

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



March 2, 2004

Advice Letter 2506-G

Ms Anita Smith, Rate Analyst
Pacific Gas and Electric Company
77 Beale Street, Mail Code 10B
San Francisco, CA 94177

Subject: G-SUR price change

Dear Ms Smith:

Advice Letter 2506-G is effective January 1, 2004. A copy of the advice letter is returned herewith for your records.

Sincerely,

A handwritten signature in cursive script that reads "Paul Clanon".

Paul Clanon, Director
Energy Division



**Pacific Gas and
Electric Company**

Karen A. Tomcala
Vice President
Regulatory Relations

77 Beale Street, Room 1065
San Francisco, CA 94105

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December 23, 2003

**Advice 2506-G
(Pacific Gas and Electric Company ID U 39 G)**

Public Utilities Commission of the State of California

Subject: January 2004 G-SUR Rate Change

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its gas tariffs. The affected tariff sheets are listed on the enclosed Attachment I.¹

Purpose

The purpose of this filing is to submit monthly revisions to the gas Schedule G-SUR effective **January 1, 2004**. In accordance with Resolution G-3326, the Schedule G-SUR rate now changes in conjunction with core gas procurement rates, which is generally on the 5th business day of the month. However, D. 98-07-025 allows PG&E to change its core procurement rates on the first day of the month when the transportation rates change on the first of the month.

Pursuant to Public Utilities Code Sections 6350-6354, gas volumes procured by customers from third-party entities and transported by PG&E may be subject to a gas franchise fee surcharge under Schedule G-SUR--*Customer-Procured Gas Franchise Fee Surcharge*. The franchise fee surcharge is calculated based on the monthly core Weighted Average Cost of Gas (WACOG), exclusive of storage costs, and franchise fees and uncollectibles, multiplied by the franchise fee factor adopted in PG&E's most recent General Rate Case.

Effective **January 1, 2004**, the G-SUR price is **\$0.00917** per therm. The price in this advice filing shall remain in effect until the next such filing with the CPUC. Prices are posted on PG&E's internet site at:

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

¹ PG&E reserves all legal rights to challenge the decisions or statutes under which it has been required to make this advice filing, and nothing in this advice filing constitutes a waiver of such rights. Also, PG&E reserves any additional legal rights to challenge the requirement to make this advice filing by reason of its status as a debtor under Chapter 11 of the Bankruptcy Code, and nothing in this advice filing constitutes a waiver of such rights.

**Protests**

Anyone wishing to protest this filing may do so by sending a letter within 20 days of the date of this filing, **January 12, 2004**. 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, Room 4002
San Francisco, CA 94102

Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Protests also should be sent by e-mail and facsimile to Mr. Jerry Royer, Energy Division, as shown above, and by U.S. mail to Mr. Royer at the above address.

The protests should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company
Attn: Brian K. Cherry
Director, Regulatory Relations
77 Beale Street, Mailcode B10C
P.O. Box 770000
San Francisco, CA 94177

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

Notice

In accordance with Section III, Paragraph G, of General Order 96-A, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes should be directed to Sandra Ciach at (415) 973-7572.

Karen A. Tomcala/ss

Vice President - Regulatory Relations

Attachments

**Attachment I
Advice 2506-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
21987-G	Schedule G-SUR -- Customer-Procured Gas Franchise Fee Surcharge	21939-G
21988-G	Table of Contents (Cont'd)	21940, 21962-G
21989-G	Table of Contents	21941, 21963-G



SCHEDULE G-SUR—CUSTOMER-PROCURED GAS FRANCHISE FEE SURCHARGE

APPLICABILITY: Pursuant to California State Senate Bill No. 278 (1993) this schedule applies to all gas volumes procured by Customers from third-party entities and transported by PG&E ("Customer-procured gas") with the following exceptions:

- a. the State of California or a political subdivision thereof;
- b. one gas utility transporting gas for end use in its Commission-designated service area through another utility's service area;
- c. a utility transporting its own gas through its own gas transmission and distribution system for purposes of generating electricity or for use in its own operations;
- d. cogeneration Customers, for that quantity of natural gas currently defined as the Cogeneration Gas Allowance (CGA).

TERRITORY: Schedule G-SUR applies everywhere PG&E provides natural gas service.

