

PUBLIC UTILITIES COMMISSION

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November 8, 2004

Advice Letter 2558-G

Rose de la Torre
Pacific Gas & Electric
77 Beale Street, Room 1088
Mail Code B10C
San Francisco, CA 94105

Subject: CORE monthly procurement and transportation rate changes

Dear Ms Smith:

Advice Letter 2558-G is effective July 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**

Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

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June 24, 2004

Advice 2558-G

(Pacific Gas and Electric Company ID U39G)

**Subject: Core Gas Procurement and Transportation Rate Changes
effective July 1, 2004
(2003 General Rate Case, Gas Accord II – 2004 Rate Revisions
for GRC Decision, and Cogeneration Eligibility)**

Public Utilities Commission of the State of California

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.

Purpose

The purpose of this filing is to submit changes to core end-use customer gas procurement and transportation rates and to provide for an additional procurement option for small cogeneration customers effective **July 1, 2004**.

This filing is submitted in compliance with Decision (D.) 97-10-065, which approved monthly price changes for core gas procurement rates. In accordance with D. 97-10-065, core gas procurement rates generally change on the fifth business day of the month. Decision 98-07-025 allows PG&E to change its core procurement rates on the first day of the month when core transportation rates change on the first of the month.

This filing also updates core gas transportation rates in compliance with PG&E's 2003 General Rate Case (GRC) Decision (D.) 04-05-055, Gas Accord II - 2004 D. 03-12-061, Advice 2521-G, and D. 04-06-004--Opinion Regarding the Small Cogeneration Consortium's (SCC) Petition to Modify D.13-12-061, which provides that small cogenerators taking electric generation service under Schedule G-EG the option of obtaining procurement service from Core Procurement Groups.

Noncore end-use transportation, unbundled backbone transmission rates and market center storage rates effective July 1, 2004, are being filed concurrently in Advice 2556-G to incorporate rate revisions adopted in D. 03-12-061, D. 04-05-055, and Advice 2521-G.

**July 2004 Procurement Rate Changes**

PG&E is revising the gas procurement rates shown on core end-use customer Schedules G-1, GM, GS, GT, GL-1, GML, GSL, GTL, G-NR1, G-NR2, G-NGV1, G-NGV2 and G-CP—*Gas Procurement Service to Core End-Use Customers*. The procurement charges shown on Schedule G-CP are for illustrative purposes only and are the same as those shown on the end-use customer schedules. The gas procurement rate varies by rate schedule due to the allocation of pipeline capacity and storage charges to the core customer classes.

Schedule G-CP procurement charges proposed in this filing are shown below:

	Residential (All schedules)	Small Commercial (G-NR1)	Large Commercial (G-NR2)	Natural Gas Vehicles (G-NGV1/2)
Schedule G-CP Procurement Charge (\$/therm)	\$0.46703	\$0.46413	\$0.44089	\$0.45549

The Schedule G-CP rates effective **July 1, 2004**, include:

- a) A monthly weighted average cost of gas (WACOG) of **\$0.54476** per therm, down from last month's WACOG of **\$0.57658** per therm;
- b) A credit of **\$0.18175** therm to amortize the expected **\$26** million overcollection in the sales subaccount of the Purchased Gas Account (PGA) over one month;
- c) An adjustment to interstate and backbone capacity charges accounting for the monthly election of backbone and interstate capacity by gas Energy Service Providers (ESPs);
- d) A core storage rate component reflecting the core firm storage revenue requirement adopted in D. 03-12-061, adjusted to account for elections of core firm storage capacity by gas ESPs.
- e) An adjustment to core backbone and core firm storage rates to reflect the Administrative and General (A&G) expenses adopted in 2003 GRC D. 04-05-055, filed concurrently in Advice 2556-G effective July 1, 2004, as discussed below.



July 2004 Transportation Rate Changes

Decision 04-05-055 adopted an increase in distribution base revenues effective January 1, 2003. PG&E filed the distribution revenue requirement changes in Advice 2551-G on June 7, 2004, in compliance with D. 04-05-055. As a result of the GRC decision, PG&E is reflecting in gas transportation rates an increase of \$50.2 million. This filing revises core gas transportation rates to reflect the core distribution portion of the revenue requirement change.

Rates filed herein also include the core interim relief amount for January 1, 2003, through June 30, 2004, that D. 02-12-073 authorized PG&E to recover. Decision 02-12-073 found that it was fair and appropriate to approve revenue requirement relief that leaves shareholder and ratepayers essentially indifferent to the actual date of the GRC decision that authorizes PG&E's Test Year (TY) 2003 revenue requirements. The mechanism for recovery of the core interim relief amount is through an adjustment to the Core Fixed Cost Account (CFCA) for the difference between the core distribution revenue requirement included in core transportation rates since January 1, 2003, and the amount authorized to be recovered in core rates by D. 04-05-055. The core interim relief amount is \$69.5 million amortized over 18 months.

