

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



January 27, 2005

Advice Letter 2605-E

Rose de la Torre
Pacific Gas & Electric
77 Beale Street, Room 1088
Mail Code B10C
San Francisco, CA 94105

Subject: Western power dual supply contracts

Dear Ms de la Torre:

Advice Letter 2605-E is effective January 1, 2005. A copy of the advice letter is returned herewith for your records.

Sincerely,

A handwritten signature in black ink, appearing to read "S. H. Gallagher".

Sean H. Gallagher, Director
Energy Division



Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

Mailing Address
Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

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Internet: BKC7@pge.com

December 30, 2004

**Advice 2605-E
(Pacific Gas and Electric Company ID U 39 E)**

Public Utilities Commission of the State of California

Subject: PG&E's Western Power Dual Supply Contracts

Pursuant to General Order (GO) 96-A, Pacific Gas and Electric Company (PG&E) hereby submits the attached form of *Dual Supply Customer Authorizing Agreement* (Form 79-1024) (Customer Agreement) for California Public Utilities Commission (Commission) review and approval. PG&E requests that the Commission approve this Advice Letter effective January 1, 2005.

Summary

The Customer Agreement is between PG&E and each Dual Supply Customer (defined below) to provide for the sale and delivery of bundled retail electric service to each Dual Supply Customer.

Dual Supply Customers are the limited group of preference customers of the Western Area Power Administration (Western) which received their first power allocation from Western under Western's 2004 Power Marketing Plan for the Sierra Nevada Customer Service Region, published in the Federal Register on Wednesday, July 26, 2000 (2004 Marketing Plan). Such power allocation will start January 1, 2005. The Dual-Supply Customers consist of (1) Coyote Valley Band of Pomo Indians, (2) Placer County Water Agency, (3) Reclamation District 108, and (4) Table Mountain Rancheria.¹

As part of a settlement authorized by the Federal Energy Regulatory Commission (FERC), FERC authorized the dual supply arrangement between PG&E and Western for service to Western and the Dual Supply Customers to start January 1, 2005. See *Pacific Gas and Electric Company*, 109 F.E.R.C. P61,255 (Dec. 3,

¹ Each of these customers has already executed an agreement substantially in the form of the attached contract.

REVISED

2004), Order Accepting Notices Of Cancellation And Rate Schedules, Subject To Compliance. PG&E and Western have entered into agreements, which were approved by FERC, to provide for the delivery of the Western power allocation to the Dual Supply Customers. As a condition for PG&E to provide wholesale distribution service to Western for the delivery of the power allocation to the Dual Supply Customers, each Dual Supply Customer is required to enter into the Customer Agreement with PG&E. The principles for the Customer Agreement were also approved by FERC as part of the settlement. The Customer Agreements implement the remainder of that settlement regarding the sale and delivery of bundled CPUC-jurisdictional retail service provided by PG&E to the Dual Supply Customer. Specifically, the Customer Agreements are required under Appendix A to the Service Agreement for Wholesale Distribution Service between PG&E and Western under PG&E's Wholesale Distribution Tariff. Arrangements for the delivery of the Dual Supply Customer's Western allocation are through agreements between PG&E and Western which have been approved by FERC.

Purpose

PG&E is making this filing to implement the FERC settlement, discussed above, which provides that PG&E is to provide CPUC jurisdictional electric service to specified Points-of-Delivery (PODs) for the portion of the POD's load that exceeds the amount supplied by Western. Moreover, a condition of the FERC settlement regarding the dual supply arrangements requires each Dual Supply Customer to enter into the Customer Agreement as a requirement for PG&E to provide wholesale distribution service to Western for delivery of the Western power allocation.

Summary of Agreement

The Customer Agreement specifies that the rates for the bundled retail service provided under the Customer Agreement to a POD shall be at the retail rates applicable to the Dual Supply Customer under PG&E tariffs or rate schedules filed with the Commission.

The Customer Agreement will become effective on January 1, 2005. It will terminate on the earliest of the date (a) agreed upon by the parties in writing; (b) requested by the Dual Supply Customer; (c) the Dual Supply Customer is eligible for retail Direct Access; or (d) of termination of the wholesale distribution arrangements between PG&E and Western for delivery of the Western power allocation to the Dual Supply Customers.

