

PUBLIC UTILITIES COMMISSION

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April 2, 2004

Advice Letter 2513-G|G-A

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

Subject: 2004 Gas Storage Tariff Revisions

Dear Ms Smith:

Advice Letter 2513-G|G-A is effective April 1, 2004. A copy of the advice letter is sent herewith for your records.

Sincerely,

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

Director
Energy Division



**Pacific Gas and
Electric Company**

Karen A. Tomcala
Vice President
Regulatory Relations

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January 20, 2004

Advice 2513-G
(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject: 2004 Gas Storage Rate Changes

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

Purpose

The purpose of this filing is to revise PG&E's storage tariffs in compliance with Ordering Paragraph (O.P.) 6.l. of Gas Accord II Decision (D.) 03-12-061 dated December 18, 2003. This advice filing incorporates rate changes approved in the Gas Accord II decision and effective **April 1, 2004**.

Background

The Gas Accord II decision adopts revisions to injection, inventory and withdrawal capacities and costs allocated to Core Firm Storage, Standard Firm Storage and Balancing services to be effective April 1, 2004.¹ Decision 03-12-061 also authorizes certain changes to storage services, including a new standard firm storage service rate schedule. This filing incorporates the 2004 authorized storage rates and other tariff changes, as described below.

Decision 03-12-061 also authorizes a new in-kind storage shrinkage allowance that PG&E will file by separate advice letter on or before March 19, 2004, with an effective date of April 1, 2004, as provided for in Ordering Paragraph 6.b.

¹ The original Gas Accord Decision 97-08-055 provided for adjustments to rates for unbundled optional storage program services and the storage component of wholesale/resale services, effective every April 1 during the Gas Accord period.



2004 Storage Rates and Tariff Revisions

This advice letter updates all 2004 storage rates and revenue requirements consistent with Appendix A of D. 03-12-061 (see Appendix A, Table 10 and workpapers at pp. 29-37). This filing updates the core firm storage revenue requirement; however the core storage rate design does not change. The core firm storage rate will continue as a single monthly capacity charge and will be updated in the April 2004 core procurement monthly price filing.

Preliminary Statements

The Gas Accord Base Revenue storage amounts shown in Part C.2, Preliminary Statement Part C—*Accounting Terms and Definitions*, are revised to reflect the annual storage revenue requirement adjustments resulting from the Gas Accord II decision. Other minor text changes are also being made to Preliminary Statement Part C for consistency. PG&E is also revising certain text in Preliminary Statement Part B—*Default Tariff Rate Components*, and Part AG—*Core Firm Storage Account*.

Schedule G-CFS—Core Firm Storage

Schedule G-CFS is being revised as it now applies to Core Procurement Groups (CPGs), including PG&E's Core Procurement department. Previously, this schedule only applied to gas Energy Service Providers (ESPs). As a result of this change, certain storage provisions that were previously in Schedule G-CT are being moved to Schedule G-CFS.

CPGs with inventory up to 1,000 MDth have fixed injection and withdrawal rights. Those with greater than 1,000 MDth will have variable injection and withdrawal rights based upon the amount of gas in their storage at the time of the transaction. Minimum inventory targets for CPGs will be enforced by monthly balancing adjustments during the injection season. 50 MDth of counter-cyclical injection and withdrawal capacity will be available to CPGs year round.

Gas storage shrinkage has been unbundled from backbone shrinkage and will be applied to firm injection under Schedule G-CFS.

New Storage Schedule G-SFS; Delete Schedule G-FS

This filing cancels Schedule G-FS—*Firm Storage Service*, which is replaced by new Schedule G-SFS—*Standard Firm Storage Service*, for the firm use of PG&E's storage facilities. Schedule G-SFS simplifies firm standard storage service by combining capacity and withdrawal reservation and usage charges into a single monthly Reservation Charge. As in Schedule G-FS, there also is an Inventory Transfer Charge for billing Customers who transfer volumes between a PG&E storage account and a third-party storage provider.



Schedule G-SFS contains calculations for the Maximum Daily Quantity Injection (MDQI) and Firm Maximum Daily Quantity Withdrawal (MDQW) in accordance with Appendix A of D. 03-12-061. (See workpapers at p. 36.) Core wholesale customers will have a one-time option to subscribe to service under Schedule G-SFS prior to April 1, 2004.

Gas storage shrinkage has been unbundled from backbone shrinkage and will be applied to firm injection under Schedule G-CFS.

GTSA Form 79-866—New Exhibit J

A Gas Transmission Service Agreement (GTSA) (Form 79-866) and applicable exhibits is required for service under Schedule G-SFS. New Exhibit J provides for Standard Firm Storage Service under Schedule G-SFS. Exhibit F is revised to refer to new Schedule G-SFS. Exhibit D (Golden Gate Market Center Service (Firm Storage Service)) is deleted, and replaced by Exhibit J.

Several exhibits for Firm Storage Service under Schedule G-FS that related to cogeneration service are being deleted in this filing. These cancelled exhibits are: Exhibit G (Gold Coast Transportation Service to Cogenerators), Exhibit H (Golden Gate Market Center Service to Cogenerators (Storage Service)), and Exhibit I (Golden Gate Market Center Service to Cogenerators (Parking / Lending Services)). These exhibits are no longer applicable as cogeneration service under Schedule G-COG is terminated in Advice 2514-G filed this date.

Storage Schedules G-NFS and G-NAS; G-PARK and G-LEND

This filing revises rates for Schedules G-NFS--*Negotiated Firm Storage Service*, and G-NAS--*Negotiated As-Available Storage Service*, G-PARK—*Market Center Parking Service*, and G-LEND—*Market Center Lending Service*. References to former Schedule G-FS are deleted, and replaced by Schedule G-SFS, if applicable. For all of these schedules, the section entitled “Electric Department/Cogenerator Parity Rates” is deleted in conjunction with elimination of Schedule G-COG and revisions to Schedule G-EG in Advice 2514-G being filed this date.

In Schedule G-NFS, there is a new calculation for cashing out upon termination of the GTSA.

Schedule G-BAL—Gas Balancing Service for Intrastate Transportation Customers

The imbalance trading charges in Schedule G-BAL are being eliminated since injection and withdrawal usage are now included in the reservation charges for firm storage tariffs.



Schedule G-BAL is being revised to implement changes to self-balancing service. The Schedule G-BAL self-balancing credit will continue to be based on 80% of the total storage balancing assets. Customers or balancing agents who elect self-balancing on a daily basis can opt out of PG&E's monthly balancing and receive a \$0.011 per Decatherm (Dth) credit, up from \$0.005/Dth.

Schedule G-BAL has also been revised to reflect a new provision in Schedule G-CFS that allows for minimum inventory targets for CPGs to be enforced by monthly balancing adjustments during the storage injection season.

Schedule G-CT—Core Aggregation Service

Schedule G-CT is being revised to specify that if the sum of the January Capacity Factor for all gas ESPs (referred to in Schedule G-CT as Core Transport Agents (CTAs)) is greater than 10 percent, the CTA will no longer have the option of rejecting their core storage assignment. All storage not taken by CTAs is allocated to PG&E's Core Procurement department. The methodology for allocating injection and withdrawal capacities to CTAs with larger allocations (greater than 1,000,000 Decatherms of inventory) is also revised in accordance with the Gas Accord II Decision. Outdated language is deleted.

Injection and withdrawal provisions for assigned storage, and language regarding allocation changes caused by transfer of customers between CTAs is moved to Schedule G-CFS.

Rule 21—Transportation of Natural Gas

This filing adds a new Shrinkage section to Schedules G-CFS, G-NFS and G-NAS, and to new Schedule G-SFS that refers to the storage shrinkage provision in gas Rule 21. A new In-kind storage shrinkage section will be added to Rule 21 in a separate advice filing on or before March 19, 2004, pursuant to Ordering Paragraph 6.b of D. 03-12-061.

Rule 23—Gas Aggregation Service for Core Transport Customers

References in Rule 23 are updated to delete references to Schedules G-STOR and G-FS and replace them with Schedule G-SFS.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **February 9, 2004**, which is 20 days from the date of this filing. 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, 4th Floor
San Francisco, California 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 protest 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
Attention: Brian Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

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

Effective Date

In accordance with Gas Accord D. 03-12-061, PG&E requests that this compliance filing be approved effective **April 1, 2004**.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, 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 Gas Accord II A. 01-10-011. Address changes should be directed to Sandra Ciach at (415) 973-7572. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>

Vice President – Regulatory Relations

Attachments

cc: Service List – Gas Accord II (A. 01-10-011)