This filing also revises the local transmission component in core end-use transportation rates to reflect the A&G expense amount adopted in GRC D. 04-05-055, as set forth in Advice 2521-G. Gas Accord II - 2004 D. 03-12-061 authorized core local transmission rates that became effective January 1, 2004. These rates were based on a revenue requirement that included a placeholder A&G expense amount until the GRC decision was adopted. As a result of D. 04-05-055, the Gas Accord II - 2004 revenue requirement has been reduced by \$8.5 million. In accordance with Advice 2531-G, the adjustment for January 1, 2004 - June 30, 2004, of \$4.2 million will be recorded to the Core Fixed Cost Account and Noncore Subaccount of the NCA and incorporated in rates in the next Annual True-up of Transportation Balancing Accounts effective January 1, 2005.

In Advice 2556-G, filed concurrently with this filing, PG&E is revising unbundled backbone transmission, market center storage and the local transmission and customer access charges in noncore end-use tariffs to reflect the A&G expense amount adopted in D. 04-05-055, in accordance with Advice 2521-G.

Small Cogenerator Procurement Options

PG&E is incorporating language approved in D. 04-06-004¹, in the Applicability section of core rate Schedules GM, GML, G-NR1 and G-NR2 to clarify that procurement service under those schedules may be taken in conjunction with

¹ D. 04-06-004—Opinion Regarding the Small Cogeneration Consortium's Petition to Modify Decision 03-12-061, dated June 9, 2004.



Schedule G-EG; but that electric generators permanently classified as Noncore End-Use Customers, per gas Rule 1, must procure gas from a third-party supplier, not from a Core Procurement Group, as defined in Rule 1.

PG&E also is incorporating language approved by the Commission in Advice 2533-G to the Applicability section of Schedules GM and GML to replace the word "submeter(s)" with "dwelling unit(s)" as appropriate.

Effective Date

In compliance with D. 97-08-055 and D. 97-10-065, PG&E requests that this advice filing be effective **July 1, 2004**. The prices in this filing shall remain in effect until PG&E's next such filing with the Commission.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **July 14, 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 at the address shown below on the same date it is mailed or delivered to the Commission.

Pacific Gas and Electric Company
Attention: Brian K. 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

**Notice**

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and sent via U.S. mail to parties shown on the attached list, and the service list for 2003 General Rate Case A. 02-11-017. Supporting workpapers for this filing are available upon written request to: Pacific Gas and Electric Company, Regulatory Relations Department, Attention: Sharon Tatai, 77 Beale Street, Mail Code B10C, P.O. Box 770000, San Francisco, CA 94177. Address change requests should be directed to Ms. Tatai at (415) 973-2788.

Advice letter filings can be accessed electronically at: <http://www.pge.com/tariffs/>

Brian K. Cherry /ss

Director, Regulatory Relations

Attachments

cc: Service Lists – A. 02-11-017

**Attachment I
Advice 2558-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
22550-G	Preliminary Statement Part B -- Default Tariff Rate Components	22461-G
22551-G	Preliminary Statement Part B (Cont'd)	22462-G
22552-G	Preliminary Statement Part B (Cont'd)	22463-G
22553-G	Preliminary Statement Part B (Cont'd)	22464-G
22554-G	Preliminary Statement Part B (Cont'd)	22465-G
22555-G	Preliminary Statement Part B (Cont'd)	22226-G
22556-G	Preliminary Statement Part B (Cont'd)	22227-G
22557-G	Preliminary Statement Part B (Cont'd)	22228-G
22558-G	Schedule G-1 -- Residential Service	22466-G
22559-G	Schedule GM -- Master-Metered Multifamily Service	22467-G
22560-G	Schedule GS -- Multifamily Service	22468-G
22561-G	Schedule GT -- Mobilehome Park Service	22469-G
22562-G	Schedule GL-1 -- Residential Care Program Service	22470-G
22563-G	Schedule GML -- Master-Metered Multifamily Care Program Service	22471-G
22564-G	Schedule GML -- Master-Metered Multifamily Care Program Service (Cont'd)	21035-G
22565-G	Schedule GML -- Master-Metered Multifamily Care Program Service (Cont'd)	18605-G
22566-G	Schedule GSL—Multifamily CARE Program Service	22472-G
22567-G	Schedule GTL – Mobilehome Park CARE	22473-G
22568-G	Schedule GTL (Cont'd)	22474-G
22569-G	Schedule G-NR1 -- Gas Service To Small Commerical Customers	22475-G
22570-G	Schedule G-NR1 (Cont'd)	22168-G
22571-G	Schedule G-NR2 – Gas Service To Large Commerical Customers	22476-G
22572-G	Schedule G-NR2 (Cont'd)	22169-G
22573-G	Schedule G-CP – Gas Procurement Service To Core End-Use Customers	22477-G
22574-G	Schedule G-NGV1 – Experimental Natural Gas Service For Compression On Cutomers's Premises	22478-G
22575-G	Schedule G-NGV2 – Experimental Compressed Natural Gas Service	22479-G
22576-G	Table Of Contents – Preliminary Statements	22480-G
22577-G	Table Of Contents – Rate Schedule (Cont'd)	22481-G
22578-G	Table Of Contents – Rate Schedules	22482-G