Each Dual Supply Customer agrees to abide by all determinations of the Commission or other competent tribunal with respect to the Dual Supply Customer's responsibility for departing load charges and will pay all such charges until such time as it may obtain a determination that it is not, or no

longer, subject to such charges. The Customer Agreement does not limit Western or the Dual Supply Customer's right to contest the applicability, nature, scope, amount, or method of determining such charges before any appropriate tribunal or to seek relief before an appropriate regulatory or legislative body.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **January 19, 2005**, 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

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Jerry Royer, Energy Division, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and facsimile to Pacific Gas and Electric Company 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

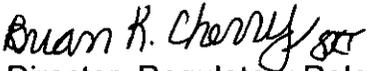
PG&E requests that this advice filing become effective on **January 1, 2005**, which is the first day of service under this agreement.

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. Address changes should be directed to Rose De La Torre

(RxDd@pge.com) at (415) 973-4716. Advice letter filings can also be accessed electronically at:

<http://www.pge.com/tariffs>


Director, Regulatory Relations

Attachments

Form of Customer Agreement [and Exhibits]

APPENDIX A

Dual-Supply Customer
Enabling Agreement for New Base Resource Allottees

APPENDIX A

Dual-Supply Customer Enabling Agreement for New Base Resource Allottees

RECITALS

WHEREAS, PG&E and Western (collectively, the "Parties") have entered into this Dual-Supply Customer Enabling Agreement (the "Enabling Agreement") to provide for the supply of PG&E bundled retail service in addition to the delivery of Western Base Resource (defined below) to the Dual-Supply Customers (defined below).

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. Definitions:

- 1.1. "Base Resource" means power output from the Central Valley Project ("CVP") and Washoe Project as determined by Western to be available for marketing, after (a) meeting the requirements of project use and first preference customers, and (2) any other adjustments required for maintenance, regulation, reserves, transformation losses, and ancillary services.
 - 1.2. "Custom Product" means a combination of products and services which may be made available by Western to supplement a customer's Base Resource allocation.
 - 1.3. "Dual-Supply Customer" means California State University System (11 campuses), Coyote Valley Band of Pomo Indians, Placer County Water Agency, Reclamation District 108, Southern San Joaquin Municipal Utility District, and Table Mountain Rancheria, which receive a new power allocation from the 2005 Resource Pool as set forth in Western's 2004 Power Marketing Plan for the Sierra Nevada Customer Service Region published in the Federal Register on Wednesday, July 26, 2000.
 - 1.4. "Western IA" means that Interconnection Agreement between PG&E and Western dated concurrently with the Western WDT SA.
 - 1.5. "Western WDT SA" means that Wholesale Distribution Tariff Service Agreement between PG&E and Western to which this Agreement is an appendix.
2. PG&E shall deliver a Dual-Supply Customer's allocation of Base Resource power from Western. PG&E has no obligation to deliver Custom Product power, or any other source of power to Dual-Supply Customers, except as described in Section 3 below.

3. All power requirements of Dual-Supply Customers other than those met by the Dual-Supply Customer's Base Resource allocation will be met by PG&E bundled retail service.
4. Each Dual-Supply Customer that wants to receive delivery of Base Resource from Western under this Agreement must enter into and keep in force a Dual-Supply Customer Authorizing Agreement with PG&E that reflects the terms of this Enabling Agreement and includes the terms set forth in Attachment A-1 below.
5. PG&E agrees to arrange for the supply of bundled retail electric service to each Dual-Supply Customer for the portion of their electricity requirements supplied by PG&E and will provide Western with wholesale distribution service under the Western WDT SA for delivery of each Dual-Supply Customer's Base Resource allocation for those Dual-Supply Customers that take delivery from PG&E distribution facilities.
6. All points of delivery for Base Resource of each Dual-Supply Customer must comply with the requirements of Section 10 of the Western WDT SA except for the specific points of delivery listed in Attachment A-2. Under no circumstances shall PG&E be obligated to provide credits for delivery of Base Resource under this Enabling Agreement to a residential point of delivery of a Dual-Supply Customer. Western and PG&E agree to confer in order to develop a methodology for getting full credit for Base Resource deliveries to the Coyote Valley Band of Pomo Indians.
7. PG&E shall serve as the Scheduling Coordinator ("SC") for the Dual-Supply Customers and will include the loads of Dual-Supply Customers in the PG&E retail SC portfolio.
8. Western shall provide PG&E with day-ahead and hour-ahead schedules for the portion of the load supplied by Base Resource in accordance with the deadlines imposed by the California System Operator (CAISO) and at a time sufficient to allow both PG&E and Western to conduct necessary scheduling operations with the CAISO. Initially, this timing will be established at no less than twenty (20) minutes prior to the CAISO's deadline for submission of preferred schedules for the relevant market (i.e. day-ahead and hour-ahead markets). The Parties will perform scheduling for day-ahead and hour-ahead schedules of energy deliveries in the form of inter-SC trades.
9. The Parties agree that the delivery point of all inter-SC trades shall be the NP15 zone. If the current NP15 zonal delivery point is replaced with an alternative load based trading hub, as established by the CAISO or successor organization, then, PG&E and Western shall agree on a new delivery point which is equivalent for delivery to the NP15 delivery zone.

