

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



December 31, 2008

**Advice Letter 3364-E**

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

**Subject: Revisions to Electric Rate Schedule S (Standby Service)  
Pursuant to D.07-09-004**

Dear Mr. Cherry:

Advice Letter 3364-E is effective January 1, 2009.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Lewis".

Kenneth Lewis, Acting Director  
Energy Division



**Brian K. Cherry**  
Vice President  
Regulatory Relations

77 Beale Street, Room 1087  
San Francisco, CA 94105

*Mailing Address*  
Mail Code B10C  
Pacific Gas and Electric Company  
P.O. Box 770000  
San Francisco, CA 94177  
Fax: 415.973.7226

November 24, 2008

**Advice 3364-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Revisions to Electric Rate Schedule S (Standby Service)  
Pursuant to Decision 07-09-004**

Pacific Gas and Electric Company (PG&E) hereby submits revisions for Electric Rate Schedule S as adopted by Decision (D) 07-09-004. The affected tariff sheets are listed on the enclosed Attachment I.

**Purpose**

This filing submits the final changes to Schedule S as adopted by and in compliance with D.07-09-004, PG&E's 2007 General Rate Chase, Phase 2.

**Background**

In D.07-09-004 the Commission adopted, among other things, a Settlement Agreement on Medium and Large Light and Power Rate Design Issues which included changes to the terms and conditions of standby service. In general, these conditions relate to how standby contract demand levels are established, how reactive demand charges are administered and billed under Schedule S, and the applicable reactive demand charge rate. Exhibit B to that Settlement included the Pro Forma Tariff Language for Schedule S.

Implementation of this initiative was deferred because these standby changes required employee training and/or changes to PG&E systems beyond a normal change to a rate value. PG&E now proposes to implement this change to standby service on January 1, 2009, and proposes the necessary tariff changes in this advice letter.

**Tariff Revisions**

The required tariff changes are enclosed in Attachment 1 and are the same as those provided as pro forma tariffs in Exhibit B of the Settlement Agreement on Medium and Large Light and Power Rate Design Issues adopted by the Commission in D.07-09-004.

**Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than **December 24, 2008**, which is 20 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division  
Tariff Files, Room 4005  
DMS Branch  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

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

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

**Effective Date**

PG&E requests that this advice filing become effective on January 1, 2009.

**Notice**

In accordance with General Order 96-B, Section IV, 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 A.06-03-005. Address changes to the General Order 96-B service list should be directed to Rose de la Torre at (415) 973-4716. Send all electronic approvals to [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>

Vice President, Regulatory Relations

Attachments

cc: Service List for A.06-03-005

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Daren Chan

Phone #: (415) 973-5361

E-mail: D1CT@pge.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **3364-E**

**Tier: 2**

Subject of AL: Revisions to Electric Rate Schedule S (Standby Service) Pursuant to Decision 07-09-004

Keywords (choose from CPUC listing): GRC Phase 2 – Electric Tariffs, Compliance

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.07-09-004

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Resolution Required?  Yes  No

Requested effective date: **January 1, 2009**

No. of tariff sheets: 13

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Electric Rate Schedule S

Service affected and changes proposed: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**CPUC, Energy Division**

**Tariff Files, Room 4005**

**DMS Branch**

**505 Van Ness Ave., San Francisco, CA 94102**

**jinj@cpuc.ca.gov and mas@cpuc.ca.gov**

**Pacific Gas and Electric Company**

**Attn: Brian K. Cherry, Vice President, Regulatory Relations**

**77 Beale Street, Mail Code B10C**

**P.O. Box 770000**

**San Francisco, CA 94177**

**E-mail: PGETariffs@pge.com**

**ATTACHMENT 1  
Advice 3364-E**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
27838-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 2	21425-E
27839-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 3	27737-E
27840-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 8	26996-E*
27841-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 9	26996-E*
27842-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 10	26996-E*
27843-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 11	26116-E
27844-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 12	26117-E**
27845-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 13	26118-E
27846-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 14	26999-E*
27847-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 15	27000-E*
27848-E	ELECTRIC SCHEDULE S STANDBY SERVICE Sheet 16	27442-E
27849-E	ELECTRIC TABLE OF CONTENTS Sheet 1	27812-E

**ATTACHMENT 1  
Advice 3364-E**

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

**Title of Sheet**

**Cancelling Cal  
P.U.C. Sheet No.**

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27850-E

ELECTRIC TABLE OF CONTENTS  
RATE SCHEDULES  
Sheet 4

27757-E





**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 3

RATES:  
 (Cont'd.)