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 1

	RESIDENTIAL							
	G-1, GM, GS, GT				GL-1, GML, GSL, GTL			
	Baseline		Excess		Baseline		Excess	
CORE FIXED COST ACCOUNT (1)*	0.26732	(I)	0.50074	(I)	0.10594	(I)	0.28780	(I)
DSM	0.01419		0.01419		0.01419		0.01419	
LOCAL TRANSMISSION	0.03578	(R)	0.03578	(R)	0.03578	(R)	0.03578	(R)
CARE	0.01547		0.01547		0.00000		0.00000	
CPUC FEE**	0.00077		0.00077		0.00077		0.00077	
EOR	0.00002		0.00002		0.00002		0.00002	
CEE	(0.00018)		(0.00018)		(0.00018)		(0.00018)	
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00010		0.00010		0.00010		0.00010	
CORE BROKERAGE FEE	0.00240		0.00240		0.00240		0.00240	
CORE FIRM STORAGE	0.01335	(R)	0.01335	(R)	0.01335	(R)	0.01335	(R)
SHRINKAGE	0.01984		0.01984		0.01984		0.01984	
INTERSTATE/INTRASTATE CAPACITY CHARGE	0.04822		0.04822		0.04822		0.04822	
CORE PROCUREMENT CHARGE (4)*	0.38322		0.38322	(R)	0.38322		0.38322	(R)
TOTAL RATE	0.80050	(R)	1.03392	(I)	0.62365	(R)	0.80551	(I)

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 2

	SMALL COMMERCIAL							
	G-NR1							
	Summer				Winter			
	First 4,000 Therms		Excess		First 4,000 Therms		Excess	
CORE FIXED COST ACCOUNT (1)*	0.22038	(I)	0.11054	(I)	0.28586	(I)	0.15061	(I)
DSM	0.01070		0.01070		0.01070		0.01070	
LOCAL TRANSMISSION	0.03578	(R)	0.03578	(R)	0.03578	(R)	0.03578	(R)
CARE	0.01547		0.01547		0.01547		0.01547	
CPUC FEE**	0.00077		0.00077		0.00077		0.00077	
EOR	0.00003		0.00003		0.00003		0.00003	
CEE	(0.00013)		(0.00013)		(0.00013)		(0.00013)	
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00010		0.00010		0.00010		0.00010	
CORE BROKERAGE FEE	0.00240		0.00240		0.00240		0.00240	
CORE FIRM STORAGE	0.01268	(R)	0.01268	(R)	0.01268	(R)	0.01268	(R)
SHRINKAGE	0.01984		0.01984		0.01984		0.01984	
INTERSTATE/INTRASTATE CAPACITY CHARGE	0.04647		0.04647		0.04647		0.04647	
CORE PROCUREMENT CHARGE (4)*	0.38274		0.38274		0.38274		0.38274	
TOTAL RATE	0.74723	(R)	0.63739	(R)	0.81271	(R)	0.67746	(R)

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

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PRELIMINARY STATEMENT
(Continued)

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

CORE p. 3

	LARGE COMMERCIAL							
	G-NR2							
	Summer				Winter			
	First 4,000 Therms		Excess		First 4,000 Therms		Excess	
CORE FIXED COST ACCOUNT (1)*	0.18068	(I)	0.07084	(I)	0.24616	(I)	0.11091	(I)
DSM	0.05027		0.05027		0.05027		0.05027	
LOCAL TRANSMISSION	0.03578	(R)	0.03578	(R)	0.03578	(R)	0.03578	(R)
CARE	0.01547		0.01547		0.01547		0.01547	
CPUC FEE**	0.00077		0.00077		0.00077		0.00077	
EOR	0.00006	(R)	0.00006	(R)	0.00006	(R)	0.00006	(R)
CEE	(0.00003)		(0.00003)		(0.00003)		(0.00003)	
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00010		0.00010		0.00010		0.00010	
CORE BROKERAGE FEE	0.00240		0.00240		0.00240		0.00240	
CORE FIRM STORAGE	0.00924	(R)	0.00924	(R)	0.00924	(R)	0.00924	(R)
SHRINKAGE	0.01984		0.01984		0.01984		0.01984	
INTERSTATE/INTRASTATE CAPACITY CHARGE	0.03094		0.03094		0.03094		0.03094	
CORE PROCUREMENT CHARGE (4)*	0.37847		0.37847		0.37847		0.37847	
TOTAL RATE	0.72399	(R)	0.61415	(R)	0.78947	(R)	0.65422	(R)

