

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 5, 2015

Advice Letter 4521-E

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

SUBJECT: Request for Approval of Exception to Service Area Agreement Between Pacific Gas and Electric Company (PG&E) and Turlock Irrigation District (TID)

Dear Ms. Allen:

Advice Letter 4521-E is effective as of November 22, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division

October 23, 2014

Advice 4521-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Request for Approval of Exception to Service Area Agreement
Between Pacific Gas and Electric Company (PG&E) and Turlock
Irrigation District (TID)**

Purpose

Pursuant to Decision (D.) 03-04-032, which approved a Service Area Agreement between Turlock Irrigation District (TID) and Pacific Gas and Electric Company (PG&E), this advice filing seeks approval of Letter Agreement (attached) between PG&E and TID allowing TID to serve a new customer within PG&E's service territory but closer to TID's distribution facilities.

Background

In D.03-04-032, the California Public Utilities Commission (CPUC or Commission) approved a sale of electric distribution facilities in Western Stanislaus County from PG&E to TID. The decision also approved a new, 25 year Service Area Agreement defining the areas within which each utility could provide retail electric distribution service. The Commission approved the Service Area Agreement conditioned on certain amendments, to which parties subsequently agreed. The amended Service Area Agreement was filed on July 2, 2003 as PG&E Advice Letter 2397-E.

Broadly speaking, the Service Area Agreement prohibits each utility from distributing electric power or energy, directly or indirectly, within the other party's electric service area, all as more fully set forth in the Service Area Agreement itself. However, the Service Area Agreement recognizes that there will on occasion be situations where it makes sense for a party to provide retail service in another party's service territory. In particular, Section 8c of the Service Area Agreement, at p. 20, provides as follows:

The Parties recognize that circumstances may arise where it would make sense to have one Party serve a retail customer or group of retail customers near the border of the Other Party's Electric Service Area. If in the future PG&E and the

affected member or members of the ID Group agree that creating an exception is appropriate, PG&E shall petition the CPUC for approval of the cross-border service, which service shall be conditioned upon CPUC approval of PG&E's petition.

This advice filing presents precisely that situation, i.e. PG&E and TID agree that it makes sense for TID to serve a customer in PG&E's service territory, and are requesting approval of that cross-border service.

Del Mar Farms has recently requested electric service to a new 50-horsepower well/pump, located in PG&E's service territory, but closer to TID's distribution facilities. In this situation, service from TID, were it to be made available, would be much less expensive to the customer than for PG&E to extend distribution lines to the new service location. PG&E and its ratepayers would also avoid the expense of the rural line extension and subsequent maintenance. TID is willing to serve this customer under the terms of the attached Letter Agreement, assuming the CPUC approves this filing.

The filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than November 12, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@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 shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Meredith Allen
Senior Director, 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

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E requests that this Tier 2 advice filing become effective on regular notice, November 22, 2014 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 should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

Meredith Allen
Senior Director, Regulatory Relations

Attachments

cc: Service List A. 02-01-012
Jon Maring, Del Mar Farms
Casey Hashimoto, Turlock Irrigation District

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 E)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Jennifer Wirowek

Phone #: (415) 973-1419

E-mail: J6WS@pge.com and PGETariffs@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) #: **4521-E**

Tier: **2**

Subject of AL: **Request for Approval of Exception to Service Area Agreement Between Pacific Gas and Electric Company (PG&E) and Turlock Irrigation District (TID)**

Keywords (choose from CPUC listing): Agreements

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D. 03-04-032

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: **November 22, 2014**

No. of tariff sheets: N/A

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: N/A

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: 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:

California Public Utilities Commission
Energy Division
EDTariffUnit
505 Van Ness Ave., 4th Flr.
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Meredith Allen
Senior Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com



**Pacific Gas and
Electric Company**

Energy Solutions & Service
705 P Street, Third Floor
Fresno, CA 93721

RECEIVED

OCT 06 2014

September 30, 2014

Casey Hashimoto
General Manager
Turlock Irrigation District
P.O. Box 949
Turlock, CA 95381-0949

TURLOCK IRRIGATION DISTRICT

Re: Service to Del Mar Farms 50 hp Pump

Dear Mr. Hashimoto:

This letter will set forth the agreement (Letter Agreement) between Turlock Irrigation District (TID) and Pacific Gas and Electric Company (PG&E) to seek the approval of the California Public Utilities Commission (CPUC) for TID to serve a customer in PG&E's service territory whose pump is adjacent to TID's service territory and is located much closer to TID's electric distribution facilities than to PG&E's facilities.