	<b>TOTAL RATES</b>			
	Secondary Voltage	Primary Voltage	Transmission Voltage	
Total Maximum Reactive Demand Charge (\$ per kVAR)	\$0.35	\$0.35	\$0.35	(l)
<u>Total Reservation Charge Rate (\$/kW)</u>				
Reservation Charge	\$2.29	\$2.27	\$0.73	
<u>Total Energy Rates (\$ per kWh)</u>				
Peak Summer	\$0.27442	\$0.27255	\$0.11130	
Part-Peak Summer	\$0.17012	\$0.17045	\$0.09542	
Off-Peak Summer	\$0.12962	\$0.13067	\$0.08596	
Part-Peak Winter	\$0.15138	\$0.15035	\$0.08968	
Off-Peak Winter	\$0.12681	\$0.12786	\$0.08312	
Power Factor Adjustment Rate (\$/kWh/%)	\$0.00005	\$0.00005	\$0.00005	

Total bundled service charges shown on customers' bills are unbundled according to the component rates shown below

**UNBUNDLING OF TOTAL RATES**

	Secondary Voltage	Primary Voltage	Transmission Voltage
<u>Reservation Charges Rate by Components (\$/kW)</u>			
<b>Generation</b>	\$0.23	\$0.20	\$0.20
<b>Distribution</b>	\$1.71	\$1.72	\$0.18
<b>Transmission*</b>	\$0.38	\$0.38	\$0.38
<b>Reliability Services*</b>	(\$0.03)	(\$0.03)	(\$0.03)
<u>Energy Rate by Components (\$ per kWh)</u>			
<b>Generation:</b>			
Peak Summer	\$0.10284	\$0.10056	\$0.08014
Part-Peak Summer	\$0.08090	\$0.08057	\$0.06426
Off-Peak Summer	\$0.06785	\$0.06816	\$0.05480
Part-Peak Winter	\$0.07473	\$0.07300	\$0.05852
Off-Peak Winter	\$0.06428	\$0.06458	\$0.05196
<b>Distribution:</b>			
Peak Summer	\$0.13726	\$0.13684	\$0.00000
Part-Peak Summer	\$0.05490	\$0.05473	\$0.00000
Off-Peak Summer	\$0.02745	\$0.02736	\$0.00000
Part-Peak Winter	\$0.04233	\$0.04220	\$0.00000
Off-Peak Winter	\$0.02821	\$0.02813	\$0.00000
<b>Transmission* (all usage)</b>	\$0.01340	\$0.01340	\$0.01340
<b>Transmission Rate Adjustments* (all usage)</b>	\$0.00008	\$0.00008	\$0.00008
<b>Reliability Services* (all usage)</b>	(\$0.00101)	(\$0.00101)	(\$0.00101)
<b>Public Purpose Programs (all usage)</b>	\$0.01284	\$0.01367	\$0.00968
<b>Nuclear Decommissioning (all usage)</b>	\$0.00027	\$0.00027	\$0.00027
<b>Competition Transition Charges</b>	\$0.00079	\$0.00079	\$0.00079
<b>Energy Cost Recovery Amount (all usage)</b>	\$0.00318	\$0.00318	\$0.00318
<b>DWR Bond (all usage)</b>	\$0.00477	\$0.00477	\$0.00477

\* Transmission, Transmission Rate Adjustments, and Reliability Service charges are combined for presentation on customer bills.

(Continued)



**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 8

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 as amended consistent with this Special Condition 1. For new or revised contracts, the Reservation Capacity shall be set as initially determined by the customer, except that during the first 12-month period following the date of initial specification, PG&E may review the specified Reservation Capacity on a monthly basis and make adjustments as warranted (consistent with the criteria specified below). Thereafter, PG&E may perform an annual review of the most recent 12 months of actual customer operation and make prospective adjustments to the Reservation Capacity as warranted and consistent with customer's historic operations. Any such adjusted Reservation Capacity shall be effective for a minimum of 12 months unless a documented material change of operation is provided to PG&E by the customer. The customer may provide PG&E with documentation of such material changes in operations as might call for an adjusted Reservation Capacity at any time. Upon receipt and review of such documentation, PG&E shall revise the Reservation Capacity effective for the billing period immediately following receipt of the documentation.