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 4

	<u>G-NGV1</u>		<u>G-NGV2 (2)*</u>		<u>G-30 (3)*</u>
CORE FIXED COST ACCOUNT	0.00000		0.00000		
DSM	0.00000		0.00000		
LOCAL TRANSMISSION	0.00000		0.00000		
CARE	0.00000		0.00000		
CPUC FEE**	0.00077		0.00077		
EOR	0.00000		0.00000		
CEE	0.00000		0.00000		
NGV BALANCING ACCOUNT	0.15653	(I)	0.73060	(I)	
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00000		0.00000		
CORE BROKERAGE FEE	0.00240		0.00240		
CORE FIRM STORAGE	0.01154	(R)	0.01154	(R)	
SHRINKAGE	0.01984		0.01984		
INTERSTATE/INTRASTATE CAPACITY CHARGE	0.04059		0.04059		
CORE PROCUREMENT CHARGE (4)*	0.38112		0.38112		
TOTAL RATE	0.61279	(R)	1.18686	(R)	

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 5

	G-CT (CORE TRANSPORT)			
	RESIDENTIAL		CARE RESIDENTIAL	
	<u>Baseline</u>	<u>Excess</u>	<u>Baseline</u>	<u>Excess</u>
CORE FIXED COST ACCOUNT (1)*	0.26732	(I) 0.50074	(I) 0.10594	(I) 0.28780
DSM	0.01419	0.01419	0.01419	0.01419
LOCAL TRANSMISSION	0.03578	(R) 0.03578	(R) 0.03578	(R) 0.03578
CARE	0.01547	0.01547	0.00000	0.00000
CPUC FEE**	0.00077	0.00077	0.00077	0.00077
EOR	0.00002	0.00002	0.00002	0.00002
CEE	(0.00018)	(0.00018)	(0.00018)	(0.00018)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00010	0.00010	0.00010	0.00010
TOTAL RATE	0.33347	(I) 0.56689	(I) 0.15662	(I) 0.33848

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 6

	G-CT (CORE TRANSPORT)							
	SMALL COMMERCIAL							
	Summer				Winter			
	First 4,000 Therms		Excess		First 4,000 Therms		Excess	
CORE FIXED COST ACCOUNT (1)*	0.22038	(I)	0.11054	(I)	0.28586	(I)	0.15061	(I)
DSM	0.01070		0.01070		0.01070		0.01070	
LOCAL TRANSMISSION	0.03578	(R)	0.03578	(R)	0.03578	(R)	0.03578	(R)
CARE	0.01547		0.01547		0.01547		0.01547	
CPUC FEE**	0.00077		0.00077		0.00077		0.00077	
EOR	0.00003		0.00003		0.00003		0.00003	
CEE	(0.00013)		(0.00013)		(0.00013)		(0.00013)	
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00010		0.00010		0.00010		0.00010	
TOTAL RATE	0.28310	(I)	0.17326	(I)	0.34858	(I)	0.21333	(I)

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

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PRELIMINARY STATEMENT
(Continued)

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

CORE p. 7

	G-CT (CORE TRANSPORT)							
	LARGE COMMERCIAL							
	Summer				Winter			
	First 4,000 Therms		Excess		First 4,000 Therms		Excess	
CORE FIXED COST ACCOUNT (1)*	0.18068	(I)	0.07084	(I)	0.24616	(I)	0.11091	(I)
DSM	0.05027		0.05027		0.05027		0.05027	
LOCAL TRANSMISSION	0.03578	(R)	0.03578	(R)	0.03578	(R)	0.03578	(R)
CARE	0.01547		0.01547		0.01547		0.01547	
CPUC FEE**	0.00077		0.00077		0.00077		0.00077	
EOR	0.00006	(R)	0.00006	(R)	0.00006	(R)	0.00006	(R)
CEE	(0.00003)		(0.00003)		(0.00003)		(0.00003)	
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00010		0.00010		0.00010		0.00010	
TOTAL RATE	0.28310	(I)	0.17326	(I)	0.34858	(I)	0.21333	(I)

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 8

	<u>G-CT (CORE TRANSPORT)</u>			
	<u>G-NGV1</u>		<u>G-NGV2</u>	
CORE FIXED COST ACCOUNT (1)*	0.00000		0.00000	
DSM	0.00000		0.00000	
LOCAL TRANSMISSION	0.00000		0.00000	
CARE	0.00000		0.00000	
CPUC FEE**	0.00077		0.00077	
EOR	0.00000		0.00000	
CEE	0.00000		0.00000	
NGV BALANCING ACCOUNT	0.15653	(l)	0.73060	(l)
CORE TRANSPORT TRANSITION SUBACCOUNT				
TOTAL RATE	<u>0.15730</u>	(l)	<u>0.73137</u>	(l)

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

** The CPUC Fee includes \$.00076 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



SCHEDULE G-1—RESIDENTIAL SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. To qualify, service must be to individually-metered single family premises for residential use, including those in a multifamily complex, and to separately-metered common areas in a multifamily complex where Schedules GM, GS, or GT are not applicable.