RATES: The Customer-procured gas Franchise Fee Surcharge is comprised of the following components:

a.	the monthly core Weighted Average Cost of Gas (WACOG), exclusive of storage costs and Franchise Fees and Uncollectibles, which is.....	<u>Per Therm</u> \$0.61139 (I)
	multiplied by:	
b.	the Franchise Fee factor* adopted in PG&E's most recent General Rate Case, which is	0.014997
	The G-SUR Franchise Fee Surcharge is	\$0.00917 (I)

SURCHARGE RECOVERY: The surcharge will be shown on the Customer's monthly bill based on volumes procured by the Customer from a third party and transported by PG&E (metered usage).

DELINQUENT SURCHARGES: In the event that payment on a transportation Customer account becomes more than 90 days delinquent, PG&E shall, within 30 days, notify the municipality of the delinquency and provide information on the name and address of the delinquent transportation Customer and the surcharge amount owed. PG&E shall not be liable for delinquent surcharges.

* Does not include Uncollectibles factor of 0.002717.



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G-NAS	Negotiated As-Available Storage Service	20830-G
G-CFS	Core Firm Storage	21367,20047-G
G-AFT	Annual Firm Transportation On-System	19287,20863,18140-G
G-AFTOFF	Annual Firm Transportation Off-System	21604,20864,18143-G
G-SFT	Seasonal Firm Transportation On-System Only	19289,20865,19086-G
G-AA	As-Available Transportation On-System.....	19290,20866-G
G-AAOFF	As-Available Transportation Off-System.....	20867,18150-G
G-NFT	Negotiated Firm Transportation On-System	19292,19084,18153-G
G-NFTOFF	Negotiated Firm Transportation Off-System	21605,19294,18155-G
G-NAA	Negotiated As-Available Transportation On-System	19295,18468,18158-G
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G-CARE	CARE Program Service for Qualified Nonprofit Group-Living and Qualified Agricultural Employee Housing Facilities.....	20595-G
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G-PARK	Market Center Parking Service.....	20870,18177-G
G-LEND	Market Center Lending Service	20871,18179-G

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G-CRED	Billing Credits for CTA-Consolidated Billing.....	20063-G
G-SUR	Customer-Procured Gas Franchise Fee Surcharge	21987-G (T)

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G-NGV1	Experimental Natural Gas Service for Compression on Customer's Premises ..	21959,18625-G
G-NGV2	Experimental Compressed Natural Gas Service	21960,18626-G
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RATE SCHEDULES

RESIDENTIAL

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GM	Master-Metered Multifamily Service	21948,21028,18599-G
GS	Multifamily Service	21949,21030,18601-G
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G-10	Service to Company Employees	11318-G
GL-1	Residential CARE Program Service	21951,18603-G
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NONRESIDENTIAL

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G-WSL	Gas Transportation Service to Wholesale/Resale Customers	21399,20861,20862-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers	21534,21549,20034 to 20045-G

**PGE Gas Advice Filing
List
General Order 96-A, Section III(G)**

ABAG Power Pool
Accent Energy
Aglet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alcantar & Elsesser
Applied Power Technologies
Arter & Hadden LLP
Avista Corp
Barkovich & Yap, Inc.
BART
Blue Ridge Gas
BP Energy Company
Braun & Associates
C & H Sugar Co.
CA Bldg Industry Association
CA Cotton Ginners & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
California Farm Bureau Federation
California Gas Acquisition Svcs
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Assoc
Cameron McKenna
Cardinal Cogen
Chevron USA Production Co.
Childress, David A.
City of Glendale
City of Palo Alto
City of Redding
CLECA Law Office
Constellation New Energy
CPUC
Creative Technology
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright Tremaine LLP
Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
DGS Natural Gas Services
DMM Customer Services
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynegy Inc.
Ellison Schneider
Energy Law Group LLP
Enron Energy Services
Exelon Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
GLJ Energy Publications
Goodin, MacBride, Squeri, Schlotz &
Grueneich Resource Advocates
Hanna & Morton
Heeg, Peggy A.
Hogan Manufacturing, Inc
House, Lon
Integrated Utility Consulting Group
International Power Technology
Interstate Gas Services, Inc.
J. R. Wood, Inc
JTM, Inc
Kaiser Cement Corp
Korea Elec Power Corp
Luce, Forward, Hamilton & Scripps
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Meyer, Joseph
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
Navigant Consulting
New United Motor Mfg, Inc
Norris & Wong Associates
Northern California Power Agency
Office of Energy Assessments
Palo Alto Muni Utilities
PG&E National Energy Group
Pinnacle CNG Company
PITCO
Plurimi, Inc.
PPL EnergyPlus, LLC
Price, Roy
Product Development Dept
Provost Pritchard
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 Energy
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
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA