

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 12, 2009

Advice Letter 3439-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 Agricultural Rate Schedule AG-5 in
Compliance with D.09-02-019**

Dear Mr. Cherry:

Advice Letter 3439-E is effective April 22, 2009.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Brian K. Cherry
Vice President
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

415.973.4977
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March 23, 2009

Advice 3439-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Revisions to Electric Agricultural Rate Schedule AG-5 in
Compliance with Decision 09-02-019**

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

Purpose

The purpose of this filing is to submit modifications to rate Schedule AG-5 -- *Large Time-of-Use Agricultural Power*, in order to implement an Optimal Billing Period (OBP) Program for certain agricultural customers. This filing is in response to a settlement reached by the California Cotton Ginners' Association (CCGA) and PG&E, to dismiss without prejudice a petition filed by CCGA on October 2, 2008 at the California Public Utilities Commission (Commission). Decision (D.) 09-02-019 grants the joint motion of CCGA and PG&E to dismiss the Petition in light of the settlement between the parties, and closed Petition 08-10-005.

Background

The original Optimal Billing Period Program was initially approved in D.95-04-077, in PG&E's 1995 Rate Design Window Proceeding, for rate Schedules E-19 — *Medium General Demand-Metered Time-of-Use Service* and E-20 — *Service to Customers with Maximum Demands of 1,000 Kilowatts or More*, and became effective May 1, 1995. This program allowed certain customers on rate Schedules E-19 and E-20 (firm service) to change the dates of two of their summer meter reads. This allowed the customer to better match PG&E's monthly billing period to the beginning and ending of a customer's production cycle. Benefits could be realized in instances where the customer had very low usage and demand throughout much of its billing period, but dramatically increased its demand as it began its production cycle just before the meter was read at the end of the billing period. Similarly, a customer might end its production cycle after only two or three days of a new billing period have elapsed. Both of these scenarios result in higher demand charges relative to the accumulated usage, resulting in a high average

rate per kWh in that particular billing period. By redesignating the customer's meter read date, its load shape was better aligned with its true production energy requirements and PG&E's billing periods, which result in a decrease in its average electric rates over its total production cycle.

In 1999, PG&E filed and the Commission approved Advice Letter 1896-E, requesting that the OBP Program be expanded to winter peaking accounts and off-season peaking accounts, and that the program be limited to a total of 150 accounts at any one time.

In D.03-04-059, the Commission concluded that a group of cotton ginners who were being served on commercial rates were eligible to take service on agricultural rates. Since the agricultural rates did not have an OBP program, cotton ginners were no longer able to participate in an OBP program. In D.05-05-048, the Commission decided that a group of almond hullers who had previously been served on commercial rates also be eligible for agricultural rates. Due to a decline in participation and the difficulty of administering and maintaining the individual OBP agreements and bill credits, PG&E eliminated the commercial OBP program on May 1, 2006 to simplify and streamline tariffs pursuant to PG&E's 2003 GRC Phase 2, D.05-11-005.

As a result of the settlement reached by PG&E and CCGA and adopted in D.09-02-019, PG&E proposes to reinstitute an OBP program for qualifying PG&E customers with demands greater than or equal to 500 kW who take service under Schedules AG-5C or AG-5F. The program would be limited to 50 meters at any one-time on a first-come first-served basis. PG&E proposes that the \$300,000 total OBP revenue shortfall estimate provided in D.09-02-019 be accorded normal balancing account treatment where applicable.

Electric Tariff Revisions

To implement the provisions of D.09-02-019, this advice letter adds Section 16 to rate Schedule AG-5, and establishes new standard Form 79-1111, Optimal Billing Period Service Election Form. Together these tariff revisions address the specific terms and conditions, eligibility criteria, billing, and administrative aspects of the OBP program.

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 **April 13, 2009**, which is 21 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: anj@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

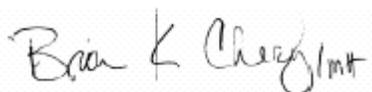
Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Effective Date

PG&E submits this as a Tier 2 advice letter and requests that this filing be approved effective on regular 30 days notice on **April 22, 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 service list for P.08-10-005. Address changes to the General Order 96-B service list should be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.