TERRITORY: Schedule G-1 applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge as follows:

	Per Therm	
	Baseline	Excess
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
Total:	\$0.80050 (R)	\$1.03392 (I)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

BASELINE QUANTITIES:

The delivered quantities of gas shown below are billed at the rates for baseline use.

BASELINE QUANTITIES (THERMS PER DAY PER DWELLING UNIT)

Baseline Territories**	Summer	Winter
P	0.5	2.4
Q	0.7	2.2
R	0.5	2.0
S	0.5	2.1
T	0.7	2.0
V	0.7	1.9
W	0.5	1.9
X	0.6	2.2
Y	0.8	2.4

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

** The applicable baseline territory is described in Preliminary Statement, Part A.

(Continued)



SCHEDULE GM—MASTER-METERED MULTIFAMILY SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. To qualify, service must be master-metered for residential use (including service to common central facilities) in a multifamily accommodation on a single premises where all of the single-family accommodations are not separately submetered in accordance with Rule 18. This schedule also applies to residential hotels as defined in Rule 1 and to residential RV parks which rent at least fifty (50) percent of their spaces on a month-to-month basis for at least nine (9) months of the year to RV units used as permanent residences. This rate schedule is closed to new installations and additions to existing installations and therefore no dwelling units can be added to existing master-metered locations under this rate schedule, except that master-meters and dwelling units currently being served under one of these schedules will be allowed to continue on that schedule following a change of ownership provided that no additional dwelling units are added for inclusion in the master-metered rate schedule in mobilehome parks and to new single-meter installations where individual dwelling units contain appliances which require venting. This schedule may be taken in conjunction with Schedule G-EG; however, electric generators permanently classified as Noncore End-Use Customers, per Rule 1, must procure gas from a third-party supplier, not from a Core Procurement Group, as defined in gas Rule 1.

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TERRITORY: Schedule GM applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge as follows:

	Per Therm	
	Baseline	Excess
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
Total:	\$0.80050 (R)	\$1.03392 (I)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

BASELINE QUANTITIES: The above rates are applicable only to residential use. PG&E may require the Customer to submit a completed "Declaration of Eligibility for Baseline Quantities for Residential Rates." The delivered quantities of gas shown below are billed at the rates for baseline use. As an exception, service under this schedule not used to supply space heating but used to supply water heating from a central source to residential dwelling units that are individually metered by PG&E for either gas or electricity will be billed using a baseline quantity of 0.5 therms per dwelling unit per day (Code W) in all baseline territories and in both seasons.

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

(Continued)



SCHEDULE GS—MULTIFAMILY SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. To qualify, service must be master-metered for residential use to a multifamily accommodation (in other than a mobilehome park) on a single premises and submetered to all individual tenants in accordance with Rule 18. This rate schedule is closed to new installations and additions to existing installations and therefore no submeters can be added to existing master-metered locations under this rate schedule, except that master-meter/submeters currently being served under on of these schedules will be allowed to continue on that schedule following a change of ownership provided that no additional submeters are added for inclusion in the master-metered rate schedule.

TERRITORY: Schedule GS applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge as follows:

	Per Therm	
	Baseline	Excess
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
Total:	\$0.80050 (R)	\$1.03392 (I)

Discount (Per dwelling unit per day): \$0.09002 (R)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

MINIMUM AVERAGE RATE LIMITER:

The Customer's bill will be controlled by a Minimum Average Rate Limiter (MARL). The Customer's bill will be increased if necessary so that the average rate during any month is not less than the applicable MARL shown below.

Minimum Average Rate Limiter (Per Therm): \$0.46780 (R)

The MARL for Customers who procure gas from a party other than PG&E, as described in the Alternative Procurement Options herein, will include only the CPUC Fee component.

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

(Continued)



SCHEDULE GT—MOBILEHOME PARK SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. To qualify, service must be master-metered for residential use in a mobilehome park multifamily accommodations through one meter on a single premises and submetered to all individual tenants in accordance with Rule 18. This schedule is closed to the new mobilehome parks and manufactured housing communities for which construction commenced after January 1, 1997.

TERRITORY: Schedule GT applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge as follows:

	Per Therm	
	Baseline	Excess
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
Total:	\$0.80050 (R)	\$1.03392 (I)

Discount (Per installed space per day): \$0.23786 (R)

The master-meter/submeter rate discount provided herein prohibits further recovery by mobilehome park owners for the costs of owning, operating and maintaining their gas submetered system. This prohibition also includes the cost of the replacement of the submetered gas system. This provision was authorized in Ordering Paragraph No. 4 of CPUC Decision No. 95-02-090, dated February 22, 1995.

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

MINIMUM AVERAGE RATE LIMITER:

The Customer's bill will be controlled by a Minimum Average Rate Limiter (MARL). The Customer's bill will be increased if necessary so that the average rate during any month is not less than the applicable MARL shown below.