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal P.U.C. Sheet No.
	Preliminary Statement	
22130-G	Part B—Default Tariff Rate Components - (Core footnotes)	21974-G
22131-G	Part C—Gas Accounting Terms and Definitions	22026-G
22132-G	Part C (Cont'd)	21975-G
22133-G	Part AG—Core Firm Storage Account	20031-G
	Rate Schedules	
22134-G	G-WSL—Gas Transportation Service to Wholesale/Resale Customers	22043-G
22135-G	G-BAL—Gas Balancing Service for Intrastate Transportation Customers (p. 3 of 14)	21868-G
22136-G	G-BAL (Cont'd.) (p. 7 of 14)	21871-G
22137-G	G-BAL (Cont'd) (p. 9 of 14)	22049-G
22138-G	G-BAL (Cont'd)(p. 10 of 14)	20050-G
Delete	G-FS—Firm Storage Service	20828-G
Delete	G-FS (Cont'd.)	18670-G
Delete	G-FS (Cont'd.)	20453-G
22139-G	G-SFS—Standard Firm Storage Service	New
22140-G	G-SFS (Cont'd)	New
22141-G	G-SFS (Cont'd)	New
22142-G	G-SFS (Cont'd)	New
22143-G	G-NFS—Negotiated Firm Storage Service	20829-G
22144-G	G-NFS (Cont'd.)	
22145-G	G-NAS—Negotiated As-Available Storage Service	20830-G
22146-G	G-CFS—Core Firm Storage Service	21367-G
22147-G	G-CFS (Cont'd.)	New
22148-G	G-CFS (Cont'd.)	New
22149-G	G-CFS (Cont'd.)	20047-G
22150-G	G-PARK—Market Center Parking Service	21882-G
22151-G	G-LEND--Market Center Lending Service	21883-G
22152-G	G-CT—Core Gas Aggregation Service (p. 6 of 15)	20902-G
22153-G	G-CT (Cont'd.) (p.10 of 15)	21885-G
22154-G	G-CT (Cont'd.) (p. 11 of 15)	20904-G
22155-G	G-CT (Cont'd.) (p. 12 of 15)	20059-G
22156-G	G-CT (Cont'd.) (p. 13 of 15)	20060-G
22157-G	G-CT (Cont'd.) (p. 14 of 15)	21886-G
22158-G	G-CT (Cont'd.) (p. 15 of 15)	21887-G

<u>Cal. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Cal P.U.C. Sheet No.</u>
	Rules	
22159-G	Rule 23—Core Aggregation Service for Core Transport Customers	18266-G
	Forms	
22160-G	Form No 79-866—Gas Transmission Service Agreement	19885-G
	Tables of Contents	
22161-G	Table of Contents – Sample Forms (Cont'd.)	
22089-G		
22162-G	Table of Contents – Rules	22090-G
22163-G	Table of Contents – Preliminary Statements	22091-G
22164-G	Table of Contents – Nonresidential (Cont'd.)	22092-G
22165-G	Table of Contents	22093-G



PRELIMINARY STATEMENT
(Continued)

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM) (Cont'd.)

CORE (Cont'd.)

- (1) The CFCA includes BCAP base revenue, as defined in Preliminary Statement, Part C, and the amortization of prior balances in the CFCA. All revenue collected through Customer Charges will be booked to the CFCA. (See rate schedules for Customer Charge.) (T)
- (2) All transportation revenue collected through this rate, less the amount for CPUC fee, will be booked to the Natural Gas Vehicle Balancing Account (NGVBA).
- (3) Schedule G-30 has the same non-CFCA components as Schedules G-NR1.
- (4) The Core Procurement Charge includes the gas supply portfolio cost, the core procurement portion of Canadian capacity charges, the component that amortizes the balance in the Core Subaccount of the Purchased Gas Account (PGA), carrying cost on cycled storage gas, and the allowance for F&U.

Customers taking service on Schedules G-NR1, G-NR2 or G-NGV1 that have executed a Request for Reclassification from Noncore Service to Core Service (Form 79-983) will pay the Procurement Charge specified in Schedule G-CPX – Crossover Gas Procurement Service to Core End-Use Customers, for any of the first twelve (12) regular monthly billing periods that they are taking core procurement service from PG&E. After the twelfth regular monthly billing period, such Customers will pay the Procurement Charge specified on their otherwise-applicable schedule. Any procurement revenue collected under Schedule G-CPX in excess of the otherwise-applicable rate will be recorded the same as the Core Procurement Charge.

* Refer to footnotes at end of Core Default Tariff Rate Components.

(Continued)



PRELIMINARY STATEMENT
(Continued)

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)
2. BASE REVENUE AMOUNT: (Cont'd.)

Description	Amount (\$000)			
	Core	Noncore	Unbundled	Total
GRC/BCAP BASE REVENUES (1):				
Authorized GRC Distribution Base Revenue	833,389	41,506		874,895
Less: Other Operating Revenue	(5,622)	(236)		(5,858)
Unescalated Customer Access Charge-Transmission (2)		(5,657)		(5,657)
Unescalated Customer Access Charge-UEG Gas Meters (2)		(868)		(868)
Authorized GRC Distribution Revenues in Rates	827,767	34,744		862,511
BCAP ALLOCATION ADJUSTMENTS AND CREDITS TO BASE:				
G-10 Allocated Employee Discount	640 (R)	990 (R)		1,630 (R)
EOR Revenue	(146)	(6)		(152)
Core Brokerage Fee	(6,869)	(6)		(6,875)
GRC/BCAP REVENUE REQUIREMENT	821,392 (R)	35,722 (R)	0	857,114 (R)
PUBLIC PURPOSE PROGRAM BASE REVENUES (excludes CARE Subsidy(3)):				
Energy Efficiency and Low Income Energy Efficiency Programs	38,536	4,289		42,825
CARE Administrative & General Expenses	963	673		1,636
PUBLIC PURPOSE PROGRAM REVENUE REQUIREMENT	39,499	4,963	0	44,461
GAS ACCORD BASE REVENUES				
Local Transmission	106,722	69,251		175,973
Customer Access Charge – Transmission Storage (4)	36,879 (R)	12,929	15,706 (I)	52,585 (I)
Backbone Transmission (4)	52,586		50,787	103,373
L401 (PEP)			91,537	91,537
GAS ACCORD REVENUE REQUIREMENT	196,187 (R)	82,180	158,030 (I)	436,397 (I)
TOTAL BASE REVENUE REQUIREMENT	1,057,078 (R)	122,865 (R)	158,030 (I)	1,337,973 (I)

- (1) The GRC/Biennial Cost Allocation Proceeding (BCAP) Base Revenue includes Distribution Base Revenues for core and noncore Customers, adopted in the General Rate Case and allocated in Cost Allocation Proceedings.
- (2) Service line, regulator and meter costs for transmission-level customers were deducted from the 1999 authorized GRC base revenues and set in Gas Accord II D.03-12-061.
- (3) The Public Purpose Program (PPP) base revenue requirement includes 2004 PY LIEE program funding adopted in D.03-11-020 (unchanged from 2003 PY adopted in D.02-12-019), Energy Efficiency program funding adopted in D.03-08-067, CARE annual administration budget adopted in D.02-09-021, and Franchise Fees and Uncollectible Expense.
- (4) The Gas Accord II D.03-12-061 adopted transmission revenues effective January 1, 2004. Storage revenues were set in Decision 02-08-070, through March 31, 2004. The Gas Accord II D.03-12-061 storage revenues will be effective April 1, 2004.

(Continued)



PRELIMINARY STATEMENT

(Continued)

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

10. PROCUREMENT REVENUE REQUIREMENT (Cont'd.)

9) Core Firm Storage Account (CFSA): The revenue requirement will include the forecast revision-date balance in the CFSA, described in Preliminary Statement, Part AG, based on the latest recorded data available.

10) Core Storage Revenue Requirement: This is the core storage amount shown in the Gas Accord base revenue in C.2, above.

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11) Brokerage Fee Revenue Requirement: This is the amount credited to the base revenue in C.10.c.1, above.

12) Franchise Fees and Uncollectible Accounts Expense (F&U): The amount to be added for F&U shall be determined by multiplying the sum of C.10.d.1 through C.10.d.9, above.

11. REVISION DATES: PG&E's application for the Biennial Cost Allocation Proceeding (BCAP) shall be filed based on a schedule set forth by the CPUC. PG&E's Procurement rate shall be updated monthly.

a. Core Procurement Rate Change

Per Decision 97-10-065, an advice filing to change core procurement rates will be filed monthly. The filing will update certain forecasted procurement costs and the amortization component of the procurement rate. PG&E will continue to provide a Weighted Average Cost of Gas (WACOG) forecast in its BCAP for ratemaking purposes.

Per Decision 03-12-008, noncore customers switching to core service are subject to a crossover procurement rate, as specified in Schedule G-CPX, for the first twelve (12) regular monthly billing periods. Schedule G-CPX is filed by advice letter monthly.

b. Annual True-up of Balancing Accounts

Per Decision 95-12-053, an advice filing to change core and noncore transportation rates will be filed 45 days prior to the end of the first year of the BCAP and every twelve months thereafter until a new BCAP decision is rendered. The filing will update the amortization component of the transportation rate for all transportation-related balancing accounts.

To determine the change in the amortization component of transportation balancing accounts, PG&E will rely on the following:

1) A revenue requirement will be developed that compares an annual actual estimated balance (9 months recorded and 3 months estimated) to the expected revenue at present rates from the amortization components in BCAP Year 2 or the next twelve months. The amortization components for the transportation balancing accounts will then be changed to reflect additional over- or under-collections in the accounts over the next twelve months.

2) The new amortization components will be calculated by dividing the balancing account balances (based on 9 months recorded and 3 months estimated) by the adopted annual average BCAP throughput.

