

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 28, 2011

Advice Letter 3587-E

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

**Subject: Electric Rule 18 Revision to Allow Submetering for
Cold-Ironing Loads**

Dear Mr. Cherry:

Advice Letter 3587-E is effective March 5, 2010.

Sincerely,

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

Julie A. Fitch, Director
Energy Division

January 6, 2010

Advice 3587-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Electric Rule 18 Revision to Allow Submetering for Cold-Ironing Loads

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its Electric Rule 18 tariff. The affected tariff sheets are listed on the enclosed Attachment I.

Purpose

Pursuant to General Order (GO) 96-B, this Advice Letter requests that the California Public Utilities Commission (Commission) approve a revision to Electric Rule 18, *Supply to Separate Premises and Submetering of Electric Energy*, to permit specific master-metered customers, e.g. Port of San Francisco and Port of Oakland, to submeter and pass through the electrical costs associated with “cold-ironing” loads to their submetered ships. Cold-ironing is the process by which docked ocean-going vessels (vessels) shut down their diesel generators and use onshore-supplied electricity for lighting, heating, cooling, machinery and other electrical needs while in dock.

Through this Advice Letter, PG&E seeks consistency with other major investor-owned utilities (IOUs) in the state of California. Similar to PG&E’s proposal here, Southern California Edison¹ and San Diego Gas and Electric² have filed and received Commission approval to revisions to their respective electric submetering tariffs with cold-ironing language.

¹ On April 1, 2008, SCE filed Advice 2231-E, *Rule 18 Deviation to Allow Submetering for Cold-Ironing Loads*. On June 26, 2008, the CPUC adopted Resolution E-4173 allowing SCE to modify Rule 18 to permit SCE master-metered customer at the Port of Long Beach and Port of Hueneme to submeter cold-ironing load. SCE then submitted Advice 2231-E-A, which superseded Advice 2231-E in its entirety with the Rule 18 modifications as ordered in E-4173.

² Advice 2046-E, *Modification of Rule 19, Furnishing and Metering of Electricity, to Allow Submetering for Cold-Ironing Loads*, December 5, 2008.

Background

A growing concern among major urban cities is the diesel pollution generated by large vessels while in port. At dock, these vessels are powered by large diesel engines that run on an extremely dirty grade of fuel, which is called bunker fuel or residual fuel. This type of fuel contains approximately 1,800 times the sulfur content of the U.S. diesel fuel standards for other major diesel engines.

In 2007, the California Air Resources Board (CARB) adopted regulations for California ports, including the Port of San Francisco and the Port of Oakland and ocean-going vessels, requiring vessels to either shut down auxiliary engines for most of the time while in port or reduce emissions from the auxiliary engines by specified degrees while docked.³ To supplant this reduced generation resource, much of the electrical load on board the ocean-going vessel previously served by its diesel engines would now be served via cleaner, shore-bound generation resources, i.e. "cold-ironing."

The tariff modification proposed in this Advice Letter will allow electricity sold to the master-metered service accounts at the Port of San Francisco and the Port of Oakland to be submetered and resold to ocean-going vessels while at berth in port. This modification makes practical sense for a number of reasons which include:

1. Ports may get millions of dollars in government grants to help fund the upgrade of their existing facilities to serve this new load. Since cold-ironing load could be in the magnitude of several megawatts, PG&E can avoid expensive duplication of existing facilities if it is not required to serve these ships directly.
2. Cold-ironing load has a sporadic nature. Ships may only come into port once or twice a month and spend only a few days berthed there during each visit.
3. Multiple cruise lines and container ships may use the port's cold-ironing services during a single month. PG&E would need to either provide a separate meter for each of these cruise line and ship owners or somehow differentiate the various customer usages by time periods through a single meter. PG&E can avoid additional capital and administrative costs through this proposed modification.

The Port of San Francisco is preparing to provide cold-ironing services to commercial cruise ships beginning May 2010. PG&E and the City and County of San Francisco (CCSF) have been in discussions concerning this service and the

³ CARB Resolution 07-57 (Dec. 6, 2007).

needed electrical infrastructure to accommodate cold ironing load at Pier 27/29.⁴ PG&E has also had discussions with the Port of Oakland on its requirements to provide cold-ironing service for berthed container ships.⁵

Tariff Revisions

PG&E proposes the following revisions to Rule 18:

1. Section C.4 (COLD-IRONING LOAD) is added to Electric Rule 18:
 4. COLD-IRONING LOAD

Cold-ironing load is defined as the use of shore-supplied electricity for the lights, heating, cooling, machinery, and other needs of an ocean-going vessel while at berth or otherwise electrically connected, as replacement for the vessel's auxiliary internal electric generation.

 - a. A master-metered customer may submeter a ship's cold-ironing load aboard an ocean-going vessel at the Port of San Francisco or the Port of Oakland but may not submeter any other load or land-based facility.
 - b. If the master-metered customer submeters cold-ironing load to an ocean-going vessel, the rates and charges to the sub-metered user must not exceed the rates and charges the master-metered customer is billed by PG&E for such services.
 - c. Cold-ironing load must be separately metered from other land-based load whose energy requirements are being served through PG&E transmission and distribution facilities.
2. Section C.4 RECREATIONAL VEHICLE (RV) PARKS has been renumbered to C.5 to accommodate the section above.