Minimum Average Rate Limiter (Per Therm): \$0.46780 (R)

The MARL for Customers who procure gas from a party other than PG&E, as described in the Alternative Procurement Options herein, will include only the CPUC Fee component.

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

(Continued)



SCHEDULE GL-1—RESIDENTIAL CARE PROGRAM SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and Distribution Systems. To qualify, service must be to individually-metered single family premises for residential use, including those in a multifamily complex, where the applicant qualifies for California Alternate Rates for Energy (CARE) under the eligibility and certification criteria set forth in Rules 19.1, 19.2, or 19.3.

TERRITORY: Schedule GL-1 applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge. Qualifying CARE Core End-Use Customers receive a CARE Discount, which applies to both procurement and transportation charges.

	Per Therm	
	Baseline	Excess
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
<u>CARE Discount:</u>	(0.17685) (I)	(0.22841) (R)
Total:	\$0.62365 (R)	\$0.80551 (I)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

BASELINE QUANTITIES: The delivered quantities of gas shown below are billed at the rates for baseline use.

BASELINE QUANTITIES (THERMS PER DAY PER DWELLING UNIT)

Baseline Territories**	Summer	Winter
P	0.5	2.4
Q	0.7	2.2
R	0.5	2.0
S	0.5	2.1
T	0.7	2.0
V	0.7	1.9
W	0.5	1.9
X	0.6	2.2
Y	0.8	2.4

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

** The applicable baseline territory is described in Preliminary Statement, Part A.

(Continued)



SCHEDULE GML—MASTER-METERED MULTIFAMILY CARE PROGRAM SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and Distribution systems. To qualify, service must be master-metered for residential use (including service to common central facilities) in a multifamily accommodation on a single premises where the applicant qualifies for California Alternate Rates for Energy (CARE) under the eligibility and certification criteria set forth in Rules 19.1, 19.2, or 19.3; and where all of the single-family accommodations are not separately submetered in accordance with Rule 18. This rate schedule is closed to new installations and additions to existing installations and therefore no dwelling units can be added to existing master-metered locations under this rate schedule, except that master-meters and dwelling units currently being served under on of these schedules will be allowed to continue on that schedule following a change of ownership provided that no additional dwelling units are added for inclusion in the master-metered rate schedule in mobilehome parks and to new single-meter installations where individual dwelling units contain appliances which require venting. This schedule may be taken in conjunction with Schedule G-EG; however, electric generators permanently classified as Noncore End-Use Customers, per Rule 1, must procure gas from a third-party supplier, not from a Core Procurement Group, as defined in Rule 1.

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TERRITORY: Schedule GML applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge. Qualifying CARE Core End-Use Customers receive a CARE Discount, which applies to both procurement and transportation charges.

	Per Therm	
	Baseline	Excess
1. For Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
<u>CARE Discounts:</u>	<u>(0.17685) (I)</u>	<u>(0.22841) (R)</u>
Total:	\$0.62365 (R)	\$0.80551 (I)
2. For Non-Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	<u>\$0.33347 (I)</u>	<u>\$0.56689 (I)</u>
Total:	\$0.80050 (R)	\$1.03392 (I)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

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

(Continued)



SCHEDULE GML—MASTER-METERED MULTIFAMILY CARE PROGRAM SERVICE
(Continued)

BASELINE QUANTITIES: The above rates are applicable only to residential use. PG&E may require the Customer to submit a completed "Declaration of Eligibility for Baseline Quantities for Residential Rates." The delivered quantities of gas shown below are billed at the rates for baseline use. As an exception, service under this schedule not used to supply space heating but used to supply water heating from a central source to residential dwelling units that are individually metered by PG&E for either gas or electricity will be billed using a baseline quantity of 0.5 therms per dwelling unit per day (Code W) in all baseline territories and in both seasons. (L)

BASELINE QUANTITIES (THERMS PER DAY PER DWELLING UNIT)

Baseline Territories*	Summer	Winter
P	0.4	1.1
Q	0.6	0.9
R	0.6	2.1
S	0.4	0.8
T	0.6	1.3
V	0.6	1.4
W	0.3	1.1
X	0.4	0.9
Y	0.4	1.1

SEASONAL CHANGES: The summer season is May 1 through October 31, and the winter season is November 1 through April 30. Baseline quantities for bills that include the May 1 and November 1 seasonal changeover dates will be calculated by multiplying the applicable daily baseline quantity for each season by the number of days in each season for the billing period.

STANDARD MEDICAL QUANTITIES: Additional medical quantities (Code M) are available as provided in Rule 19.

RESIDENTIAL DWELLING UNITS: It is the responsibility of the Customer to advise PG&E within 15 days following any change in the number of residential dwelling units, Mobilehome spaces, and permanent-residence RV units receiving gas service.

CENTRAL BOILERS: Service to central boilers for water and/or space heating will be billed with monthly baseline quantities related to the number of dwelling units furnished with such water and/or space heating.

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* The applicable baseline territory is described in Preliminary Statement, Part A.