10. All meters in place as of the effective date of this Agreement at the points of delivery of the Dual-Supply Customers listed in the Western IA as of the effective date of this Agreement are deemed to meet the metering requirements of the PG&E Wholesale Distribution Tariff ("WDT") (i.e., new interval meters will not be required at points of delivery of Dual-Supply Customers existing on the effective date of this Agreement).
11. PG&E agrees to develop and provide to Western an hourly load profile, representing the historical usage of the Dual Supply Customer, for each hour of the forecast year for the total aggregate load of the Dual-Supply Customers for use by Western in scheduling. Western will shape the Base Resource to the Dual-Supply Customers, as closely as possible, within the constraints of Base Resource availability, to the hourly load profile as provided. The hourly load profile for each hour of the year will be updated annually, beginning with January 1, 2005; provided however, that upon 30 days written notice to Western, PG&E may modify the hourly load profile. Western agrees to schedule its inter-SC trades to PG&E to follow the shape of such hourly load profile, within the constraints of Base Resource availability, as mutually agreed to by PG&E and Western.
12. Western agrees to provide to PG&E day-ahead and hour-ahead hourly schedules shaped to follow the hourly load profile for a specific day for that portion of the load of the Dual-Supply Customers supplied by Base Resource, such hourly load profile to be broken down by individual Dual-Supply Customer. Western agrees to provide such day-ahead and hour-ahead hourly schedules consistent with the applicable deadlines imposed by the CAISO and with sufficient time to allow both PG&E and Western to conduct necessary scheduling operations with the CAISO.
13. Western agrees to be responsible for all losses associated with Western's inter-SC trades to PG&E, as such trades are accounted for at each point of interconnection for each Dual-Supply Customer covered under the Western IA.
14. Western may choose to provide or not provide operating reserves (spinning and non-spinning), regulation, and any other required ancillary services for the portion of the Dual-Supply Customer load for which it supplies power. PG&E will credit Western for the self-provided services based on the market clearing price published by the CAISO for the service associated with the CAISO market in which they are scheduled (e.g., day-ahead or hour-ahead). To the extent Western does not provide operating reserves (spinning and non-spinning), regulation, and other ancillary services for that portion of the Dual-Supply Customer load for which it supplies power, PG&E will bill Western and Western agrees to pay such bill for applicable CAISO ancillary services charges to such portion of the Dual-Supply Customer load.

15. PG&E will invoice Western for CAISO Transmission Access Charges ("TAC") and WDT charges associated with the delivery of Base Resource to the Dual-Supply Customers. Western agrees to reimburse PG&E for all TAC pursuant to the terms of this Agreement and all WDT charges pursuant to the terms of the Western WDT SA.
16. The CAISO Grid Management Charge ("GMC"), Federal Energy Regulatory Committee ("FERC") fees, and ancillary services charges incurred by the PG&E retail SC, shall be charged to Western based on the rate for the applicable CAISO charge type as specified in the chart attached to this Agreement as Attachment A-3, with certain adjustments agreed upon by the parties. The charges for minimum load, voltage support, emissions cost recovery, start-up cost recovery, unaccounted for energy (UFE), neutrality, and real-time intra-zonal congestion incurred by the PG&E retail SC, shall be allocated to Western based on a monthly load ratio as specified in the chart attached to this Agreement as Attachment A-3.
17. In the event Western believes that the chargeback or allocation methodology for a specific charge type set forth in Attachment A-3 to this Appendix results in an inequitable charge to a Dual-Supply Customer due to specific circumstances occurring at the time, Western shall promptly provide written notice to PG&E with sufficient explanation as to the nature of the inequitable charge and the related circumstances. Upon receipt of the notice, PG&E agrees to review the allocation methodology at issue, to consider whether an adjustment to the methodology may be appropriate for the circumstances specified in the notice, and to discuss potential solutions with Western.
18. In the event Western's deliveries of Base Resource to PG&E in a given month inadvertently exceed the load for the Dual-Supply Customers for that month, Western will not be compensated for the portion of its delivery that exceeds the load for the Dual-Supply Customers.
19. From time to time, the CAISO may add new or modify existing charge types. When this occurs, the Parties shall discuss the possible allocation of these charges for the purposes of this Agreement. The types of charges include, but are not limited to, CAISO administrative charges based on scheduled, metered, or peak loads, FERC fees, ancillary service cost recovery, and other charge types for which the CAISO seeks cost recovery from loads, such as UFE, neutrality, real-time intrazonal congestion, and charges or cost incurred by the CAISO for maintaining reliability (e.g. voltage support, minimum load, or the must-offer obligation, emissions, and start-up costs).