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PRELIMINARY STATEMENT
(Continued)

AG. CORE FIRM STORAGE ACCOUNT (CFSA)

1. PURPOSE: The purpose of the CFSA is to record the costs and revenues associated with firm storage capacity allocated to core customers as adopted in Decision (D.) 03-12-061. The balance in this account will be incorporated into core procurement rates. (T)

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1.

2. APPLICABILITY: The CFSA applies to all core procurement rate schedules and contracts subject to the jurisdiction of the CPUC, except for those schedules and contracts specifically excluded by the CPUC.
3. REVISION DATE: The revision date applicable to the CFSA rate shall coincide with the revision date of the Cost Allocation Proceeding or at other times, as ordered by the CPUC.
4. FORECAST PERIOD: The forecast test period will be as specified in the current Cost Allocation Proceeding.
5. CFSA RATES: CFSA rates are included in the effective rates set forth in each gas procurement rate schedule (see Preliminary Statement, Part B), as applicable.
6. ACCOUNTING PROCEDURE: PG&E shall make the following entries to the CFSA at the end of each month or when applicable:
- a. a debit entry equal to one-twelfth of the portion of total core firm storage revenue requirement allocated to core procurement customers, plus the amount accepted by CTAs under the provisions of Schedule G-CFS, excluding the allowance for franchise fees and uncollectible accounts expense (F&U); (T)
 - b. a debit entry equal to the core portion of the recorded carrying cost on non-cycled storage gas;
 - c. a credit entry equal to the core firm storage revenue from core procurement customers for the month, excluding the allowance for F&U;
 - d. a credit entry equal to the revenue from CTAs pursuant to Schedule G-CFS, excluding the allowance for F&U;
 - e. a credit entry equal to the revenue received from the sale of released core storage capacity by PG&E's Core Procurement Department;
 - f. an entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance after entries 6.a. and 6.e., above, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, G.13, or its successor.



SCHEDULE G-WSL—GAS TRANSPORTATION SERVICE TO WHOLESALE/RESALE CUSTOMERS

APPLICABILITY: This rate schedule* applies to the transportation of natural gas for resale. Service under this schedule is available to the Customers listed below, and any new wholesale Customer. Customers must procure gas supply from a supplier other than PG&E.

LOAD FORECAST: For planning purposes, Customers may provide PG&E an annual forecast of the core and noncore portion of its load. If the Customer elects not to provide an annual forecast, PG&E will use the forecast adopted in the most recent Cost Allocation Proceeding.

RATES: Customers pay a Customer Access Charge and a Transportation Charge. Customers electing to use the Storage options described in this rate schedule must pay the applicable Storage Charge.

1. Customer Access Charge:

	<u>Per Day</u>
Palo Alto	\$366.39715
Coalinga	\$ 85.75463
West Coast Gas-Mather	\$ 62.29808
Island Energy	\$ 46.75003
Alpine Natural Gas	\$ 17.24219
West Coast Gas-Castle	\$ 40.22137

2. Transportation Charges:

For gas delivered in the current billing month:

	<u>Per Therm</u>
Palo Alto	\$0.02412
Coalinga	\$0.02412
West Coast Gas-Mather	\$0.02412
Island Energy	\$0.02413
Alpine Natural Gas	\$0.02412
West Coast Gas-Castle	\$0.02412

(D)

* PG&E's gas tariffs are available on-line at www.pge.com.

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SCHEDULE G-BAL—GAS BALANCING SERVICE FOR INTRASTATE TRANSPORTATION CUSTOMERS
(Continued)

MONTHLY
BALANCING
OPTION:
(Cont'd.)

CUMULATIVE IMBALANCE FOR NONCORE CUSTOMERS:

A Balancing Agent's Cumulative Imbalance shall be the difference, for each calendar month, between metered usage (adjusted for shrinkage) and the actual monthly gas deliveries, plus any adjustments and tolerance carried forward from prior months.

A Cumulative Imbalance quantity will be stated each month on the Cumulative Imbalance Statement.

CUMULATIVE IMBALANCE FOR CORE PROCUREMENT GROUPS:

For a Core Procurement Group (which includes PG&E's Core Procurement Department and Core Transport Groups (CTA Group), as defined in gas Rule 1 (CP Group)), PG&E will determine the Cumulative Imbalance as follows:

PG&E will provide each CP Group with Core Load Forecasting and Determination Service, which will include 24-hour and 48-hour forecasts prior to the Gas Day. As part of this service, PG&E will also provide a Gas Day estimated usage (Determined Usage) for the CP Group. Determined Usage will be based on the historical usage of the CP Group's customer mix, adjusted for climatic and operational conditions.

For a CP Group, the Cumulative Imbalance shall be the difference, for each calendar month, between Determined Usage (adjusted for shrinkage) and the actual monthly gas deliveries plus any Operating Imbalance, plus tolerance carried forward from prior months, plus any under-delivery of gas by a CP Group resulting from the failure to meet the Injection Period Month-End Minimum Inventory Target Level as specified in Schedule G-CFS.

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OPERATING IMBALANCE FOR CORE PROCUREMENT GROUPS:

For CP Groups, each Core End-Use Customer's cycle billed usage will be divided by the number of days within the billing cycle, then weighted on a daily basis to match the daily fluctuations of the CP Group's Determined Usage within the same billing cycle (Daily Weighted Usage).

The Operating Imbalance for each CP Group is the difference between the sum of each day's Determined Usage within a calendar month and the sum of each day's Daily Weighted Usage for each of the Core End-Use Customers for that calendar month. The Operating Imbalance Carryover is the accumulation of untraded monthly Operating Imbalances plus prior month accounting adjustments.

Each month, PG&E will provide the CP Group with an Operating Imbalance Statement. That Operating Imbalance Statement will be processed within two (2) months following the processing of the Cumulative Imbalance Statement for the same month. The processing delay ensures that most of the billing cycle usage for the calendar month has been measured and billed. If a CP Group incurs a Cumulative Imbalance cashout and the subsequent Operating Imbalance indicates that the Group's deliveries more closely matched the Group's actual gas use, then PG&E will reverse the cashout to the extent applicable.

(Continued)



SCHEDULE G-BAL—GAS BALANCING SERVICE FOR INTRASTATE TRANSPORTATION CUSTOMERS
(Continued)

SELF-BALANCING
OPTION:
(Cont'd.)

MEASUREMENT OF DAILY USAGE AND IMBALANCES:

Balancing Agents will be responsible for tracking their own daily imbalance position. PG&E will not provide notice to a Balancing Agent if their imbalances are exceeding the daily tolerance levels. The daily usage for Noncore End-Use Customers who qualify for the Daily Usage Recording Device Exemption, specified above, will be based on the sum of the average daily use plus any actual daily recorded usage. Average daily usage is equal to the monthly recorded usage divided by the number of days within the month. Daily usage for all other noncore End-Use Customers will be based on the actual recorded volumes. If the daily usage recording device fails, average daily use will be used for those days where daily-recorded use is unavailable or missing.

Daily usage for CTA Groups will be based on a forecast of their customers' gas usage, as provided by PG&E. For CTA Groups with an annual demand less than three percent (3%) of the total core market's annual demand, daily usage will be determined using the first 24-hour forecast available each day. For CTA Groups with an annual demand greater than or equal to three percent (3%) of the total core market, daily usage will be determined using an end of the gas day forecast. For any CTA Group electing Self-Balancing, the applicable daily usage forecast will also be used to calculate its monthly Cumulative Imbalance. If the annual demand of any CTA Group participating in Self-Balancing exceeds ten percent (10%) of the total core market annual demand, then the largest CTA Group(s) will have their daily usage determined based on the end of the gas day forecast, such that the sum of the demands for the remaining Self-Balancing CTA Groups continuing to use the 24-hour forecast does not exceed the ten percent (10%) limit.

CUMULATIVE IMBALANCE FOR SELF-BALANCING NONCORE CUSTOMERS:

A Balancing Agent's Cumulative Imbalance under the Self-Balancing option is the same as under the Monthly Balancing Option, and is the difference, for each calendar month, between metered usage (adjusted for shrinkage) and the actual monthly gas deliveries plus any adjustments and tolerance carried forward from a prior month.

A Cumulative Imbalance quantity will be stated each month on the Cumulative Imbalance Statement.

CUMULATIVE IMBALANCE FOR SELF-BALANCING CTA GROUPS:

The Cumulative Imbalance for a CTA Group that elects the Self-Balancing option shall be the difference between the sum of each day's 24-hour Core Load Forecast and the actual monthly gas deliveries including any Operating Imbalance or tolerance carried forward from a prior month, plus any under-delivery of gas by a CTA Group resulting from the failure to meet the Injection Period Month-End Minimum Inventory Target Level as specified in Schedule G-CFS.

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SCHEDULE G-BAL—GAS BALANCING SERVICE FOR INTRASTATE TRANSPORTATION CUSTOMERS
(Continued)

IMBALANCE
TRADING:
(Cont'd.)

IMBALANCE TRADING PERIOD:

PG&E will issue Cumulative Imbalance statements no later than the fifteenth (15) day of the first subsequent month following the month in which the Cumulative Imbalance occurred. PG&E will issue Operating Imbalance Statements no later than the fifteenth (15) day of the second subsequent month following the month in which the Cumulative Imbalance Statement for the same period was issued. Thereafter, Balancing Agents may trade all or a portion of their Cumulative and/or Operating Imbalance quantity by executing an imbalance trade by 5:00 p.m. Pacific Time on the closing date for New York Mercantile Exchange (NYMEX) Henry Hub Gas Futures contracts for the following month. If necessary, PG&E will extend the Cumulative and Operating Imbalance trading deadline beyond the NYMEX close date to ensure that the trading period lasts a minimum of five (5) business days.