(Continued)



SCHEDULE GML—MASTER-METERED MULTIFAMILY CARE PROGRAM SERVICE
(Continued)

ALTERNATIVE
PROCUREMENT
OPTIONS:

Customers may procure gas supply from a party other than PG&E by taking service on this schedule in conjunction with Schedule G-CT—Core Gas Aggregation Service. Customers who procure their own gas supply will not pay the Procurement Charge component of this rate schedule shown above and will be subject to the applicable rates specified in Schedule G-CT.

Customers taking service on this schedule in conjunction with Schedule G-CT, or in conjunction with noncore service, will be subject to a franchise fee surcharge under Schedule G-SUR for gas volumes purchased from parties other than PG&E and transported by PG&E.

Service under this rate schedule may also be taken in conjunction with procurement service from a party other than PG&E if: (1) the Customer is taking noncore service at the same premises, and (2) the Customer executes a Natural Gas Service Agreement (Form No. 79-756) with PG&E. Service will be provided in increments of one year. If there is a difference between actual deliveries and actual usage, such differences will be subject to the terms and conditions of Schedule G-BAL. Customers who procure their own gas supply will not pay the Procurement Charge component of this schedule.

Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

The Customer may, at its option, receive firm interstate capacity directly assigned by PG&E as provided in Rule 21.1.

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SCHEDULE GSL—MULTIFAMILY CARE PROGRAM SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and Distribution Systems. To qualify, service must be master-metered for residential use to a multifamily accommodation (in other than a mobilehome park) on a single premises and submetered to all individual tenants in accordance with Rule 18 where one or more of the submetered tenants qualifies for California Alternate Rates for Energy (CARE) under the eligibility and certification criteria set forth in Rules 19.1, 19.2, or 19.3. This rate schedule is closed to new installations and additions to existing installations and therefore no submeters can be added to existing master-metered locations under this rate schedule, except that master-meter/submeters currently being served under on of these schedules will be allowed to continue on that schedule following a change of ownership provided that no additional submeters are added for inclusion in the master-metered rate schedule.

TERRITORY: Schedule GSL applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge. Qualifying CARE Core End-Use Customers receive a CARE Discount, which applies to both procurement and transportation charges.

	Per Therm	
	Baseline	Excess
1. For Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
<u>CARE Discount:</u>	(0.17685) (I)	(0.22841) (R)
Total:	\$0.62365 (R)	\$0.80551 (I)
2. For Non-Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
Total:	\$0.80050 (R)	\$1.03392 (I)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

Discount (Per dwelling unit per day): \$0.09002 (R)

MINIMUM AVERAGE RATE LIMITER: The Customer's bill will be controlled by a Minimum Average Rate Limiter (MARL). The Customer's bill will be increased if necessary so that the average rate during any month is not less than the applicable MARL shown below.

Minimum Average Rate Limiter (Per Therm): \$0.46780 (R)

The Minimum Average Rate Limiter for Customers who procure gas from a party other than PG&E, as described in the Alternative Procurement Options herein, will include only the CPUC Fee component.

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

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SCHEDULE GTL—MOBILEHOME PARK CARE PROGRAM SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and Distribution systems. To qualify, service must be master-metered for residential use in a mobilehome park multifamily accommodation through one meter on a single premises and submetered to all individual tenants in accordance with Rule 18 where one or more of the submetered tenants qualifies for California Alternate Rates for Energy (CARE) under the eligibility and certification criteria set forth in Rules 19.1, 19.2, or 19.3. This schedule is closed to new mobilehome parks and manufactured housing communities for which construction commenced after January 1, 1997.

TERRITORY: Schedule GTL applies everywhere within PG&E's natural gas Service Territory.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge. Qualifying CARE Core End-Use Customers receive a CARE Discount, which applies to both procurement and transportation charges.

	Per Therm	
	Baseline	Excess
1. For Qualifying CARE Use:		
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
<u>CARE Discount:</u>	(0.17685) (I)	(0.22841) (R)
Total:	\$0.62365 (R)	\$0.80551 (I)
2. For Non-Qualifying CARE Use:		
<u>Procurement Charge:</u>	\$0.46703 (R)	\$0.46703 (R)
<u>Transportation Charge:</u>	\$0.33347 (I)	\$0.56689 (I)
Total:	\$0.80050 (R)	\$1.03392 (R)

Discount (Per installed space per day): \$0.23786 (R)

The master-meter/submeter rate discount provided herein prohibits further recovery by mobilehome park owners for the costs of owning, operating and maintaining their gas submetered system. This prohibition also includes the cost of the replacement of the submetered gas system. This provision was authorized in Ordering Paragraph No. 4 of CPUC Decision No. 95-02-090, dated February 22, 1995.

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

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

(Continued)



SCHEDULE GTL—MOBILEHOME PARK CARE PROGRAM SERVICE
(Continued)

MINIMUM AVERAGE RATE LIMITER: The Customer's bill will be controlled by a Minimum Average Rate Limiter (MARL). The Customer's bill will be increased if necessary so that the average rate during any month is not less than the applicable MARL shown below.