⁴ PG&E and CCSF dispute whether cold-ironing load at Pier 27/29 will be served as retail load or "municipal load." However, PG&E and CCSF will work to resolve this dispute prior to CCSF's requested service date of May 2010. In addition, the cruise lines have not submitted an application for retail service at Pier 27/29; therefore, PG&E is filing Advice 3588-E to request Commission approval for upgrading its facilities at Pier 27/29 to accommodate the May 2010 service date.

⁵ The Port of Oakland does not anticipate providing this cold-ironing until 2012. The specific details of PG&E's service arrangements with the Port of Oakland to accommodate this load are still being worked out.

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 **January 26, 2010** 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: ijnj@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 regular notice, **February 5, 2010**, which is 30 calendar days after the date of filing.

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. Address changes to the General Order 96-B service list and all electronic approvals should be directed to email PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

Brian Cherry 

Vice President, Regulatory Relations

Attachments

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: Olivia Brown

Phone #: 415.973.9312

E-mail: oxb4@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) #: 3587-E

Tier: 2

Subject of AL: Electric Rule 18 Revision to Allow Submetering for Cold-Ironing Loads

Keywords (choose from CPUC listing): Rules, Metering

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: N/A

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: N/A

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: N/A

Resolution Required? Yes No

Requested effective date: February 5, 2010

No. of tariff sheets: 5

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). N/A

Tariff schedules affected: Electric Rule 18

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
jn@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 3587-E**

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

Title of Sheet

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

28909-E	ELECTRIC RULE NO. 18 SUPPLY TO SEPARATE PREMISES AND SUBMETERING OF ELECTRIC ENERGY Sheet 3	13396-E
28910-E	ELECTRIC RULE NO. 18 SUPPLY TO SEPARATE PREMISES AND SUBMETERING OF ELECTRIC ENERGY Sheet 4	13276-E
28911-E	ELECTRIC RULE NO. 18 SUPPLY TO SEPARATE PREMISES AND SUBMETERING OF ELECTRIC ENERGY Sheet 5	
28912-E	ELECTRIC TABLE OF CONTENTS Sheet 1	28901-E
28913-E	ELECTRIC TABLE OF CONTENTS RULES Sheet 10	28908-E



ELECTRIC RULE NO. 18
 SUPPLY TO SEPARATE PREMISES AND SUBMETERING OF ELECTRIC ENERGY

Sheet 3

C. FURNISHING AND METERING OF ELECTRICITY (Cont'd.)

3. MARINAS AND SMALL CRAFT HARBORS

Notwithstanding any other provision of this rule, PG&E will furnish electrical service to the master-meter customer at a privately or publicly owned marina or small craft harbor. The master-meter customer may submeter individual slips or berths at the marina or harbor but may not submeter any land-based facility or tenant.

If the master-meter customer submeters and furnishes electricity to individual slips or berths, the rates and charges to the user must not exceed those that would apply if the user were purchasing such electricity directly from PG&E.

4. COLD-IRONING LOAD

Cold-ironing load is defined as the use of shore-supplied electricity for the lights, heating, cooling, machinery, and other needs of an ocean-going vessel while at berth or otherwise electrically connected, as replacement for the vessel's auxiliary internal electric generation.

- a. A master-metered customer may submeter a ship's cold-ironing load aboard an ocean-going vessel at the Port of San Francisco or the Port of Oakland but may not submeter any other load or land-based facility.
- b. If the master-metered customer submeters cold-ironing load to an ocean-going vessel, the rates and charges to the sub-metered user must not exceed those rates and charges the master-metered customer is billed by PG&E for such services.
- c. Cold-ironing load must be separately metered from other land-based load whose energy requirements are being served through PG&E transmission and distribution facilities.

5. RECREATIONAL VEHICLE (RV) PARKS

PG&E will provide electric service to all spaces in an RV park through one meter unless the condition under c. below applies. PG&E will not provide individual metering to each RV space.

(N)

 (N)

 (T)

 (L)

(Continued)



ELECTRIC RULE NO. 18
 SUPPLY TO SEPARATE PREMISES AND SUBMETERING OF ELECTRIC ENERGY

Sheet 4

C. FURNISHING AND METERING OF ELECTRICITY (Cont'd.)

(L)

5. RECREATIONAL VEHICLE (RV) PARKS (Cont'd.)

Under no circumstances shall an RV park owner/operator install submeters and bill the tenants for submetered energy use unless condition a., b., or c. below applies and the provisions of Section D. below are met:

- a. Where the RV park owner/operator installed a submetering system prior to May 15, 1962.
- b. Where the RV park owner/operator rents all of the RV spaces on a prepaid monthly basis to RV units used as permanent residences and qualifies for service under Schedule ESR.
- c. Where a master-metered RV park owner/operator rents RV spaces on a prepaid monthly basis to permanent-residence RV units and on a daily/weekly basis to transient RV units and arranges the electric distribution system in accordance with PG&E's applicable tariffs so that all electricity to the permanent-residence RV spaces is supplied through a separate PG&E meter. In this situation, only the separately metered portion of the RV park where all of the spaces are rented on a prepaid monthly basis to permanent-residence RV units can be submetered and would qualify for service under Schedule ESR.

