herein.

Background

In accordance with D. 03-05-034, PG&E filed Advice 2393-E on June 23, 2003, with proposed tariff revisions to implement rules related to DA switching and the tariff changes and accounting and tracking mechanisms necessary to apply requisite charges to the bills of DA customers returning to bundled service. In response to Resolution (R.) E-3843 dated December 4, 2003, PG&E filed supplemental Advice 2393-E-A dated December 11, 2003, which included new rate Schedule TBCC--*Transitional Bundled Commodity Cost--Price Determination*, new Rule 22.1 -- *Direct Access Switching Exemption Switching Rules*, and revised Schedule DA CRS--*Direct Access Cost Responsibility Surcharge*.

On February 5, 2004, PG&E filed Advice 2393-E-B, which replaced and superseded in part the tariffs filed in Advice 2393-E-A, in compliance with D. 04-01-013 dated January 8, 2004, which establishes the California Independent System Operator (CAISO) 10-minute Ex Post incremental ("INC") price as the applicable proxy for Temporary Bundled Service (TBS) provided to DA customers under the "safe harbor" provisions set forth in D. 03-05-034.

Decision 04-01-013 provides for use of the Federal Energy Regulatory Commission (FERC) tariff rate for "Zonal Settlement Interval Ex Post Price" (FERC Order on Proposed Tariff Amendment No. 54) upon formal adoption of the revised rate structure by FERC.

Karen A. Tomcala
Vice President
Regulatory Relations

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Rate Schedule TBCC – Transitional Bundled Commodity Cost

Since the previous DA Switching advice filings were submitted, PG&E has determined to use the final posted California Independent System Operator (CAISO) 10-minute Ex Post incremental ("INC") prices in its Transitional Bundled Commodity Cost (TBCC) calculations. PG&E is therefore revising language in Schedule TBCC to clearly specify the interval of daily price and load profile information included in the calculation of average TBCC prices used to bill DA customers electing Temporary Bundled Service (TBS) under the "safe harbor" provisions set forth in D. 03-05-034.

PG&E is not changing the basic methodology for calculating the rates under Schedule TBCC; only the timing of obtaining the price information. The ISO has the ability to revise the Ex Post prices posted on the ISO website up to 96 hours after the trade day. In some instances, downloading price information prior to the end of the 96-hour period results in missing data or data that is later revised. To allow tracking of all price data back to the ISO website, PG&E decided to wait until the end of the 96-hour period to download what it considers to be the "final posted Ex Post prices".

The tariff revisions submitted in this filing align the description of the average price calculation with use of "final posted Ex Post prices". Specifically, PG&E states the actual days to be included in its weekly average price calculation. PG&E also aligns its application of dynamic load profile data to match all actual load data available with corresponding prices for all days in the averaging interval. (Under former Schedule PX, dynamic load profile data for the final week of the averaging period was not available at the time prices were calculated, so a duplicate of the prior week's loads was used. Now that the price data is available after the 96-hour revision period, PG&E can use actual dynamic load profile data for all weeks of the averaging period.)

Protests

Anyone wishing to protest this filing may do so by sending a letter by **March 17, 2004**, which is 20 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



February 26, 2004

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 K. 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 the Commission approve implementation of Advice 2393-E-A, 2393-E-B and 2393-E-C effective **January 8, 2004**, which is the effective date of D. 04-01-013, subject to the Energy Division determining that this filing complies with that decision and previous decisions and resolutions applicable to Advice 2393-E-A, 2393-E-B, and this 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 service list for Rulemaking 02-01-011. 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/tariffs/>

Karen A. Tomcoda /sr

Vice President - Regulatory Relations

Attachments

cc: Service List - R. 02-01-011

**ATTACHMENT I
ADVICE 2393-E-C**

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal P.U.C. Sheet No.
20988-E	Preliminary Statement Part CP—Energy Resource Recovery Account (ERRA)	19379-E
21175-E	Schedule DA CRS—Direct Access Cost Responsibility	20800-E
21176-E	Schedule DA CRS (Cont'd.)	New
21206-E	Schedule TBCC—Transitional Bundled Commodity Cost	New
21207-E	Schedule TBCC (Cont'd)	New
20993-E	Schedule TBCC (Cont'd)	New
20994-E	Schedule TBCC (Cont'd)	New
20995-E	Schedule TBCC (Cont'd)	New
20996-E	Rule 22.1—Direct Access Service – Switching Exemption Rules	New
20997-E	Rule 22.1 (Cont'd)	New
20998-E	Rule 22.1 (Cont'd)	New
20999-E	Rule 22.1 (Cont'd)	New
21000-E	Rule 22.1 (Cont'd)	New
21001-E	Rule 22.1 (Cont'd)	New
21002-E	Rule 22.1 (Cont'd)	New
21003-E	Rule 22.1 (Cont'd)	New
21179-E	Form 79-1011—Customer Advance Notification Form	New
21180-G	Table of Contents – Forms	20472-E
21004-E	Table of Contents – Rules (Cont'd)	New
21005-E	Table of Contents – Rules	20483-E
21006-E	Table of Contents – Preliminary Statements	19877-E
21208-E	Table of Contents – Rate Schedules	20859-E
21209-E	Table of Contents	21107-E

- **Bold** tariffs are filed in Advice 2393-E-C.
- **Unbold** tariffs were filed in Advice 2393-E-A and 2393-E-B.