Vice President, Regulatory Relations

Attachments

cc: Service List P.08-10-005

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: Megan Lawson

Phone #: 415-973-1877

E-mail: mehr@pge.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

Advice Letter (AL) #: 3439-E

Tier: [2]

Subject of AL: Revisions to Electric Agricultural Rate Schedule AG-5 in Compliance with Decision 09-02-019

Keywords (choose from CPUC listing): compliance

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.09-02-019

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

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information:

Resolution Required? Yes No

Requested effective date: April 22, 2009

No. of tariff sheets: 6

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: Rate Schedule AG-5, New Electric Form 79-1111

Service affected and changes proposed:

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

jnj@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 3439-E**

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

Title of Sheet

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

28256-E	ELECTRIC SCHEDULE AG-5 LARGE TIME-OF-USE AGRICULTURAL POWER Sheet 12	25429-E
28257-E	ELECTRIC SCHEDULE AG-5 LARGE TIME-OF-USE AGRICULTURAL POWER Sheet 13	
28258-E	OPTIMAL BILLING PERIOD SERVICE ELECTION FORM FORM 79-1111 Sheet 1	
28259-E	ELECTRIC TABLE OF CONTENTS Sheet 1	28042-E
28260-E	ELECTRIC TABLE OF CONTENTS RATE SCHEDULES Sheet 4	28173-E
28261-E	ELECTRIC TABLE OF CONTENTS SAMPLE FORMS Sheet 15	27866-E



ELECTRIC SCHEDULE AG-5
LARGE TIME-OF-USE AGRICULTURAL POWER

Sheet 13

16. OPTIMAL
 BILLING
 PERIOD
 SERVICE:
 (Cont'd)

The start and end dates must fall within the customer's high seasonal production cycle. In no event shall any revised billing period exceed forty-five (45) days or be less than fifteen (15) days. To qualify for this option, the customer must designate an OBP of not more than six (6) months in duration.

To designate the specific date for the start or end of the OBP, a participating customer must email PG&E at least seventy-two (72) hours in advance and such email shall state in its subject line "OBP Notification." The designation may not be implemented if it is not received or if it does not contain the specified information.

Prior to receiving OBP service, the customer must pay an annual OBP fee of \$160.00 per meter. In order to retain the OBP service option in each subsequent year, the annual participation fee must be received by PG&E by the anniversary date of the contract. PG&E will bill the annual OBP fee upon the anniversary date of the contract unless the customer terminates the contract. For billing purposes, the annual participation fee and OBP bill credit shall be assigned to Distribution.

A. No Retroactive Application

No customer shall be entitled to a refund associated with the OBP service for costs that might have been avoided had the service been available at an earlier point in time.

B. Customer Notification to PG&E

A customer must have at least 12 months of usage on a specific meter before the OBP service can be received on that particular meter. Also, a customer must provide notice to PG&E of their intention to obtain OBP service at least ninety (90) days before the start

(N)

(N)



ELECTRIC SAMPLE FORM 79-1111
OPTIMAL BILLING PERIOD SERVICE ELECTION FORM

Sheet 1 (N)

**Please See the Attached
Sample Form**

Advice Letter No: 3439-E
Decision No. 09-02-019

Issued by
Brian K. Cherry
Vice President
Regulatory Relations

Date Filed March 23, 2009
Effective April 22, 2009
Resolution No. _____

Distribution:
 Applicant
 Service and Sales
 Customer Billing
 Tariff Interpretation

Reference:
Elec. Acct. No.: _____
Service Agreement: _____
Control No.: _____
Rate Schedule: _____
Voltage: _____

OPTIMAL BILLING PERIOD SERVICE ELECTION FORM

The undersigned Customer hereby acknowledges and agrees to all terms and conditions specified.

1. Eligibility

By electing the Optimal Billing Period (OBP) service, customer declares it has reviewed PG&E's electric rate Schedule AG-5, "Large Time-of-Use Agricultural Power", and meets all eligibility requirements as described in Special Condition 16 – *Optimal Billing Period Service* of Schedule AG-5.

2. Terms and Conditions

The initial term of this Agreement shall be for a period of one (1) year from the date executed by PG&E. This Agreement shall continue thereafter for successive terms of one (1) year, provided, however, that either party shall have the right to terminate this Agreement at the expiration of the initial one (1) year term or anytime thereafter upon thirty (30) days written notice to the other party. However, if a customer terminates this agreement between anniversary dates, there shall be no entitlement to a refund for any portion of the most recent OBP fee payment to PG&E. Once terminated, the Customer will not be eligible for OBP service for twelve (12) months from the termination date. Should this pilot program terminate, PG&E reserves the right to terminate all Agreements upon the expiration date of the pilot OBP service.