(L)

Where the master-metered RV park owner/operator does not submeter the electric service to the RV spaces, such energy use shall be absorbed in the tenant's rental charge which cannot vary month to month.

Where the master-metered RV park owner/operator installed submeters prior to May 15, 1962 (see condition a. above), the owner/operator may bill the RV park tenants for such energy use, provided the billings are calculated using the same rate schedules PG&E uses for billing its customers.

Where the master-metered RV park owner/operator submeters the electric service to the permanent-residence RV park spaces under Schedule ESR (see conditions b. and c. above), the owner/operator will bill the prepaid monthly tenants for such energy use using the same rate schedules PG&E uses for billing its residential customers.

(L)

(Continued)



ELECTRIC RULE NO. 18
 SUPPLY TO SEPARATE PREMISES AND SUBMETERING OF ELECTRIC
 ENERGY

Sheet 5

D. TESTING OF SUBMETERS

As a condition of service for submetering, where electric energy is furnished in accordance with Paragraphs C.1., C.2., C.3, and C.4. above, customers using submeters as a basis for charges for electricity shall submit to PG&E certification by a meter testing laboratory, satisfactory to PG&E, as to the accuracy of the submeters upon initial installation of such submeters, or for existing submeters upon request of PG&E. As a further condition of service for submetering, the customer shall agree that he will be governed by PG&E's Rule 17, Meter Tests and Adjustment of Bills for Meter Error, with the exception that the word "subcustomer" be substituted for "customer" and the words "Utility's customer" be substituted for "Company." As a further condition of service for submetering, the customer shall agree that PG&E may inspect and examine customer's billing procedures from time to time to determine that such service is made in accordance with this rule or as otherwise may be authorized by the Commission.

E. In the event such energy is furnished or resold otherwise than as provided for above, PG&E may either discontinue service to the customer or, where feasible, furnish electric energy directly to the subcustomer in accordance with PG&E's tariff on file with the Commission.

(L)

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Sheet 1

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**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

Alcantar & Kahl	Defense Energy Support Center	North Coast SolarResources
Ameresco	Department of Water Resources	Northern California Power Association
Anderson & Poole	Department of the Army	Occidental Energy Marketing, Inc.
Arizona Public Service Company	Dept of General Services	OnGrid Solar
BART	Division of Business Advisory Services	Praxair
BP Energy Company	Douglas & Liddell	R. W. Beck & Associates
Barkovich & Yap, Inc.	Douglass & Liddell	RCS, Inc.
Bartle Wells Associates	Downey & Brand	Recon Research
C & H Sugar Co.	Duke Energy	SCD Energy Solutions
CA Bldg Industry Association	Dutcher, John	SCE
CAISO	Ellison Schneider & Harris LLP	SMUD
CLECA Law Office	FPL Energy Project Management, Inc.	SPURR
CSC Energy Services	Foster Farms	Santa Fe Jets
California Cotton Ginners & Growers Assn	G. A. Krause & Assoc.	Seattle City Light
California Energy Commission	GLJ Publications	Sempra Utilities
	Goodin, MacBride, Squeri, Schlotz & Ritchie	Sierra Pacific Power Company
California League of Food Processors	Green Power Institute	Silicon Valley Power
California Public Utilities Commission	Hanna & Morton	Silo Energy LLC
Calpine	Hitachi	Southern California Edison Company
Cameron McKenna	International Power Technology	Sunshine Design
Cardinal Cogen	Intestate Gas Services, Inc.	Sutherland, Asbill & Brennan
Casner, Steve	Los Angeles Dept of Water & Power	Tabors Caramanis & Associates
Chamberlain, Eric	Luce, Forward, Hamilton & Scripps LLP	Tecogen, Inc.
Chevron Company	MBMC, Inc.	Tiger Natural Gas, Inc.
Chris, King	MRW & Associates	Tioga Energy
City of Glendale	Manatt Phelps Phillips	TransCanada
City of Palo Alto	Matthew V. Brady & Associates	Turlock Irrigation District
Clean Energy Fuels	McKenzie & Associates	U S Borax, Inc.
Coast Economic Consulting	Merced Irrigation District	United Cogen
Commerce Energy	Mirant	Utility Cost Management
Commercial Energy	Modesto Irrigation District	Utility Specialists
Consumer Federation of California	Morgan Stanley	Verizon
Crossborder Energy	Morrison & Foerster	Wellhead Electric Company
Davis Wright Tremaine LLP	New United Motor Mfg., Inc.	Western Manufactured Housing Communities Association (WMA)
		eMeter Corporation
Day Carter Murphy	Norris & Wong Associates	