(N)

For purposes of the subsequent annual contract reviews and any resulting adjustment to the Reservation Capacity, the following criteria shall apply:

- a) For those customers who operate sufficient non-utility generating capacity so as to ordinarily satisfy all of the electric energy requirements at their site and so do not ordinarily require any service through facilities owned by PG&E, the Reservation Capacity shall not be any greater than the customer's hourly peak demand established during the most recent 12 months of actual customer operation;
- b) For customers with electric loads that exceed the capability of their non-utility generation so as to require the regular provision of supplemental power service through facilities owned by PG&E, the Reservation Capacity determination shall consider the number and size of the customer's non-utility generating unit(s), the outage diversity of the non-utility generating units serving the customer's load and any reduction of customer load commensurate with non-utility generator capacity outages; and

For customers taking Extended Outage Service under Special Condition 9 to this tariff, the Reservation Capacity recorded during the period of Extended Outage Service shall be considered only for purposes of billing the customer for Extended Outage Service, and shall not be considered in PG&E's determination of the customer's Reservation Capacity for purposes of other standby service taken under this tariff outside of Extended Outage Service periods. See Special Condition 7 of this tariff for the definition of Reservation Capacity for Supplemental Standby Service customers.

(N)

(L)

(Continued)



**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 9

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

2. REACTIVE DEMAND CHARGE: When the customer's non-utility generation equipment is operated in parallel with PG&E's system, the customer will design and attempt to operate its facilities in such a way that the reactive current requirements of that portion of the customer's load which ordinarily is supplied from the customer's generation is not supplied at any time from PG&E's system. If the customer does place a reactive demand on PG&E's system in any month, the customer's monthly bill will be adjusted as follows:
- a) A monthly Reactive Demand Charge power factor is computed from the ratio of lagging maximum reactive kilovolt-amperes consumed in the month to the Reservation Capacity kilowatts. This power factor is rounded to the nearest whole percent.
  - b) If the calculated monthly Reactive Demand Charge power factor is below 95 percent, the total monthly bill will be increased by the product of the maximum reactive kilovolt-amperes consumed in the month and the Reactive Demand Charge rate.

Those customers operating synchronous generators who are otherwise obligated to comply with PG&E switching center voltage orders are exempt from the Reactive Demand Charge, provided that customer is in compliance with all valid PG&E switching center voltage orders. Those customers operating synchronous generators who are not otherwise obligated to comply with PG&E switching center voltage orders may elect to comply with voltage orders on a voluntary basis and thereby receive the same exemption from the Reactive Demand Charge as is received by customers subject to mandatory voltage order obligations.

A customer who is operating under PG&E switching center voltage orders will become exempt from the Reactive Demand Charge after providing PG&E with the following written information:

- a) Notification requesting an exemption including the name, address, and telephone number of the party requesting the exemption;
- b) The location, telephone number, electronic mail address and Fax number of the entity to which PG&E switching center orders are to be transmitted; and
- c) The generator equipment limits for operating voltages and plus and minus VARs.

(L)

(N)

(N)

(L)

(Continued)



**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 10

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

2. REACTIVE DEMAND CHARGE (Cont'd)

(N)

Customers operating synchronous generators subject to exemption from paying the Reactive Demand Charge must comply with valid PG&E switching center voltage orders, as defined below for the purposes of this Special Condition 2. Upon request, the customer shall provide PG&E with written documentation sufficient to confirm customer's compliance with valid PG&E switching center voltage orders. Failure of the customer to comply with a valid PG&E switching center voltage order shall result in the following actions by PG&E:

- a) On the initial noncompliance occurrence or an occurrence of noncompliance following the imposition of a penalty, PG&E will provide to the customer in writing, through U.S. or electronic mail, the date and nature of the noncompliance and notice that another failure to comply within the next 12 months will result in assessment of a penalty.
- b) On any second or further event of noncompliance within 12 months of the prior noncompliance occurrence, a penalty will be billed to the account, equal to the lesser of the number of months since the last noncompliance penalty and the number 12, multiplied by the highest created Reactive Demand in the most recent noncompliance period, multiplied by the current Reactive Demand Charge rate.
- c) Customer eligibility for the exemption shall not be interrupted after a subsequent noncompliance occurrence (after a prior warning has been issued). However, a penalty for noncompliance as described here will be billed to the account.