TRADING IMBALANCES USING STORAGE ACCOUNTS:

During the imbalance Trading Period, Balancing Agents may manage both Cumulative and Operating Imbalances by trading into or out of storage accounts at on-system storage facilities. The owner of the storage account is not required to purchase storage injection or storage withdrawal capacity from PG&E to effect an imbalance trade.

The owner of the storage account must have, at the time of the trade, the inventory capacity to accept a trade into storage or the gas in inventory to trade out of storage. A CTA that uses its core storage account for managing Cumulative or Operating Imbalances must adhere to the end-of-month inventory target levels, as specified in Schedule G-CT. Owners of a third-party storage account must provide documentation of their inventory capacity or gas in inventory. Subject to system load balancing and/or operational constraints, Balancing Agents may trade as much of their Cumulative and/or Operating Imbalance quantity as their storage inventory/capacity allows.

(T)

For the purpose of accepting trades into or out of storage, PG&E will review its pipeline operations and will establish an Imbalance Trade Operating Band (OP BAND) prior to the Imbalance Trading Period. PG&E, prior to the beginning of the Imbalance Trading Period, will electronically post the OP BAND. PG&E will accept Cumulative and/or Operating Imbalance trades, using storage accounts, on a first-come, first-served basis, during the Imbalance Trading Period, within the OP BAND. Cumulative and/or Operating Imbalance trades not accepted because of the limit from the OP BAND will be retained and processed at a later time within the current Imbalance Trading Period, if trades from the Customers allow room in the OP BAND, unless the trade is canceled by the Customer or the Imbalance Trading Period closes.

(Continued)



SCHEDULE G-BAL—GAS BALANCING SERVICE FOR INTRASTATE TRANSPORTATION CUSTOMERS
(Continued)

(D)

IMBALANCE
TRADING:
(Cont'd.)

MANAGING REMAINING IMBALANCES AFTER TRADING:

After the imbalance trading deadline, any remaining Cumulative Imbalance, within the Tolerance Band, and any Operating Imbalance Carryover, as specified below, will be considered the first transaction during the calendar month following the just-completed trading period. Any remaining Cumulative Imbalance in excess of the Tolerance Band will be automatically cashed out. Cashouts will include a Commodity Cashout component and a Transmission Cashout component.

After the imbalance trading deadline, any remaining Operating Imbalance will be managed as follows:

1. The Operating Imbalance remaining after trading will be added to the Operating Imbalance Carryover.
2. One-twelfth (1/12) of the Operating Imbalance Carryover will be considered part of the first transaction for the CP Group during the calendar month following the just completed trading period.
3. A CP Group may also make a monthly election to clear its entire Operating Imbalance Carryover if it is less than 5,000 Dth. This will be considered the first transaction during the calendar month following PG&E's receipt of written notification, and will set the Operating Imbalance Carryover to zero.

(Continued)



SCHEDULE G-SFS—STANDARD FIRM STORAGE SERVICE

(N)

APPLICABILITY: This rate schedule* applies to the firm use of PG&E's storage facilities. This rate schedule provides a combination of firm storage injection, inventory and withdrawal service. Service under this rate schedule is available to any Customer including Core Procurement Groups (CPGs) on behalf of Core Customers for storage service in addition to that provided under Schedule G-CFS.

TERRITORY: This rate schedule applies to firm use of PG&E's storage facilities.

RATES: Rates under this schedule consist of Reservation Charges and Inventory Transfer Charges. The Reservation Charge is based upon the amount of inventory capacity held by the Customer (Contract Inventory). Contract Inventory is shown per Decatherm (Dth).

1. Reservation Charges:

The Reservation Charges shall be based on the quantities specified in Exhibit J of the Customer's Gas Transmission Service Agreement (GTSA) (Form No. 79-866). The Reservation Charge includes inventory, injection and withdrawal rights. The monthly charge is calculated by multiplying the applicable monthly rate shown below by the inventory specified in the GTSA (Contract Inventory).

Reservation Charge per Dth of Contract Inventory per month \$0.1184

2. Inventory Transfer Charge

PG&E Customers who transfer volumes between a PG&E storage account and a third-party storage provider will be billed for such service at the following rate:

Inventory Transfer Charge (per Dth)..... \$0.0805

3. Additional Charges:

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

(N)

* PG&E's gas tariffs are available on-line at www.pge.com

(N)

(Continued)



SCHEDULE G-SFS—STANDARD FIRM STORAGE SERVICE
(Continued)

(N)

SHRINKAGE: In-kind storage shrinkage is applicable to all injection quantities in accordance with gas Rule 21.

CREDIT-WORTHINESS: The Customer must meet the creditworthiness requirements specified in Rule 25.*

SERVICE AGREEMENT: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) and applicable exhibit are required for service under this rate schedule. The minimum term for service under this rate schedule is one (1) year and the maximum term is fifteen (15) years. Service each year begins on April 1 and terminates on March 31 of the following year (storage year).

NOMINATIONS: Nominations are required for injections and withdrawals. See Rule 21 for details.

CONTRACT INVENTORY: Contract Inventory is purchased for the entire storage year and does not change during that year. The Contract Inventory is filled with Customer gas and later withdrawn upon Customer's request.

INJECTION SCHEDULE: This schedule provides injection amounts proportionally determined by the Contract Inventory. Each unit of Contract Inventory is assigned quantities of injection and withdrawal for each month of the storage year.

Firm injection is available during the injection months from April 1 through November 30, and March 1 through March 31 of each storage year. Customer has the right but not the obligation to inject gas during the injection months. Injection rights are referred to as Maximum Daily Quantity Injection (MDQI). MDQI is proportionally determined based on the Contract Inventory purchased by Customer. Customer is provided sufficient MDQI during the injection months to fill Contract Inventory approximately 1.2 times.

Additional, as-available, injection may be requested at any time by contacting PG&E. As-available injection is provided at the sole discretion of PG&E.

Calculation of Maximum Daily Quantity Injection (MDQI)

The MDQI during the injection months is calculated with the formula below. Firm injection is in Decatherms per day (Dth/d) when Contract Inventory (CI) is expressed in Decatherms (Dths).

$$MDQI = \frac{CI}{214}$$

(N)

(Continued)



SCHEDULE G-SFS—STANDARD FIRM STORAGE SERVICE
(Continued)

(N)

**WITHDRAWAL
SCHEDULE:**

This schedule provides withdrawal amounts proportionally determined by the Contract Inventory. Each unit of Contract Inventory is assigned quantities of injection and withdrawal for each month of the storage year.

Firm withdrawal is available during the withdrawal months of November through March, and any three (3) calendar months during the traditional injection season of April 1 through October 31. Customer must specify the three (3) calendar months in the applicable exhibit of the GTSA. The three (3) months of withdrawal during the traditional injection season do not need to be consecutive months.

Customer has the right but not the obligation to withdraw gas during the withdrawal months. Withdrawal rights are referred to as Maximum Daily Quantity Withdrawal (MDQW). Customers are provided sufficient MDQW during the withdrawal months to empty their Contract Inventory approximately 7.2 times.

Calculation of Firm Maximum Daily Quantity Withdrawal (MDQW) from December through February and the Months of April through October

The MDQW during the period December through February and the three (3) calendar months during the period from April 1 through October 31 is calculated with the formula below.

$$MDQW = \frac{CI}{30}$$

Calculation of MDQW for the months of November and March

The MDQW for the months of November and March is calculated with the formula below.

$$MDQW = \frac{CI}{54}$$

**INJECTION/
WITHDRAWAL
ILLUSTRATION:**

The table below shows the Firm Maximum Daily Quantity Injection (MDQI) and, Firm Maximum Daily Withdrawal Quantities (MDQW) calculations based on Contract Inventory (CI) throughout the year. The table is illustrative of a Customer that has chosen July, August and September as firm withdrawal months.

	April	May	June	July	Aug.	Sept.
MDQI	$= \frac{CI}{214}$					
MDQW	= 0	= 0	= 0	$= \frac{CI}{30}$	$= \frac{CI}{30}$	$= \frac{CI}{30}$
	Oct.	Nov.	Dec.	Jan.	Feb.	March
MDQI	$= \frac{CI}{214}$	$= \frac{CI}{214}$	= 0	= 0	= 0	$= \frac{CI}{214}$
MDQW	= 0	$= \frac{CI}{54}$	$= \frac{CI}{30}$	$= \frac{CI}{30}$	$= \frac{CI}{30}$	$= \frac{CI}{54}$

(N)

(Continued)



SCHEDULE G-SFS—STANDARD FIRM STORAGE SERVICE
(Continued)

(N)

**CURTAILMENT
OF SERVICE:**

Service under this schedule may be curtailed. See Rule 14 for details.