3. Designation of Subject Months

The Customer designates the six consecutive months of _____, _____, _____, _____, _____, and _____ as the high seasonal optimal billing period.

4. Annual Qualification

Customers must continue to meet the eligibility requirements stated in Section 1, above, to qualify for OBP service in subsequent one-year term(s).

5. Customer Notification to PG&E

The customer must notify PG&E via email and shall state in its subject line "OBP Notification" of its elected production start and/or end dates of the OBP service. The designation may not be implemented if it is not received or if it does not contain the specified information. A participating customer must email PG&E at least seventy-two (72) hours in advance of elected date(s). The customer should send emails to the following address: _____@pge.com.

6. Commission Jurisdiction

This Agreement and PG&E's tariffs shall all times be subject to such changes or modifications by the California Public Utilities Commission (Commission) as said Commission may direct, from time to time, in the exercise of its jurisdiction.

THEREFORE, being a duly authorized representative of the Customer, I certify that I have read the foregoing and understand and agree to all terms and conditions.

Executed this _____ day of _____, _____.

Customer or Business Name

PACIFIC GAS & ELECTRIC COMPANY

BY: _____
Signature

BY: _____
Signature

(Type or print name)

(Type or print name)

TITLE: _____

TITLE: _____

DATE _____

DATE _____

—



ELECTRIC TABLE OF CONTENTS

Sheet 1

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**PG&E Gas and Electric
Advice Filing List
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Aglet	Department of the Army	Northern California Power Association
Agnews Developmental Center	Dept of General Services	Occidental Energy Marketing, Inc.
Alcantar & Kahl	Division of Business Advisory Services	OnGrid Solar
Ancillary Services Coalition	Douglas & Liddell	PPL EnergyPlus, LLC
Anderson & Poole	Douglass & Liddell	Pinnacle CNG Company
Arizona Public Service Company	Downey & Brand	Praxair
BART	Duke Energy	R. W. Beck & Associates
BP Energy Company	Duncan, Virgil E.	RCS, Inc.
Barkovich & Yap, Inc.	Dutcher, John	RMC Lonestar
Bartle Wells Associates	Ellison Schneider & Harris LLP	Recon Research
Blue Ridge Gas	Energy Management Services, LLC	SCD Energy Solutions
Braun & Associates	FPL Energy Project Management, Inc.	SCE
C & H Sugar Co.	Foster Farms	SESCO
CA Bldg Industry Association	Foster, Wheeler, Martinez	SMUD
CAISO	Franciscan Mobilehome	SPURR
CLECA Law Office	G. A. Krause & Assoc.	Santa Fe Jets
CSC Energy Services	GLJ Publications	Seattle City Light
	Goodin, MacBride, Squeri, Schlotz & Ritchie	Sempra Utilities
California Cotton Ginners & Growers Assn	Green Power Institute	Sequoia Union HS Dist
California Energy Commission	Hanna & Morton	Sierra Pacific Power Company
California League of Food Processors	Heeg, Peggy A.	Silicon Valley Power
California Public Utilities Commission	Hitachi	Smurfit Stone Container Corp
Calpine	Hogan Manufacturing, Inc.	Southern California Edison Company
Cameron McKenna	Imperial Irrigation District	St. Paul Assoc.
Cardinal Cogen	Innercite	Sunshine Design
Casner, Steve	International Power Technology	Sutherland, Asbill & Brennan
Cerox	Intestate Gas Services, Inc.	TFS Energy
Chamberlain, Eric	J. R. Wood, Inc.	Tabors Caramanis & Associates
Chevron Company	JTM, Inc.	Tecogen, Inc.
Chris, King	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
City of Glendale	Luce, Forward, Hamilton & Scripps LLP	Tioga Energy
City of Palo Alto	MBMC, Inc.	TransCanada
City of San Jose	MRW & Associates	Turlock Irrigation District
Clean Energy Fuels	Manatt Phelps Phillips	U S Borax, Inc.
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Constellation New Energy	Mirant	Vandenberg Air Force
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Crossborder Energy	Morgan Stanley	Wellhead Electric Company
Davis Wright Tremaine LLP	Morrison & Foerster	Western Manufactured Housing Communities Association (WMA)
		White & Case
Day Carter Murphy	New United Motor Mfg., Inc.	eMeter Corporation
Defense Energy Support Center	Norris & Wong Associates	
Department of Water Resources	North Coast SolarResources	