A valid PG&E switching center voltage order shall specify the requested operating voltage, as measured at the customer's generator terminals (or some other mutually agreeable metering location), and shall request operation of the customer's generator within a power factor range that is no stricter than: (1) the customer's power factor range obligation as specified in a contractual agreement (if any); (2) the minimum power factor range specified by the applicable CAISO tariff; or (3) the customer specified generator equipment limits.

Notwithstanding any other provision of this Special Condition 2, a valid PG&E switching center voltage order request shall ordinarily allow operation of the customer's generator within a power factor range that does not require the generator to reduce its MW output in order to comply with such request, with exceptions only to occur on an emergency basis, such as an unexpected loss of a major transmission line or large generation facility, or under extreme weather and/or system peak load conditions. No such exceptional voltage order request need be treated as valid if compliance with such a request would conflict with any protections that might be afforded to the customer's load in those instances where a valid Essential Use Customer designation applies to the load at the site.

(N)

(L)

(Continued)



**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 11

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

3. **REDUCED CUSTOMER CHARGE:** Standby customers may qualify for a reduced Customer Charge. The following daily Customer Charges apply to customers who pay special facilities charges pursuant to Rule 21 for all of the interconnection facilities in place for PG&E to provide service to them: (L)
- |  |            |
|--|------------|
| Small Light and Power<br>(Reservation Capacity ≤ 50 kW)  | \$0.39097  |
| Medium Light and Power<br>(Reservation Capacity > 50 kW and < 500 kW)  | \$1.88320  |
| Medium and Large Light and Power<br>(Reservation Capacity > 500 kW and < 1000 kW served at transmission voltage and Reservation Capacity ≥ 1,000 kW served at transmission or primary voltage) | \$27.95893 |
4. **PARALLEL OPERATION:** Any customer may operate its generating plant in parallel with PG&E's system if the customer's plant is constructed and operated in accordance with Rule 21. However, a customer who operates its plant in parallel must assume responsibility for protecting PG&E and other parties from damage resulting from negligent operation of the customer's facilities. Customers may be required to meet requirements imposed by other governing entities having jurisdiction over PG&E's transmission lines including the ISO and the Western Systems Coordinating Council. The customer shall provide, own, install, and maintain all facilities necessary to accommodate any metering equipment specified by PG&E. Meters shall not allow reverse registration except as allowed under PG&E's net energy metering schedules.
5. **CONTRACT:** This schedule is applicable only on a one-year contract Form No. 79-285). Once the initial one-year term is over, the contract will automatically continue in effect for successive terms of one year each until it is cancelled. Either party may cancel the contract by giving written notice not less than 30 days prior to the end of the current term. If the customer at any time increases the capacity of a load connected to its plant (or other source), the customer shall promptly notify PG&E. Any revision to the Reservation Capacity shall then be redetermined to be applicable beginning in the month in which such increase occurs.
6. **LIMITATION ON RESERVATION CAPACITY SERVED:** Standby service to new or increased loads is limited to PG&E's ability to serve such loads without jeopardizing service to existing customers on rate schedules for firm service, including standby service. If standby service to any load or combination of loads is refused by PG&E, PG&E shall notify the California Public Utilities Commission (Commission) in writing. Standby service will require a special contract which shall be subject to approval of the Commission in the following cases:
- a. Reservation Capacity exceeds 100,000 kW per account;
  - b. The combined Reservation Capacity for two or more customers whose other power source is a single, nonutility plant, exceeds 100,000 kW; and
  - c. The service is of an unusual character, as determined by PG&E.