APPENDIX A
ATTACHMENT: A-1

Principles For Dual-Supply Customer Authorizing Agreement

Parties: PG&E and a Dual-Supply Customer under the Western WDT SA.

- Recitals
 - The Dual-Supply Customer has executed an agreement with Western for the purchase of Base Resource to meet some or all of its requirements.
 - The Dual-Supply Customer is eligible for this service under the PG&E-Western Dual-Supply Customer Enabling Agreement and wants to receive power from both Western and PG&E.

- Term
 - The Authorizing Agreement will become effective on the later of the effective date of the Western WDT SA, and the date the Dual-Supply Customer and PG&E execute the Authorizing Agreement.
 - The Authorizing Agreement will terminate on the earliest of: (a) 30-day written notice from the Dual-Supply Customer, which notice must include the designation of the full requirements supplier the Dual-Supply Customer will use upon termination of the Authorizing Agreement (i.e., PG&E or Western); (b) 30-day written notice from the Dual-Supply Customer that it is eligible for retail Direct Access or similar service available to a class of end-users and acknowledgment that such Dual-Supply Customer is switching to such service; and (c) the termination of the PG&E-Western Dual-Supply Customer Enabling Agreement without a successor agreement.

- Power Supply
 - PG&E will sell to the Dual-Supply Customer and the Dual-Supply Customer will purchase from PG&E the amount of electric power equal to the difference in the amount of electric power scheduled by PG&E for the use of the Dual-Supply Customer at its Point(s) of Delivery, minus the amount of Base Resource scheduled for the Dual-Supply Customer's use.

- CPUC Tariffs Applicable
 - The Dual-Supply Customer will pay PG&E monthly for all power supplied by PG&E under the applicable PG&E tariff or rate schedule (e.g., E-20T, E-20P) filed with the California Public Utilities Commission.
 - The Dual-Supply Customer agrees to abide by all determinations by the CPUC or other competent tribunal

with respect to the Dual-Supply Customer's responsibility, if any, for departing load charges, cost responsibility surcharges, or other forms of stranded costs attributable to service under the Western WDT SA. The Dual-Supply Customer agrees that following a determination that it is liable for such charges, it will pay all such charges until such time as it may obtain a determination that it is not or is no longer subject to such charges. Nothing herein shall limit Western's (or any individual Dual-Supply Customer's) right to contest the applicability, nature, scope, amount, or method of determining such charges before any appropriate tribunal, including a reviewing court, or to seek relief from otherwise applicable charges before an appropriate regulatory or legislative body. These charges will be in addition to charges to the Dual-Supply Customer as Western may impose for Base Resource, delivery and other services.

- Metering - Pursuant to the Western IA and the PG&E-Western Dual-Supply Enabling Agreement.
- Point(s) of Delivery - Pursuant to the Western IA and the PG&E-Western Dual-Supply Customer Enabling Agreement.
- Interconnection Voltage - Pursuant to the Western IA.
- Power Factor - Pursuant to the Western IA and CPUC-filed PG&E tariffs.