In Decision 03-04-032, the CPUC approved a Service Area Agreement between TID and PG&E. The Service Area Agreement prohibits each utility from distributing electric power or energy, directly or indirectly, within the other party's electric service area, all as more fully set forth in the Service Area Agreement itself. However, the Service Area Agreement recognizes that there will on occasion be situations where it makes sense for a party to provide retail service in another party's service territory. In particular, Section 8c provides as follows:

The Parties recognize that circumstances may arise where it would make sense to have one Party serve a retail customer or group of retail customers near the border of the Other Party's Electric Service Area. If in the future PG&E and the affected member or members of the ID Group agree that creating an exception is appropriate, PG&E shall petition the CPUC for approval of the cross-border service, which service shall be conditioned upon CPUC approval of PG&E's petition.

Del Mar Farms, a partnership, needs electric service to a 50 hp pump that is approximately 75 feet from the PG&E/TID service area boundary. The Del Mar Farms pump is closer to TID's nearest distribution facilities than to PG&E's nearest distribution facilities, which are over a mile away. Due to the proximity of TID's facilities, and the disproportionate cost to extend PG&E's facilities for over a mile to serve a single pump, Del Mar Farms has indicated that it would prefer service from TID. The 50 hp pump in question is currently powered by a diesel generator.

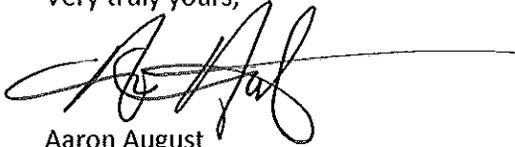
Under these circumstances, and with the express understanding that this Letter Agreement only applies to service to one 50 hp pump owned by Del Mar Farms, PG&E agrees that it is appropriate to invoke Section 8c and to seek CPUC permission for this cross-border service. Upon execution of this Letter Agreement by TID, PG&E will promptly make an advice filing with the CPUC, requesting approval of this Letter Agreement and the proposed TID service to this 50 hp pump. TID agrees to cooperate with PG&E's filing, to promptly respond to any reasonable requests for information from the CPUC or its staff, and to otherwise support PG&E's filing.

Nothing in this Letter Agreement is intended to create any precedent for or otherwise bind any party to agree to any other or future cross-border service or to any additional service to this particular customer beyond this particular pump.

PG&E and TID further agree that either one may terminate this Letter Agreement if the CPUC has not approved PG&E's advice filing within one year of the date of this Letter Agreement.

Please sign below and return to my office to indicate your agreement with the above.

Very truly yours,



Aaron August
Director, Energy Solutions & Service
Pacific Gas & Electric Company
Central Valley Region
705 P Street
Fresno, CA 97321

Agreed to by: Casim Hashemi Title: General Manager Date: 10-7-14

Cc:

Ken Olstad, PG&E
Larry Gilbertson, TID
Edward Jeffers, TID

Bcc:

Stan Kataoka
Steve Garber
Rich Garcia
Tracy Mello

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

AT&T	Douglass & Liddell	Occidental Energy Marketing, Inc.
Alcantar & Kahl LLP	Downey & Brand	OnGrid Solar
Anderson & Poole	Ellison Schneider & Harris LLP	Pacific Gas and Electric Company
BART	G. A. Krause & Assoc.	Praxair
Barkovich & Yap, Inc.	GenOn Energy Inc.	Regulatory & Cogeneration Service, Inc.
Bartle Wells Associates	GenOn Energy, Inc.	SCD Energy Solutions
Braun Blaising McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SCE
CENERGY POWER	Green Power Institute	SDG&E and SoCalGas
California Cotton Ginners & Growers Assn	Hanna & Morton	SPURR
California Energy Commission	In House Energy	San Francisco Public Utilities Commission
California Public Utilities Commission	International Power Technology	Seattle City Light
California State Association of Counties	Intestate Gas Services, Inc.	Sempra Utilities
Calpine	K&L Gates LLP	SoCalGas
Casner, Steve	Kelly Group	Southern California Edison Company
Center for Biological Diversity	Linde	Spark Energy
City of Palo Alto	Los Angeles County Integrated Waste Management Task Force	Sun Light & Power
City of San Jose	Los Angeles Dept of Water & Power	Sunshine Design
Clean Power	MRW & Associates	Tecogen, Inc.
Coast Economic Consulting	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Commercial Energy	Marin Energy Authority	TransCanada
Cool Earth Solar, Inc.	McKenna Long & Aldridge LLP	Utility Cost Management
County of Tehama - Department of Public Works	McKenzie & Associates	Utility Power Solutions
Crossborder Energy	Modesto Irrigation District	Utility Specialists
Davis Wright Tremaine LLP	Morgan Stanley	Verizon
Day Carter Murphy	NLine Energy, Inc.	Water and Energy Consulting
Defense Energy Support Center	NRG Solar	Wellhead Electric Company
Dept of General Services	Nexant, Inc.	Western Manufactured Housing Communities Association (WMA)
Division of Ratepayer Advocates	North America Power Partners	