(Continued)

Advice Letter No: 3364-E  
 Decision No. 07-09-004

Issued by  
**Brian K. Cherry**  
 Vice President  
 Regulatory Relations

Date Filed November 24, 2008  
 Effective January 1, 2009  
 Resolution No. \_\_\_\_\_



**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 12

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

7. SUPPLEMENTAL STANDBY SERVICE (BACKUP REQUIREMENTS): (L)
- a. Schedule E-19, Schedule E-20 and Schedule E-37 customers whose nonutility source of generation does not regularly supply all the power necessary at their premises may elect to receive the back-up portion of their total service requirement under Schedule S if: (1) the rated capacity of the customer's on-site generator less the capacity of all generating units qualifying for any of PG&E's net energy metering schedules is at least 50 percent of the customer's maximum kW demand; and (2) load profile recorders are installed to separately meter the net on-site generation and the on-site load. If the customer elects instead to receive all of their service under Schedule E-19 or E-20, however, Special Conditions 1 through 6 of this Schedule will apply to the back-up portion of their load, with a Reservation capacity as determined by the net capacity of the on-site generation.
  - b. Supplemental standby service requires the installation of a load profile recorder. PG&E will install load profile recorders, subject to meter availability. The customer shall provide, install, own, and maintain all facilities necessary to accommodate metering equipment specified by PG&E. An additional charge applies for Supplemental Standby Service. A Supplemental Standby Service Meter Charge will be added to the standby customer's bill in addition to the TOU Energy Charges for back-up requirements, specified in the Rates Section. Supplemental standby service customers will also pay the appropriate rate Schedule E-19 or E-20 charges, including the Customer Charge, for their supplemental power use.

(Continued)

Advice Letter No: 3364-E  
 Decision No. 07-09-004

Issued by  
**Brian K. Cherry**  
 Vice President  
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Date Filed November 24, 2008  
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**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 13

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

7. SUPPLEMENTAL STANDBY SERVICE (BACKUP REQUIREMENTS): (Cont'd.) (L)

c. Back-up requirements are the portion of the customer's maximum demand and energy usage in any billing month caused by the nonoperation of the customer's alternative source of power. The customer's Reservation Capacity shall be determined by the net capacity of the customer's on-site generation less the capacity of all generating units qualifying for and taking service under any of PG&E's net metering schedules, calculated as the average gross continuous full load capability of the generator during the hours between 10:00 a.m. and 8:00 p.m. of the winter part-peak period, less all auxiliary loads. During the winter season, supplemental loads are any on-site loads in excess of the Reservation Capacity.

During the summer season, supplemental loads are any on-site loads in excess of the Reservation Capacity, minus the customer's Summer Season Operating Capacity Adjustment. The customer's Summer Season Operating Capacity Adjustment shall be calculated as the difference between the average gross continuous full load capability during the hours between 10:00 a.m. and 8:00 p.m. of the winter part-peak period and the average gross continuous full load capability during the same hours of the summer season. The customer's Reservation Capacity and Summer Season Operating Capacity Adjustment are both subject to annual revision based upon review of recorded operating data for the customer's generation. Back-up requirements will be billed under Schedule S, while supplemental loads will be billed under the provisions of the customer's otherwise applicable rate schedule.

The customer's metered reactive power usage will be prorated for the purpose of assigning such usage separately to the customer's bills for backup power and for supplemental power. In particular, a single Power Factor Adjustment (as specified under Special Condition 8) will be calculated based on the ratio of all kWh and kVAh used, and then applied separately to the customer's bills for backup and supplemental power. The Reactive Demand Charge (see Special Condition 2) will be calculated by multiplying the customer's maximum measured reactive demand by the ratio of the current Reservation Capacity and the customer's maximum total kW of backup and supplemental load.

(Continued)

Advice Letter No: 3364-E  
 Decision No. 07-09-004

Issued by  
**Brian K. Cherry**  
 Vice President  
 Regulatory Relations

Date Filed November 24, 2008  
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 Resolution No. \_\_\_\_\_



**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 14

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

8. **POWER FACTOR ADJUSTMENT:** When the customer's Reservation Capacity is greater than 500 kW, the bill will be adjusted based on the power factor. The power factor is derived from the ratio of kWh to kVAh consumed in the month. Power factors are averaged and rounded to the nearest whole percent. (L)

The rates in this rate schedule are based on a power factor of 85 percent. If the average power factor is greater than 85 percent, the total monthly bill will be reduced by the product of the power factor adjustment rate and the kilowatt-hour usage for each percentage point above 85 percent. If the average power factor is less than 85 percent, the total monthly bill will be increased by the product of the power factor adjustment rate and the kilowatt-hour usage for each percentage point below 85 percent.