**INVENTORY
TRANSFERS:**

Customers may request a transfer of gas held in inventory to another Customer's storage account, or to the account of a Customer of an on-system, third-party storage provider, by completing a Request for Gas Storage Inventory Transfer (Form No. 79-796). Inventory transfers are limited to the inventory quantity available for transfer and the available inventory capacity of the receiving Customer at the time the transfer is completed by PG&E. Inventory transfers are subject to operational constraints on PG&E's transmission system and the third party storage provider. PG&E will notify both parties, in writing on their monthly invoice, of the volume transferred.

If an inventory transfer is to occur between a PG&E Customer's storage account and a third-party storage provider Customer's account, PG&E will charge the PG&E Customer the Inventory Transfer Charge herein. Transfers between two PG&E storage accounts will not incur Inventory Transfer charges.

**GAS IN
INVENTORY AT
TERMINATION:**

If a Customer has not withdrawn all gas remaining in storage prior to the termination of the Customer's GTSA Storage Exhibit, and the Customer and PG&E have not executed a succeeding Storage Exhibit, PG&E may purchase any remaining inventory from the Customer within sixty (60) days of the date of termination. PG&E will purchase the remaining inventory at the Lowest Monthly Citygate Index (LCI) at the time of purchase, unless otherwise agreed. The LCI is the lower of the lowest daily price during the month or the monthly PG&E Citygate Index Price, as published in *Gas Daily*, rounded down to the next whole dollar. If there is no price published on a given day, the previously published price will be applied. The amount paid to the Customer may be reduced by any outstanding amounts owed by the Customer for any services provided by PG&E.

(N)

(Continued)



SCHEDULE G-NFS—NEGOTIATED FIRM STORAGE SERVICE

APPLICABILITY: This rate schedule* applies to the firm use of PG&E's storage facilities, subject to rates negotiated by the Customer and PG&E. Fixed amounts of firm storage inventory, injection, and withdrawal service may be procured separately or in combination under this rate schedule. Core Transport Agents and PG&E, on behalf of Core Customers, may take storage service under this rate schedule for storage in excess of that provided by their core storage allocation.

TERRITORY: This rate schedule applies to firm use of PG&E's storage facilities. The points of service for storage under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citigate.

RATES: Rates under this schedule are negotiable and may be structured as one-part rates (Usage or Reservation Charge) or two-part rates (both Reservation and Usage Charges), as negotiated between the Customer and PG&E. Reservation Charges, if applicable, shall be based on the injection, inventory, and/or withdrawal quantities specified in the Gas Transmission Service Agreement (GTSA) (Form No. 79-866). Any Usage Charges shall be equal to the applicable effective rate in the GTSA multiplied by the actual injection, inventory, or withdrawal quantities occurring during that billing period, including volumes traded pursuant to Schedule G-BAL. Any injections and withdrawals which occur during a billing period, but which are not recorded in that billing period, will be deferred to a future billing period.

Negotiated rates, for service under this schedule, are subject to minimum and maximum rates. Negotiated rates for storage service shall not be less than PG&E's marginal cost of providing the service. Negotiated rates for storage service will be capped at the price which will collect 100 percent of PG&E's total revenue requirement for the unbundled storage program under all three (3) subfunctions (i.e., injection, inventory or withdrawal), as listed below.

Maximum Rates (Dth)

Injection/Day	\$13.7072 (l)
Inventory	\$1.4208 (l)
Withdrawal/Day	\$10.3342 (l)

(D)

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

* PG&E'S gas tariffs are available on-line at www.pge.com.

(N)

(Continued)



SCHEDULE G-NFS—NEGOTIATED FIRM STORAGE SERVICE
(Continued)

		(D)
SHRINKAGE:	In-kind storage shrinkage is applicable to all injection quantities in accordance with gas Rule 21.	(N) (N)
CREDIT-WORTHINESS:	The Customer must meet the creditworthiness requirements as specified in Rule 25*.	
SERVICE AGREEMENT:	An executed <u>Gas Transmission Service Agreement</u> (GTSA) (Form No. 79-866) and storage exhibit thereto are required for service under this rate schedule.	
NOMINATIONS:	Notice is required for injections and withdrawals as agreed to by PG&E and the Customer. See Rule 21 for details.	
INJECTION/ WITHDRAWAL SCHEDULE:	The injection and withdrawal schedule shall be as agreed to by PG&E and the Customer and set forth in the Customer's storage exhibit. The Receipt and Delivery point(s) for gas to be injected and withdrawn also shall be set forth in the Customer's storage exhibit.	
CURTAILMENT OF SERVICE:	Service under this schedule may be curtailed. See Rule 14 for details.	
INVENTORY TRANSFERS:	Customers may request a transfer of gas held in inventory to another Customer's storage account, or to the account of a Customer of an on-system, third-party storage provider, by completing a <u>Request for Gas Storage Inventory Transfer</u> (Form No. 79-796). Inventory transfers are limited to the inventory quantity available for transfer and the inventory capacity of the receiving Customer at the time the transfer is completed by PG&E. Inventory transfers are subject to operational constraints on PG&E's transmission system. PG&E will notify both parties in writing of the volume transferred. If an inventory transfer is to occur between a PG&E Customer's storage account and a third-party storage provider Customer's account, PG&E will charge the PG&E customer the Inventory Transfer Charge in Schedule G-SFS. Customers choosing to transfer balances from one storage program year to the next storage program year will be charged an injection fee.	(T)
GAS IN INVENTORY AT TERMINATION:	If a Customer has not withdrawn all gas from storage prior to the termination of the Customer's Storage Exhibit of the GTSA, and the Customer and PG&E have not executed a succeeding Storage Exhibit, PG&E may purchase any remaining inventory from the Customer within sixty (60) days of the date of termination. PG&E will purchase the remaining inventory at the Lowest Citygate Index (LCI), unless otherwise agreed. The LCI is the lower of the lowest daily price during the month or the monthly PG&E Citygate Index Price, as published in <i>Gas Daily</i> , rounded down to the next whole dollar. If no price is published on a given day, the previously published price will be applied. The amount paid to the Customer may be reduced by any outstanding amounts owed by the Customer for any services provided by PG&E.	(T) (T)



SCHEDULE G-NAS—NEGOTIATED AS-AVAILABLE STORAGE SERVICE

APPLICABILITY: This rate schedule* applies to the As-available use of PG&E's storage facilities. Storage injection and withdrawal may be taken separately under this schedule. Core Transport Agents, or PG&E, on behalf of Core Customers, may take storage service in excess of that provided by the core storage allocation.

TERRITORY: The rate schedule applies to use of PG&E's storage facilities. The points of service for storage under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citygate.

RATES: Customers taking service under this rate schedule will pay monthly Usage Charges for any injection and/or withdrawal services utilized during the billing period. Any injections and/or withdrawals occurring during a billing period, but not recorded in that billing period, shall be deferred to a future billing period.

Negotiated rates for service under this rate schedule shall not be less than PG&E's marginal cost of providing the service and shall not exceed a price which will collect 100 percent of PG&E's total revenue requirement for the Unbundled Storage Program under both subfunctions (e.g., injection or withdrawal), as shown below. Customers will be billed on a monthly basis.

Maximum Rates (Per Dth/Day)

Injection	\$13.7072 (I)
Withdrawal	\$10.3342 (I)

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

(D)

SHRINKAGE: In-kind storage shrinkage is available to all injection quantities in accordance with gas Rule 21.

(N)
(N)

CREDIT-WORTHINESS: The Customer must meet the creditworthiness requirements as specified in Rule 25.*

SERVICE AGREEMENT: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) and storage exhibit thereto are required for service under this rate schedule.

NOMINATIONS: Notice is required for injections and withdrawals as agreed to by PG&E and the customer. See Rule 21 for details.

CURTAILMENT OF SERVICE: Service under this schedule may be curtailed. See Rule 14 for details.

* PG&E's gas tariffs are available on-line at www.pge.com.

(T)



SCHEDULE G-CFS—CORE FIRM STORAGE

APPLICABILITY: This rate schedule* provides the rates and charges associated with core firm storage capacity (Assigned Storage) assigned to Core Procurement Groups (CPGs), which include Core Transport Agents (CTAs) and PG&E's Core Procurement Department, pursuant to the core firm storage provisions of Schedule G-CT. (T)

This schedule also provides the methodology for determining the quantity of gas inventory that may be sold to or purchased from a CTA by PG&E's Core Procurement Department, as amounts of Assigned Storage change during the Storage Year. In addition, this schedule describes the calculation of the prices to be paid when such gas inventory is transferred.

The CPG may also take storage service under Schedule(s), G-SFS, G-NFS and/or G-NAS in conjunction with service under this rate schedule. (T)

TERRITORY: Schedule G-CFS applies to the firm use of PG&E's storage facilities. (T)

ASSIGNED STORAGE MONTHLY CHARGE: CPGs holding an assignment of core firm storage (Assigned Storage), pursuant to the provisions of Schedule G-CT, will be billed each month based upon the amount of Assigned Storage held for the current month. The monthly charge is calculated by multiplying the applicable monthly rate, shown below, by the inventory quantity associated with CPG's Assigned Storage for that month. (T)

Reservation Charge per Dth per month \$0.0957 (R)

SHRINKAGE: In-kind storage shrinkage is applicable to all injection quantities in accordance with gas Rule 21. (D) (N)

SERVICE AGREEMENT: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) and applicable exhibit are required for CTAs taking service under this rate schedule.