SCHEDULE TBCC—TRANSITIONAL BUNDLED COMMODITY COST
(Continued)

CALCULATION
OF TBCC
CHARGES:

1. Calculation of TBCC Charges:

(N)

For purposes of determining TBCC charges, an average for each schedule (or TOU period) is developed through the use of a statistical load profile which represents the average load profile for all customers (both Direct Access and Bundled Service) on a given rate schedule. For Agricultural, Traffic Control, Streetlighting, and Outdoor Lighting rate schedules, the statistical load profiles are "static" and are determined hourly for the entire year based on average historical data for three recorded years. These latter static statistical load profiles are updated each calendar year based on available data for the previous three years. For all remaining rate schedules, the statistical load profile is determined "dynamically," using the most current load research information available. This current data will become available and will be posted approximately seven days from the date of occurrence.

The sum of the products of the: (1) hourly prices, including adjustments, and (2) the hourly loads, divided by the use associated with the statistical load profile (expressed as a fraction of the profile period use allocated to each hour) will yield an average price for a specific customer group and TOU period.

Under static statistical load profiles, the load selected from the statistical load profile will correspond exactly to the date and hour for a given price. When dynamic statistical load profiles are used, the load selected from the statistical load profile will correspond exactly to the date and hour for a given price. Should dynamic load profile data for any days during the last week of the averaging period be unavailable, PG&E will duplicate the dynamic load profile for the same day(s) from the previous week for use in this calculation. These duplicate statistical load profile days will be replaced for the next weekly update by the dynamic load corresponding to the date and hour of the price, which will have become available. In other circumstances where dynamic load profile information is not available, an estimated static profile corresponding to the same date and hour will be substituted.

(N)

The customer's actual usage (by TOU period if service is otherwise taken on a TOU rate schedule) multiplied by the average TBCC price is equal to the TBCC charge.

(Continued)



SCHEDULE TBCC—TRANSITIONAL BUNDLED COMMODITY COST
(Continued)

CALCULATION
OF TBCC
CHARGES:
(Cont'd.)

2. Revisions to Average TBCC Prices

(N)

Average TBCC prices will be calculated on a weekly basis, effective on Thursday and utilized for all billing executed through the following week. In order to take the actual length of the billing period into consideration, prices spanning from 4 to 12 weeks will be calculated. For this purpose, a week is defined to be Saturday through Friday, with the last week in the span ending on the Friday prior to the TBCC price effective date. Billing periods that span 4 or fewer weeks shall use the 4-week average. Billing periods that span 12 or more weeks shall use the 12-week average.

Exception: In some instances at the beginning of the summer billing season, the 30-day record period will include fewer than three summer season billing days. In such cases, price data from up to the last three winter billing season weekdays (those lying closest to the start of the summer billing season) will be used in order to calculate proxy average TBCC prices for those TOU periods that are applicable only to summer season usage. Also, beginning approximately one month after the start of the winter billing season, the 30-day record period may not include enough summer season billing days to calculate average TBCC prices for summer-only TOU periods. In such instances, the last average TBCC prices that have been calculated for the summer-only TOU periods will be retained as proxies, for use as needed with usage information from subsequent record periods.

(N)

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RATE SCHEDULES

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**PG&E Electric Advice Filing List
General Order 96-A, Section III(G)**

ABAG Power Pool
Aglet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alcantar & Elsesser
Anderson Donovan & Poole P.C.
Applied Power Technologies
APS Energy Services Co Inc
Arter & Hadden LLP
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International Power Technology
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JTM, Inc
Kaiser Cement Corp
Korea Elec Power Corp
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
Northern California Power Agency
PG&E National Energy Group
Pinnacle CNG Company
PPL EnergyPlus, LLC
Price, Roy
Product Development Dept
Provost Pritchard
R. M. Hairston & Company
R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonestar
Sacramento Municipal Utility District
SCD Energy Solutions
Seattle City Light
Sempra
Sempra Energy
Sequoia Union HS Dist
SESCO
Sierra Pacific Power Company
Silicon Valley Power
Simpson Paper Company
Smurfit Stone Container Corp
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Sutherland, Asbill & Brennan
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Tansev and Associates
Tecogen, Inc
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Utility Cost Management LLC
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Western Hub Properties, LLC
White & Case
WMA