The power factor adjustment will be assigned to distribution for billing purposes.

The customer shall pay only the greater of the power factor adjustment and the reactive demand charge.

Generators for which ISO standards apply must also meet power factor requirements specified in the ISO tariff.

9. **EXTENDED OUTAGES:** If a customer's generation equipment or alternative supply source is subject to an extended outage, and this outage is expected to persist for at least one complete regular billing cycle, the customer may request alternate billing under the terms of that otherwise-applicable, demand-metered regular service tariff indicated by the customer's current reservation capacity, by providing formal written notification to PG&E. Billing under the indicated otherwise-applicable schedule would begin with the customer's first regular meter read date after the beginning of the outage. After PG&E is notified that the generation equipment has been returned to service, billing under Schedule S will resume as of the last regular meter read date that has preceded resolution of the outage. In the interim, reservation charges as specified under Section 1 of this tariff would continue to apply to the customer's bill, in addition to all charges from the indicated otherwise-applicable tariff.

(Continued)



**ELECTRIC SCHEDULE S  
 STANDBY SERVICE**

Sheet 15

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

10. **NON-TIME-OF-USE METERING:** In those cases where PG&E deems it is not cost-effective to install a time-of-use (TOU) meter, PG&E will estimate the customer's kWh usage for each TOU period, and apply all TOU charges to the estimated kWh usage by TOU period. PG&E will estimate the customer's total kWh usage in the billing period to kWh usage within each TOU period based on a percentage breakdown using the ratio of the number of hours in each TOU period to total hours in the billing period. (L)
11. **DISTRIBUTED ENERGY RESOURCES EXEMPTION:** Public Utilities (PU) Code Sections 353.1 and 353.3, provide for certain exemptions of standby reservation charges for qualifying "distributed energy resources." See Electric Rule 1 for definition of Distributed Energy Resources. Customers qualifying for an exemption from standby charges under PU Code Sections 353.1 and 353.3, as described above, must take service on a TOU schedule in order to receive this exemption until a real-time pricing program, as described in PU Code Section 353.3, is made available. Once available, customers qualifying for the distributed energy resources exemption must participate in the real-time program referred to above. Qualification for and receipt of this distributed energy resources exemption does not exempt the customer from metering charges applicable to TOU and real-time pricing, or exempt the customer from reasonable interconnection charges, non-bypassable charges as required in Preliminary Statement BB - *Competition Transition Charge Responsibility for All Customers and CTC Procurement*, or obligations determined by the Commission to result from participation in the purchase of power through the California Department of Water Resources, as provided in PU Code Section 353.7.
12. **MULTIPLE TECHNOLOGIES:** Customers with generating facilities that are comprised of multiple generating units that apply different technologies, and with at least one generating unit that qualifies for a PG&E net energy metering tariff, and where all of the generating units are served through the same Point of Common Coupling as defined in PG&E's Rule 21, may be eligible for standby exemption for a portion of their standby requirement. Such exemption will be granted only for the duration allowed by the applicable tariff schedule and in accordance with the California Public Utilities Code. The customer will be billed under its otherwise-applicable rate schedule, and Special Conditions 1 through 7 of this Schedule S will not apply to the eligible generating portion qualifying for standby exemption. For the generating portion not qualifying for standby exemption, Special Conditions 1 through 7 of Schedule S will apply. The Standby reservation capacity will be set at a level not to exceed the nominal rated capacity of the non-eligible generating unit(s). Qualification for and receipt of this exemption does not exempt customers with multiple technologies from metering charges applicable to TOU and real-time pricing, or exempt the customer from reasonable interconnection charges, non-bypassable charges and other applicable tariff obligations.

(Continued)

Advice Letter No: 3364-E  
 Decision No. 07-09-004

Issued by  
**Brian K. Cherry**  
 Vice President  
 Regulatory Relations

Date Filed November 24, 2008  
 Effective January 1, 2009  
 Resolution No. \_\_\_\_\_



**ELECTRIC SCHEDULE S**  
**STANDBY SERVICE**

Sheet 16

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

13. BILLING: A customer's bill is calculated based on the option applicable to the customer. (L)

**Bundled Service Customers** receive supply and delivery service solely from PG&E. The customer's bill is based on the Total Rates and Conditions set forth in this schedule.