NOMINATIONS: Nominations are required for injections and withdrawals. See Rule 21 for details.

INJECTION/WITHDRAWAL: This schedule provides for firm injection and withdrawal for CPGs. It also specifies month-end minimum inventory targets for CPGs.

Firm injection is available from April 1 through October 31. Firm withdrawal is available from November 1 through March 31. In addition, firm summer withdrawal and winter injection are also available, as specified below.

Injection and Withdrawal Capacities

For CPGs that hold up to 1,000,000 Dth of Annual Inventory (AI), fixed injection and withdrawal capacities are assigned pursuant to Schedule G-CT. (N)

* PG&E's gas tariffs are available on-line at www.pge.com. (N)

(Continued)



SCHEDULE G-CFS—CORE FIRM STORAGE
(Continued)

INJECTION/
WITHDRAWAL:
(Cont'd.)

Injection and Withdrawal Capacities (Cont'd.)

For CPGs that hold more than 1,000,000 Dth of Annual Inventory, the injection and withdrawal capacities will be variable, as specified herein. Maximum injection and withdrawal will be based upon the amount of gas in inventory at the time of injection or withdrawal (Current Inventory, CI). The calculation for variable injection and withdrawal capacities are as follows, in Dth.**

$$\text{Injection Capacity (April through October)} = \frac{(AI * 207) - (CI * 92)}{33,478}$$

$$\text{Withdrawal Capacity (November through March)} = \frac{(CI * 283) + (AI * 970)}{33,478}$$

Firm Injection and Withdrawal Rights for Other Months for All CPGs

Firm withdrawal is available every day during the months of April through October for all CPGs. Firm injection is available every day during the months of November through March. The amount of injection or withdrawal capacity available to a CPG is dependent upon the CPG's Assigned Storage. The calculation for capacity is shown below in Dth.

$$\text{Injection or Withdrawal Capacity} = (AI/33,477,700) * 50,000$$

Injection Period Month-End Minimum Inventory Target Level

For Assignment of Core Firm Storage, the CPG must meet the storage inventory targets as set forth below.

Date	Injection Period Month-End Minimum Inventory Target Level
By April 30	Annual Inventory/214 days x 30 days x 75%
By May 31	Annual Inventory/214 days x 61 days x 75%
By June 30	Annual Inventory/214 days x 91 days x 75%
By July 31	Annual Inventory/214 days x 122 days x 75%
By August 31	Annual Inventory/214 days x 153 days x 75%
By September 30	Annual Inventory/214 days x 183 days x 75%
By October 31	Annual Inventory/214 days x 214 days x 75%

If, by the end of a calendar month, a CPG fails to nominate and inject gas into Assigned Storage to meet the Injection Period Month-End Minimum Inventory Target Level, gas to meet the inventory target will become a negative supply transaction on the CPG's Cumulative Imbalance Statement for that calendar month, as specified in Schedule G-BAL.

** These formulas specify that as gas is injected or withdrawn throughout the seasons, the capability to inject or withdraw declines due to the physical operation of the storage fields.

(Continued)



SCHEDULE G-CFS—CORE FIRM STORAGE
(Continued)

INJECTION/
WITHDRAWAL:
(Cont'd.)

Withdrawal Period Month-End Minimum Inventory Target Level

(N)

Minimum storage inventories must be maintained by the CPG during the firm withdrawal period. CPG will not be permitted to withdraw gas below the following month-end inventory targets:

<u>Date</u>	<u>Withdrawal Period Month-End Minimum Inventory Target Level</u>
By November 30	80% x Annual Inventory
By December 31	50% x Annual Inventory
By January 31	15% x Annual Inventory
By February 28	5% x Annual Inventory
By March 31	0% x Annual Inventory

CURTAILMENT
OF SERVICE:

Service under this schedule may be curtailed. See Rule 14 for details.

INVENTORY
TRANSFERS:

Allocation Changes Caused by Transfer of Customers Between CTAs

If a Customer(s) switches from one CTA to another, PG&E will transfer gas stored on behalf of such customer(s), to the new CTA, provided written consent of the affected CTAs and PG&E's consent is obtained. In the event of a transfer of gas, the corresponding inventory, injection, and withdrawal capacity also shall transfer, and the responsibility for payment of the storage facilities for that year under this schedule, also shall transfer for the remainder of the period of the Assigned Storage.

(N)

(Continued)



SCHEDULE G-PARK—MARKET CENTER PARKING SERVICE

APPLICABILITY: This rate schedule applies to the gas parking service offered to Customers as part of PG&E's Golden Gate Market Center Services. Gas parking is the temporary storage of gas on the PG&E gas transmission system. This service is provided on an interruptible basis only, and is the lowest priority transmission service offered by PG&E.

The Customer shall be responsible for arranging and paying for interstate and intrastate transportation service, as applicable, for transportation into and out of their Market Center accounts.

TERRITORY: The points of service for parking under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citygate.

RATES: Rates will be negotiated on a transaction-by-transaction basis and shall be within the range set forth below:

Minimum Rate (per transaction): \$57.00

Maximum Rate (per Dth per day): \$0.8198 (R)

The minimum rate reflects PG&E's minimum costs to offer and operate the service.

(D)

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

(D)

CREDIT-WORTHINESS: The Customer must meet the creditworthiness requirements specified in Rule 25.*

SERVICE AGREEMENT: Service under this schedule is available to Customers who have executed a Gas Transmission Service Agreement (GTSA) (Form No. 79-866) with PG&E.

NOMINATIONS: Notice is required for service under this schedule, as agreed to by PG&E and the customer.

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



SCHEDULE G-LEND—MARKET CENTER LENDING SERVICE

APPLICABILITY: This rate schedule* applies to the gas lending service offered to Customers as part of PG&E's Golden Gate Market Center Services. Gas lending is the temporary loan of gas from the PG&E gas transmission system. This service is provided on an interruptible basis only, and is the lowest priority transmission service offered by PG&E.

The Customer shall be responsible for arranging and paying for interstate and intrastate transportation service, as applicable, for transportation into and out of their Market Center accounts.

TERRITORY: The points of service for lending under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citygate.

RATES: Rates will be negotiated on a transaction-by-transaction basis and shall be within the range set forth below:

Minimum Rate (per transaction): \$57.00

Maximum Rate (per Dth per day): \$0.8198 (R)

The minimum rate reflects PG&E's minimum costs to offer and operate the service.

(D)

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

(D)

CREDIT-WORTHINESS: The Customer must meet the creditworthiness requirements specified in Rule 25.

SERVICE AGREEMENT: Service under this schedule is available to Customers who have executed a Gas Transmission Service Agreement (GTSA) (Form No. 79-866) with PG&E.

NOMINATIONS: Notice is required for service under this schedule, as agreed to by PG&E and the customer.

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



SCHEDULE G-CT—CORE GAS AGGREGATION SERVICE
(Continued)

TERMINATION
OF CUSTOMER
AUTHORIZA-
TION (Cont'd.):

A CTA Agreement, and all Customer Authorizations for Customers receiving service from the CTA in accordance with that CTA Agreement, shall terminate, regardless of whether the initial twelve (12) month term of a Customer Authorization has expired, if any of the following occur:

1. The CTA goes out of business.
2. PG&E cancels the applicable CTA Agreement due to: (a) the CTA's failure to pay PG&E in accordance with its tariffs for services rendered to the CTA or, (b) for otherwise failing to comply with the terms of Gas Rule 23 or the CTA Agreement or, (c) the CTA's failure to comply with the Firm Winter Capacity Requirement.
3. If a Group's Annual Contract Quantity (ACQ) drops below 12,000 decatherms, the Customer Authorization for each Customer will be terminated, without further notice, effective for each account, as of the next calendar month's meter reading date. When all Customer Authorizations have been terminated the applicable CTA Agreement is canceled automatically. Under paragraphs 2, 3, and 4 above, PG&E will thereafter send written notice of cancellation of the CTA Agreement and all affected Customer Authorizations to the CTA and all affected Customers to the extent practicable, but in no event shall any failure to provide, or a delay in providing, such notice to customers affect PG&E's rights to cancel said CTA Agreement.

If a Customer Authorization is terminated and the Customer continues to receive service at the meter location, the Customer will receive PG&E procurement service as specified in the applicable rate schedule. PG&E may recall capacity, in PG&E's sole discretion, if such capacity is necessary to serve the returning Customer(s); provided, however that PG&E shall not recall such capacity unless and until the aggregated net change due to Customer Terminations exceeds the lower of ten percent (10%) of the CTA's prior effective DCQ or 100 decatherms per day.

The CTA shall remain responsible for any charges due for PG&E service provided under the CTA Agreement prior to its cancellation, whether or not such charges are billed after such cancellation. The Customer shall remain responsible for any charges due for PG&E service provided under the Customer Authorization prior to its termination, whether or not such charges are billed after such termination.

CONTRACT
QUANTITIES:

PG&E will process new Authorizations on a monthly basis. For each new Authorization, PG&E shall determine the Annual Contract Quantity (ACQ) for each Customer's account. The ACQ will be based on the Customer's monthly historical gas use.