APPENDIX A
Attachment: A -2

SPECIFIC POINTS OF INTERCONNECTION PER SECTION 6
OF THE DUAL-SUPPLY CUSTOMER ENABLING AGREEMENT
FOR NEW BASE RESOURCE ALLOTTEES

Line #	Points of Interconnection	Delivery Point Voltage to Meter (kV)	WDT Rate Primary or Secondary	Interconnection Capacity (kW)
1	CSU CHICO - 2R0471 **	.480	Secondary	4,882
2	COYOTE VALLEY BAND OF POMO INDIANS - 971J46 **	.480	Secondary	3
3	COYOTE VALLEY BAND OF POMO INDIANS - X90698 **	.480	Secondary	268
4	COYOTE VALLEY BAND OF POMO INDIANS - 307R84 **	.480	Secondary	4
5	COYOTE VALLEY BAND OF POMO INDIANS - 8988T4 **	.480	Secondary	21
6	COYOTE VALLEY BAND OF POMO INDIANS - 891E40 **	.480	Secondary	4
7	COYOTE VALLEY BAND OF POMO INDIANS - K99924 **	.480	Secondary	2
8	COYOTE VALLEY BAND OF POMO INDIANS - 54187T **	.480	Secondary	32
9	COYOTE VALLEY BAND OF POMO INDIANS - 06R336 **	.480	Secondary	8
10	COYOTE VALLEY BAND OF POMO INDIANS - 166084 **	.480	Secondary	5
11	PLACER COUNTY WATER AGENCY - 86R469 **	.480	Secondary	265
12	PLACER COUNTY WATER AGENCY - X64872 **	.480	Secondary	572
13	PLACER COUNTY WATER AGENCY - X46266 **	.480	Secondary	144
14	RECLAMATION DISTRICT 108 - 4335R6 **	.480	Secondary	1,013
15	RECLAMATION DISTRICT 108 - 060R44 **	.480	Secondary	188
16	SOUTHERN SAN JOAQUIN MUNICIPAL UTILITY DISTRICT *	TBD	TBD	TBD
17	TABLE MOUNTAIN RANCHERIA - CASINO - X45916 **	.480	Secondary	3,661
	* - SSJMUD delivery information to be determined			
	** - Load Profiling is eligible to designated Points of Interconnection			

APPENDIX A
Attachment: A -3

CAISO SC-RELATED CHARGES: CHARGEBACK AND ALLOCATION CHART

Charge Categories Rate Based Charges	Method for Chargeback	CT#s	Notes
GMC	Rate for applicable charge types	522, 570, 571, 573	522: 1/2 x Scheduled Delivery Mw x rate 570: Peak Hourly Delivery x rate 571: Monthly Delivery x rate 573: Number of Delivery Schedules x rate (including A/S trades)
FERC Fees	Rate	550	571: Monthly Delivery x rate
Ancillary Services	Rate	111-116*	Monthly Delivery x rate Rate: Total ISO Procurement/Total Control Area Load
Load Ratio Shared Charges			
Minimum Load	Monthly Load Ratio	595	Monthly Delivery Ratio x Total Monthly Charge Amt
Voltage Support	Monthly Load Ratio	1302	Monthly Delivery Ratio x Total Monthly Charge Amt
Emissions cost recovery	Monthly Load Ratio	591	Monthly Delivery Ratio x Total Monthly Charge Amt
Start-up cost recovery	Monthly Load Ratio	592	Monthly Delivery Ratio x Total Monthly Charge Amt
UFE	Monthly Load Ratio	406	Monthly Delivery Ratio x Total Monthly Charge Amt
Neutrality	Monthly Load Ratio	1401, 1210	Monthly Delivery Ratio x Total Monthly Charge Amt
Real-time <i>Intrazonal</i> Congestion	Monthly Load Ratio	1277	Monthly Delivery Ratio x Total Monthly Charge Amt
A/S Credits			
Credit for Self-provided spin	Payment to Western using ISO MCP	Spin, Non-spin	Day ahead or Hour ahead MCP (depending on when trade occurs)

Notes:

1. CT#570 rate may be discounted to 85% of CAISO rate to compensate of non-coincident peak loads for Western occurring at a different time as the portfolio peak.
2. Methodology for Ancillary Services rate encompasses all Ancillary Services CT's, including rational buyer.
3. Monthly load ratio based on Western deliveries divided by total load from CAISO GMC Supporting Report Data.

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
22639-E	Sample Form – Dual Supply Customer Authorizing Agreement (Form 79-1024)	New
22640-E	Table of Contents – Sample Forms (Cont'd)	20509, 20624-E
22641-E	Table of Contents	22446, 18158-E



Pacific Gas and Electric Company
San Francisco, California

Original
Cancelling

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

22639-E

PACIFIC GAS AND ELECTRIC COMPANY
DUAL SUPPLY CUSTOMER AUTHORIZING AGREEMENT
FORM NO. 79-1024 (12/04)
(ATTACHED)

(N)
(N)

Advice Letter No. 2605-E
Decision No.