**Transitional Bundled Service Customers** take transitional bundled service as prescribed in Rules 22.1 and 23.1, or take bundled service prior to the end of the six (6) month advance notice period required to elect bundled portfolio service as prescribed in Rules 22.1 and 23.1. These customers shall pay charges for transmission, transmission rate adjustments, reliability services, distribution, nuclear decommissioning, public purpose programs, the FTA (where applicable), the RRBMA (where applicable), the applicable Cost Responsibility Surcharge (CRS) pursuant to Schedule DA CRS or Schedule CCA CRS, and short-term commodity prices as set forth in Schedule TBCC.

**Direct Access (DA) and Community Choice Aggregation (CCA) Customers** purchase energy from their non-utility provider and continue receiving delivery services from PG&E. Bills are equal to the sum of charges for transmission, transmission rate adjustments, reliability services, distribution, public purpose programs, nuclear decommissioning, the FTA (where applicable), the RRBMA (where applicable), the franchise fee surcharge, and the applicable CRS. The CRS is equal to the sum of the individual charges set forth below. Exemptions to the CRS are set forth in Schedules DA CRS and CCA CRS.

	DA CRS	CCA CRS
Energy Cost Recovery Amount Charge (per kWh)	\$0.00318	\$0.00318
Power Charge Indifference Adjustment (per kWh)	(\$0.00075) (I)	\$0.01921 (I)
DWR Bond Charge (per kWh)	\$0.00477	\$0.00477
CTC Charge (per kWh)	\$0.00079 (R)	\$0.00079 (R)
<b>Total CRS (per kWh)</b>	<b>\$0.00799</b>	<b>\$0.02795</b>

14. DWR BOND CHARGE: The Department of Water Resources (DWR) Bond Charge was imposed by California Public Utilities Commission Decision 02-10-063, as modified by Decision 02-12-082, and is property of DWR for all purposes under California law. The Bond Charge applies to all retail sales, excluding CARE and Medical Baseline sales. The DWR Bond Charge (where applicable) is included in customers' total billed amounts.
15. SCHEDULED MAINTENANCE: Customers may be allowed to place maintenance load on the distribution system during mutually agreed times (Scheduled Maintenance). Maintenance load is defined as a customer's load that would have otherwise been served by the DG that is down for maintenance. Customers shall provide four (4) days notice prior to PG&E determining whether and when Scheduled Maintenance is available ("Request"). For each Request, customers shall pay PG&E, at the time of such notification, for its expenses related to the scheduling and any necessary rearrangement of its facilities to accommodate Scheduled Maintenance.



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Ancillary Services Coalition	Douglas & Liddell	PPL EnergyPlus, LLC
Anderson & Poole	Douglass & Liddell	Pinnacle CNG Company
Arizona Public Service Company	Downey & Brand	Praxair
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Cardinal Cogen	Imperial Irrigation District	St. Paul Assoc.
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Chamberlain, Eric	Intestate Gas Services, Inc.	TFS Energy
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<b>Commerce Energy</b>	<b>McKenzie &amp; Associates</b>	<b>Utility Cost Management</b>
<b>Commercial Energy</b>	<b>Meek, Daniel W.</b>	<b>Utility Resource Network</b>
<b>Constellation</b>	<b>Merced Irrigation District</b>	<b>Utility Specialists</b>
<b>Constellation New Energy</b>	<b>Mirant</b>	<b>Vandenberg Air Force</b>
<b>Consumer Federation of California</b>	<b>Modesto Irrigation District</b>	<b>Verizon</b>
<b>Crossborder Energy</b>	<b>Morgan Stanley</b>	<b>Wellhead Electric Company</b>
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<b>Day Carter Murphy</b>	<b>New United Motor Mfg., Inc.</b>	<b>White &amp; Case</b>
<b>Defense Energy Support Center</b>	<b>Norris &amp; Wong Associates</b>	<b>eMeter Corporation</b>
<b>Department of Water Resources</b>	<b>North Coast SolarResources</b>	