For each month, PG&E will determine the Group's January Capacity Factor. The Group's January Capacity Factor is the ratio of the sum of each Customer's historical January usage to PG&E's core forecasted January throughput, as adopted in PG&E's latest Cost Allocation Proceeding (CAP). PG&E will notify the CTA of the Group's ACQ, the January Capacity Factor for each calendar month by the fifteenth (15th) day of the prior month.

PG&E's forecasted January throughput:..... 48,036,751 decatherms

If, at any time, the sum of the January Capacity Factor for all CTAs is greater than 10 percent (10%), CTAs will no longer have the option to reject any of the pipeline or storage capacities offered below. This charge will take place beginning April 1, after one full year has passed since the January Capacity Factor became greater than 10 percent (10%).

(N)
|
|
|
(N)

(Continued)



SCHEDULE G-CT—CORE GAS AGGREGATION SERVICE
(Continued)

FIRM WINTER
CAPACITY
REQUIREMENT:
(Cont'd.)

- 3. Contract with PG&E for firm intrastate transmission pipeline capacity or firm storage capacity and withdrawal rights in conjunction with Schedules G-AA or G-NAA.

Capacity held to satisfy core firm storage requirements, described below, may not simultaneously be used to satisfy the Firm Winter Capacity requirement.

Should the CTA exercise Option 2 or 3 above, to satisfy the Firm Winter Capacity requirements for any winter month, the CTA shall be required to submit, within five (5) days of notification, an executed Declaration of Alternate Winter Capacity (Form No. 79-845, Attachment J).

If a CTA has fulfilled this Firm Winter Capacity Requirement and has incurred no instances of non-compliance with an Emergency Flow Order (EFO) and no more than on (1) such instance with and Operation Flow Order (OFO) as specified in Rule 14 for a two-year period, the CTA will no longer be required to meet this Firm Winter Capacity Requirement.

CORE FIRM
STORAGE:

PG&E will, from time to time, determine for each CTA an annual core firm storage allocation consisting of core firm inventory capacity and associated injection and withdrawal capacity. An Initial Storage Allocation will be provided and adjusted by Mid-Year Storage Allocations and Winter Season Storage Allocation Adjustments, as described below. These storage allocations are a pro rata share of PG&E's total core firm storage capacity reservation and are calculated as also described below.

In February of each year, PG&E will calculate each CTA's Initial Storage Allocation based upon the number of customers expected to be part of each CTA's Group in April of that year. Prior to March 1, each CTA will be given the option to reject a percentage of its Initial Storage Allocation, up to 100 percent (100%), for the upcoming storage year of April 1 through March 31 (Storage Year). A CTA's failure to reject its Initial Storage Allocation by March 1 shall be deemed an acceptance thereof.

Each CTA's assigned core firm storage capacity (Assigned Storage) shall be the sum of its Initial Storage Allocation, to the extent accepted, plus modifications due to Mid-Year Storage Allocations and Winter Season Storage Allocation Adjustments, plus any capacity that may be reassigned to a CTA pursuant to the reallocation process, triggered if the Annual Cap on rejected amounts is exceeded. Assigned Storage will be provided under the terms of Schedule G-CFS.

Each CTA will be required to execute and shall be subject to the terms and conditions of a Core Firm Storage Declarations (Form No. 79-845, Attachment D) with PG&E, for its Assigned Storage. The rejected percentage shall also be specified in Attachment D. In the event the CTA rejects a portion of its Initial Storage Allocation, it must do so in an increment of 10 percent (10%), (e.g., 10%, 20%, 30%, and so forth) up to 100%. For storage allocation amounts rejected, the CTA must certify Alternate Resources for each Winter month in amounts equivalent to the rejected withdrawal capacity, as more fully set forth in this rate schedule. Gas in storage, for core reliability, including gas stored using the Assigned Storage, may not be subject to encumbrances of any kind.

All core firm storage inventory capacity that is not assigned to CTAs is assigned to PG&E's Core Procurement department.

(N)
(N)

(Continued)



SCHEDULE G-CT—CORE GAS AGGREGATION SERVICE
(Continued)

CORE FIRM
STORAGE:
(Cont'd.)

PG&E's determination of core firm storage capacity for each CTA Group will be based on the sum of the historical Winter Season gas usage for the Group, unless otherwise agreed upon.

PG&E's total core storage capacity reservations, by subfunction, are:

Annual Inventory	33,478 MDth
Average Daily Injection	157 MDth/day
Average Daily Withdrawal	1,111 MDth/day

To determine each CTA's allocation, PG&E will calculate the ratio of the CTA Group's Winter Season Usage to PG&E's total core Winter Season forecast throughput, as adopted in the latest CPUC Cost Allocation Proceeding (CAP). The ratio, expressed as a percentage, is then applied to the Annual Inventory above to determine the amount of inventory that is allocated to the CTA. For CTAs whose resultant allocation is up to 1,000,000 Dth, the percentage is also applied to the Average Daily Injection and Average Daily Withdrawal to determine the daily injection and withdrawal limits. For CTAs whose resultant inventory is greater than 1,000,000 Dth, the injection and withdrawal capacities are variable. The calculations for those injection and withdrawal capacities are specified in Schedule G-CFS.

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(N)

PG&E's total adopted core Winter Season throughput, adopted in the 2000 BCAP D.01-11-001, is:

184,636,571

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(L)

(Continued)



SCHEDULE G-CT—CORE GAS AGGREGATION SERVICE
(Continued)

(D)
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(D)

ASSIGNED STORAGE PAYMENTS:

For those months during which the CTA holds Assigned Storage, the CTA will pay a monthly charge equal to the inventory volume associated with its Assigned Storage, multiplied by the monthly charge specified in Schedule G-CFS for the applicable month.

MID-YEAR STORAGE ALLOCATIONS:

In August of each year, PG&E will recalculate CTA storage allocations based upon each CTA Group's estimated Winter Usage as represented by the Customers expected to be part of the Group in November. This recalculated storage allocation (Mid-Year Storage Allocation) will be compared to the Initial Storage Allocation for the current storage season.

Increase In Load: If the Mid-Year Storage Allocation exceeds the Initial Storage Allocation by more than 10,000 decatherms, the CTA will have the option to accept an additional core storage allocation for the full amount or a portion of the increase, in ten percent (10%) increments. Any election must be provided by the CTA to PG&E prior to September 1. The resulting allocation, (including any additional capacity assigned back to the CTA as provided by this schedule in the event the Annual Cap as described below is exceeded,) will be added to the CTA's Assigned Storage. If the Mid-Year Storage Allocation exceeds the Initial Storage Allocation by 10,000 decatherms or less, the Assigned Storage will remain unchanged.

For the amount of this increase in Assigned Storage, gas in PG&E's Core Procurement Department's storage account will be transferred to the CTA core firm storage account at a price and in the amounts specified in Schedule G-CFS.

Decrease In Load: If the Mid-Year Storage Allocation, when compared to the Initial Storage Allocation, results in a decrease of more than 10,000 decatherms, and the CTA has Assigned Storage, the CTA must accept a corresponding reduction in its Assigned Storage. In such event, the CTA shall transfer to PG&E's Core Procurement Department a share of the decrease equal to the proportion of the CTA's Assigned Storage to the Initial Storage Allocation. For example, a CTA that accepted an assignment of 70% of its Initial Storage Allocation must transfer 70% of the difference between its Initial Storage Allocation and the Mid-Year Storage Allocation. For the amount of this reduction in Assigned Storage, gas in the CTA's core firm storage account will be transferred to PG&E Core Procurement Department's storage account at a price and in the amounts specified in Schedule G-CFS.

(Continued)



SCHEDULE G-CT—CORE GAS AGGREGATION SERVICE
(Continued)

WINTER
SEASON
STORAGE
ALLOCATION
ADJUSTMENTS:

In any month of the Winter Season, storage capacity may be reallocated as a result of the increase or decrease in a CTA's Group Winter Usage. Changes in Winter Usage will be measured relative to the Winter Usage used for the CTA's Mid-Year Storage Allocation performed in August if the Mid-Year Storage Allocation differed from the Initial Storage Allocation by more than 10,000 decatherms. Otherwise the change shall be measured relative to the Initial Storage Allocation.

Changes in storage allocations resulting from changes in a Group's Winter Usage are termed Winter Season Storage Allocation Adjustments. Such adjustments are at the CTA's option, unless the size of the change in calculated allocation exceeds 100,000 decatherms, at which point they are mandatory.

The following describes how transfers in storage capacity, gas in inventory, or both may be performed pursuant to Winter Adjustments:

Allocation Changes Caused by Increase in Load: Storage Capacity may be transferred from PG&E's Core Procurement Department to the CTA based on the proportional share of storage capacity associated with the customer load increase. Inventory in storage will be sold to the CTA at the price and in the quantities specified in Schedule G-CFS.

Allocation Changes Caused by Decrease in Load: If a CTA has previously accepted allocated storage, storage capacity may be transferred from the CTA to PG&E's Core Procurement Department based on the proportional share of storage capacity associated with customer load decrease. Inventory in storage will be sold to PG&E at the price and in the quantities specified in Schedule G-CFS.

(D)

The physical transfer and sale from CTA storage inventory accounts to PG&E's Core Procurement inventory account will occur on or after November 1. Until the date of transfer, CTAs are responsible for maintaining inventory in their rejected storage allocations.