53671

Issued by
Karen A. Tomcala
Vice President
Regulatory Relations

Date Filed December 30, 2004
Effective _____
Resolution No. _____



**Pacific Gas & Electric Company
Dual Supply Customer Authorizing Agreement**

- | | |
|--|-----------------|
| Distribution: | Reference: |
| <input type="checkbox"/> Customer | (See Exhibit B) |
| <input type="checkbox"/> Division(s) | |
| <input type="checkbox"/> Rates and Tariffs | |
| <input type="checkbox"/> Electric Transmission Rates | |
| <input type="checkbox"/> Electric. Supply | |

This Dual Supply Customer Authorizing Agreement (“Customer Agreement”) is entered into by and between Pacific Gas and Electric Company, a corporation organized and existing under the laws of the state of California (“PG&E”), and _____,

_____, (“the Customer”).

PG&E and the Customer are each sometimes referred to collectively as “the Parties.”

Capitalized terms used but not otherwise defined in this Customer Agreement shall have the meanings defined in the Enabling Agreement (defined below), a copy of which is attached to this Customer Agreement as Exhibit A.

RECITALS

WHEREAS, PG&E and the United States of America, acting by and through the Administrator, Western Area Power Administration, Department of Energy (“Western”) have entered into the Dual-Supply Customer Enabling Agreement for New Base Resource Allottees (“Enabling Agreement”) to provide for the delivery of Western Base Resource and the supply of PG&E bundled retail service to Dual-Supply Customers such as the Customer; and

WHEREAS, by entering into this Customer Agreement, the Customer verifies that it has executed one or more contracts with Western for the purchase of Base Resource to meet some of the Customer’s electric power requirements; and

WHEREAS, the Customer qualifies for the services provided by this Customer Agreement under the Enabling Agreement and desires to receive power from both Western and PG&E.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. Term.

1.1. This Customer Agreement will become effective on the later of: (a) the effective date of the Service Agreement between PG&E and Western under the PG&E Wholesale Distribution Tariff, dated October 21, 2004 (“Western WDT SA), or (b) the date the Customer and PG&E execute this Customer Agreement.

1.2. This Customer Agreement will terminate on the earliest of: (a) the date agreed upon by the Parties in writing; (b) 30 days from receipt of written notice from the Customer requesting termination, which notice must include the designation of the full requirements supplier the Customer will use upon termination of this Customer Agreement; (c) 30 days from receipt of written notice from the Customer that it is eligible for retail Direct Access or similar retail service and acknowledgement that such Customer is switching to such service; or (d) the termination of the Enabling Agreement without a successor agreement.

2. Power Supply.

2.1. PG&E agrees to sell and deliver to the Customer, and the Customer agrees to purchase from PG&E the hourly amount of electric power equal to the difference between (a) the amount of electric power delivered by PG&E for the use of the Customer at its Point(s) of Delivery (stated in Exhibit B, attached) minus (b) the amount of Base Resource scheduled for the use of the Customer.

2.2. "Point(s) of Delivery" shall mean the Customer's point or points of delivery for Base Resource which satisfy the requirements of the Western WDT SA at Section 10 or are exceptions pursuant to Section 6 of the Enabling Agreement. A list of the Customer's Point(s) of Delivery is attached as Exhibit B to this Customer Agreement.

3. CPUC Tariffs Applicable. The Customer agrees to pay PG&E monthly for all power supplied by PG&E under the applicable PG&E tariff or rate schedule filed with the California Public Utilities Commission ("CPUC").
4. Departing Load Charges. The Customer agrees to abide by all determinations of the CPUC or other competent tribunal with respect to the Customer's responsibility, if any, for departing load charges, cost responsibility surcharges, or other forms of stranded costs attributable to service under Base Resource contracts with Western. The Customer agrees that following such a determination that it is liable for such charges, it will pay all such charges until such time as it may obtain a determination that it is not, or is no longer, subject to such charges. Nothing herein shall limit Western's or the Customer's right to contest the applicability, nature, scope, amount, or method of determining such charges before any appropriate tribunal, including a reviewing court, or to seek relief from otherwise applicable charges before an appropriate regulatory or legislative body. These charges will be in addition to charges to the Customer as Western may impose for Base Resource, delivery, and other service.
5. Metering requirements shall be pursuant to the PG&E -Western Interconnection Agreement, dated October 21, 2004 ("Western IA") and the Enabling Agreement unless: (a) more stringent metering requirements applicable to similarly situated entities are imposed by the CPUC or other competent tribunal, or (b) more stringent metering requirements are necessary to bill a Point(s) of Delivery under the applicable CPUC tariff.

6. Interconnection voltage at the Point(s) of Delivery shall be pursuant to the Western IA.
7. Power Factor shall be pursuant to the Western IA and CPUC-filed PG&E tariffs.
8. Additional Provisions.

8.1. **Amendment.** Any amendment or modification to this Customer Agreement must be in writing and signed by the Parties. Effectiveness of any amendment or modification shall be subject to any required regulatory authorization.

8.2. **Entire Agreement.** This Customer Agreement, including its appendices, constitute the complete and exclusive statement of the terms of the Parties' agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, and communications that may have been made in connection with the subject matter of this Customer Agreement. No representation, covenant, or other matter, oral or written, which is not expressly set forth, incorporated, or referenced in this Customer Agreement, except for applicable laws and regulations, shall be a part of, modify, or affect this Customer Agreement.

8.3. **No Third Party Rights or Obligation.** No right or obligation contained in this Customer Agreement shall be applied or used for the benefit of any person or entity not a party to this Customer Agreement.

8.4. **Successor In Interest.** Every successor in interest to the rights, title, interest, or use of any party shall be bound by all terms, and conditions of this Customer Agreement as if such successor in interest had duly executed this Customer Agreement.

8.5. **Governing Law.** This Customer Agreement is made and entered into in the State of California and its performance and enforcement shall be determined in accordance with California law.

8.6. **Authority To Execute Agreement; Counterparts.** Each undersigned representative of a party warrants that he or she has all required authority to execute this Customer Agreement on behalf of the party represented. This Customer Agreement may be executed in counterparts, each of which shall be regarded as an original.

8.7. **CPUC.** This contract shall at all times be subject to such changes or modifications by the Public Utilities Commission of the State of California as said Commission may, from time to time, direct in the exercise of its jurisdiction.

IN WITNESS WHEREOF, the Parties have caused this Customer Agreement to be executed by their respective authorized officials.

Pacific Gas and Electric Company

By: _____

Name: _____

Title: _____

Date: _____

Customer Name

By: _____

Name: _____

Title: _____

Date: _____

**EXHIBIT A:
ENABLING AGREEMENT**

**EXHIBIT B:
POINT(S) OF DELIVERY**

Point of Delivery	Voltage to Meter (kV)	Interconnection Capacity (kW)



TABLE OF CONTENTS—SAMPLE FORMS
(Continued)

FORM NO.	DATE SHOWN ON FORM	AGREEMENT/CONTRACT TITLE	CPUC SHEET NO.
MISCELLANEOUS			
62-0562	11/97	Gas and Electric Facilities Transfer Agreement	14806-E
62-0579	6/02	Construction Change Order	18931-E
62-4501		Absolving Service Agreement	3190-E
62-4527	1/91	Agreement to Perform Tariff Schedule Related Work	11598-E
62-4778	12/89	Cancellation of Contract	11047-E
--		Electric Service Contract—Central Camp, Madera County, CA	3157-E
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Advice Letter No. 2605-E
Decision No.

Issued by
Karen A. Tomcala
Vice President
Regulatory Relations

Date Filed December 30, 2004
Effective _____
Resolution No. _____

**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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CA Water Service Group
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California Farm Bureau Federation
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CPUC
Creative Technology
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Department of the Army
Department of Water & Power City
Dept of the Air Force
DGS Natural Gas Services
DMM Customer Services
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Dutcher, John
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Future Resources Associates, Inc
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House, Lon
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Integrated Utility Consulting Group
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J. R. Wood, Inc
JTM, Inc
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Marcus, David
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Maynor, Donald H.
McKenzie & Assoc
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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
PITCO
PPL EnergyPlus, LLC
Praxair, Inc.
Price, Roy
Product Development Dept
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
Southern California Edison
SPURR
St. Paul Assoc
Stanford University
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tansev and Associates
Tecogen, Inc
TFS Energy
TJ Cross Engineers
Transwestern Pipeline Co
Turlock Irrigation District
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
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