(Continued)



SCHEDULE G-CT—CORE GAS AGGREGATION SERVICE
(Continued)

ASSIGNMENT: Any allocation or Assigned Storage under this schedule, including associated rights and obligations, may not be assigned by a CTA, with the exception that an allocation may be transferred by merger or acquisition to a party assuming the role of the CTA, subject to PG&E's consent and the creditworthiness requirements specified in PG&E's Tariffs and Rules.

(D)
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(D)

NOMINATIONS: Nominations are required from the CTA, on behalf of the Group, as specified in Rule 21.

BALANCING SERVICE: Service hereunder shall be subject to all applicable terms, conditions and obligations of Schedule G-BAL.

BILLING/PAYMENT: Rule 23 provides the terms and conditions of billing and payment procedures under this schedule.

CREDIT-WORTHINESS: Customers must meet PG&E's creditworthiness standards as set forth in Rules 6 and 7. Customers who have established credit with PG&E will not be required to pay an additional or new deposit to be eligible for service under this schedule.

The CTA must meet the requirements specified in Rule 23 before it may provide gas aggregation services under this schedule.



RULE 23—GAS AGGREGATION SERVICE FOR CORE TRANSPORT CUSTOMERS
(Continued)

B. ESTABLISHMENT OF CREDIT (Cont'd.)

4. REDUCING CREDITWORTHINESS REQUIREMENTS (Cont'd.)

b. STORAGE COLLATERAL

The CTA may maintain a specified volume of gas in storage at all times as collateral. Gas stored as collateral must be in addition to gas stored to meet core reliability requirements.

If the CTA fails to maintain the specified volume of storage gas, the CTA will have seven (7) days or until the end of the month, whichever occurs first, to meet the condition. If the CTA fails to do so within that period, the CTA Agreement is subject to immediate termination by PG&E.

The CTA shall grant to PG&E a first priority security interest in all gas in storage for collateral pursuant to appropriate documents acceptable to PG&E.

The specified volume shall be agreed to by the CTA and PG&E and will reduce the creditworthiness requirement by reducing the number of days used in the calculation of CWR1 by the quotient of the specified volume divided by the DCQ as follows:

$$\text{CWR1} = (90 \text{ days} - (\text{specified volume}/\text{DCQ})) \times \text{DCQ} \times \text{Core WACOG} \times 150 \text{ percent}$$

To utilize this form of collateral, the CTA shall be required to contract with PG&E for additional storage capacity in accordance with Schedules G-SFS and/or G-NFS.

(T)

5. ADDITIONAL SECURITY DOCUMENTS

The CTA shall execute and deliver all documents and instruments (including, without limitation, security agreements and the Uniform Commercial Code (UCC) financing statements) reasonably requested by PG&E from time to time to implement the provisions set forth above and to perfect any security interest granted to PG&E.

(Continued)



Pacific Gas and Electric Company
San Francisco, California

Cancelling

Revised
Revised

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

22160-G
19885-G

PACIFIC GAS AND ELECTRIC COMPANY
GAS TRANSMISSION SERVICE AGREEMENT

FORM NO. 79-866

DELETE EXHIBITS D, G, H, I, (4/04)

REVISE EXHIBIT F (4/04)

ADD EXHIBIT J (4/04)

(ATTACHED)

(N)
(N)
(N)

Advice Letter No. 2513-G
Decision No. 03-12-061

Issued by
Karen A. Tomcala
Vice President
Regulatory Relations

Date Filed January 20, 2004
Effective April 1, 2004
Resolution No. _____

50323

EXHIBIT:
GAS TRANSMISSION SERVICE AGREEMENT:
CUSTOMER NAME:

PACIFIC GAS AND ELECTRIC COMPANY
GAS TRANSMISSION SERVICE AGREEMENT

EXHIBIT F - GOLDEN GATE MARKET CENTER SERVICE
(NEGOTIATED AS-AVAILABLE STORAGE SERVICE)

Customer must execute or previously have executed a currently effective Gas Transmission Service Agreement (GTSA) with PG&E before this Exhibit has any legal effect. Once executed, this Exhibit shall be made a part of and subject to all terms and conditions of the GTSA executed by and between PG&E and Customer, and service hereunder shall be rendered in accordance with the terms of Schedule G-NAS – Negotiated As-Available Storage Service, or superseding rate schedule(s), and all applicable PG&E gas Rules in effect during the term of this Exhibit.

Service under Schedule G-NAS is available only to Customers with firm storage inventory pursuant to Schedules G-SFS or G-NFS.

APPLICABLE RATE SCHEDULE: G-NAS
QUANTITY:

Injection: _____ Dth/day TERM: _____ to _____

NEGOTIATED RATES:

NOMINATIONS:

Customer must give PG&E _____ notice for use of this service.

TRANSPORTATION:

Customer understands that this Exhibit applies only to the storage of natural gas. Customer must make separate arrangements for gas transportation services to and from PG&E storage facilities.

Section IX and X of California Public Utilities Commission General Order 96-A do not apply to this Exhibit.

EXHIBIT:
GAS TRANSMISSION SERVICE AGREEMENT:
CUSTOMER NAME

CUSTOMER CONFIRMATION / PG&E ACCEPTANCE & AUTHORIZATION:

Customer will confirm Customer's agreement to the terms and conditions described in this Exhibit by returning this Exhibit to PG&E. The transaction described in this Exhibit will be accepted and authorized upon PG&E's countersigning the Exhibit, and PG&E shall communicate its acceptance and authorization by sending a facsimile of the executed Exhibit to Customer.

FOR CUSTOMER

FOR PACIFIC GAS AND ELECTRIC COMPANY

Name of Authorized Representative

Name of Authorized Representative

Title _____

Title _____

Signature _____

Signature _____

Date _____

Date _____

EXHIBIT:
GAS TRANSMISSION SERVICE AGREEMENT:
CUSTOMER NAME:

**PACIFIC GAS AND ELECTRIC COMPANY
GAS TRANSMISSION SERVICE AGREEMENT**

**EXHIBIT J - GOLDEN GATE MARKET CENTER SERVICE
(STANDARD FIRM STORAGE SERVICE)**

Customer must execute or previously have executed a currently effective Gas Transmission Service Agreement (GTSA) with PG&E before this Exhibit has any legal effect. Once executed, this Exhibit shall be made a part of and be subject to all terms and conditions of the GTSA executed by and between PG&E and Customer, and service hereunder shall be rendered in accordance with the terms of Schedule G-SFS – Standard Firm Storage Service, or superseding rate schedule(s), and all applicable PG&E gas Rules in effect during the term of this Exhibit.

APPLICABLE RATE SCHEDULE: G-SFS

TERM: _____ to _____

CONTRACT INVENTORY:

Contract Inventory Quantity: _____ Dth

WITHDRAWAL MONTHS BETWEEN APRIL 1 AND OCTOBER 31:

Customer chooses the three (3) calendar months specified below for firm withdrawal during the period of April 1 through October 31. The months do not have to be contiguous.

Month 1: _____

Month 2: _____

Month 3: _____

RATES:

Customer shall pay PG&E the rates and charges applicable to services rendered pursuant to the applicable Rate Schedule identified above.

TRANSPORTATION:

Customer understands that this Exhibit applies only to the storage of natural gas. Customer must make separate arrangements for gas transportation services to and from PG&E storage facilities.

CUSTOMER CONFIRMATION / PG&E ACCEPTANCE & AUTHORIZATION:

Customer will confirm Customer's agreement to the terms and conditions described in this Exhibit by executing and returning this Exhibit to PG&E. The transaction described in this Exhibit will be accepted and authorized upon PG&E's countersigning the Exhibit, and PG&E shall communicate its acceptance and authorization by sending a facsimile of the executed Exhibit to Customer. PG&E's authorization

and acceptance shall at all times remain subject to daily availability and operational constraints as further detailed in the applicable Rate Schedule identified above.

FOR CUSTOMER

FOR PACIFIC GAS AND ELECTRIC COMPANY

Name of Authorized Representative

Name of Authorized Representative

Title_____

Title_____

Signature_____

Signature_____

Date_____

Date_____



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79-869	5/03	Noncore Balancing Aggregation Agreement.....	21550-G
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79-946	8/97	California Production Cumulative Imbalance Trading Form	18304-G
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79-971	1/03	Election for Self-Balancing Option	21372-G
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7	Deposits.....	18212,18213-G
8	Notices.....	17579,17580,15726,17581,15728-G
9	Rendering and Payment of Bills	19353,18712,21294,21295,17780,17781-G
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11	Discontinuance and Restoration of Service.....	18217 to 18228,19710-G
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**PGE Gas Advice Filing
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General Order 96-A, Section III(G)**

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Aglet Consumer Alliance
Agnews Developmental Center
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Alcantar & Elsesser
Applied Power Technologies
Arter & Hadden LLP
Avista Corp
Barkovich & Yap, Inc.
BART
Blue Ridge Gas
BP Energy Company
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C & H Sugar Co.
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CA Cotton Ginners & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
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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
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Davis, Wright Tremaine LLP
Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
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Department of Water & Power City
DGS Natural Gas Services
DMM Customer Services
Downey, Brand, Seymour & Rohwer
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Dutcher, John
Dynergy 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
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