Minimum Average Rate Limiter (Per Therm): \$0.46780 (R)

The Minimum Average Rate Limiter for Customers who procure gas from a party other than PG&E, as described in the Alternative Procurement Options herein, will include only the CPUC Fee component.

BASELINE QUANTITIES: The above rates are applicable only to residential use. PG&E may require the Customer to complete and file with it an appropriate "Declaration of Eligibility for Baseline Quantities for Residential Rates."

The following quantities of gas are billed at the rate for baseline use.

BASELINE QUANTITIES (THERMS PER DAY PER DWELLING UNIT)

Baseline Territories*	Summer	Winter
P	0.5	2.4
Q	0.7	2.2
R	0.5	2.0
S	0.5	2.1
T	0.7	2.0
V	0.7	1.9
W	0.5	1.9
X	0.6	2.2
Y	0.8	2.4

RESIDENTIAL DWELLING UNITS: It is the responsibility of the Customer to advise PG&E within 15 days following any change in the number of installed mobilehome spaces and/or any decrease in the number of qualifying CARE applicants that results when such applicants move out of their submetered dwelling unit.

SEASONAL CHANGES: The summer season is May 1 through October 31, and the winter season is November 1 through April 30. Baseline quantities for bills that include the May 1 and November 1 seasonal changeover dates will be calculated by multiplying the applicable daily baseline quantity for each season by the number of days in each season for the billing period.

STANDARD MEDICAL QUANTITIES: Additional medical quantities (Code M) are available as provided in Rule 19.

* The applicable baseline territory is described in Preliminary Statement, Part A.

(Continued)



SCHEDULE G-NR1—GAS SERVICE TO SMALL COMMERCIAL CUSTOMERS

APPLICABILITY: This rate schedule* applies to natural gas service to non-residential Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. To qualify, average monthly use must not have exceeded 20,800 therms in those months during the last twelve (12) months in which gas use exceeded 200 therms. Each March, service to all Customers under this schedule will be reviewed to determine continued applicability. Such determination will be based on natural gas use in the twelve (12) billing months ending in the most recent calendar year. This schedule may be taken in conjunction with Schedule G-EG; however, electric generators permanently classified as Noncore End-Use Customers, per gas Rule 1, must procure gas from a third-party supplier, not from a Core Procurement Group, as defined in gas Rule 1.

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TERRITORY: Schedule G-NR1 applies everywhere PG&E provides natural gas service.

RATES: Customers on this schedule pay a Customer Charge, a Procurement Charge and a Transportation Charge as specified below. Customers that have executed a Request for Reclassification from Noncore Service to Core Service (Form 79-983) will pay the Customer Charge and Transportation Charge shown below. Such Customers will pay the Procurement Charge specified in Schedule G-CPX 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 this schedule.

	Usage Per Month			
	Summer		Winter	
	0 – 39 therms	40 therms or more	0 – 145 therms	146 therms or more
Customer Charge: (per day)	\$0.34346	\$0.43897	\$0.34768	\$0.44437
	Per Therm			
	Summer		Winter	
	First 4,000 Therms	Excess	First 4,000 Therms	Excess
Procurement Charge:	\$0.46413 (R)	\$0.46413 (R)	\$0.46413 (R)	\$0.46413 (R)
Transportation Charge:	\$0.28310 (I)	\$0.17326 (I)	\$0.34858 (I)	\$0.21333 (I)
Total:	\$0.74723 (R)	\$0.63739 (R)	\$0.81271 (R)	\$0.67746 (R)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

SEASONS: The Summer Season begins April 1 and ends on October 31. The Winter Season begins November 1 and ends on March 31.

CARE DISCOUNT FOR QUALIFIED FACILITIES: Facilities which meet the eligibility criteria in Rules 19.2 or 19.3 are eligible for a California Alternate Rates for Energy (CARE) Discount under Schedule G-CARE.

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

(Continued)



SCHEDULE G-NR1—GAS SERVICE TO SMALL COMMERCIAL CUSTOMERS
(Continued)

SHRINKAGE: Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

ALTERNATIVE PROCUREMENT OPTIONS: Customers may procure gas supply from a party other than PG&E by taking service on this schedule in conjunction with Schedule G-CT—Core Gas Aggregation Service. Customers who procure their own gas supply will not pay the Procurement Charge component of this rate schedule shown above and will be subject to the applicable rates specified in Schedule G-CT.

(D)

Customers taking service on this schedule in conjunction with Schedule G-CT, or in conjunction with noncore service, will be subject to a franchise fee surcharge under Schedule G-SUR for gas volumes purchased from parties other than PG&E and transported by PG&E.

Service under this schedule may also be taken in conjunction with procurement service from a party other than PG&E if: (1) the Customer is taking noncore service at the same premises, and (2) the Customer executes a Natural Gas Service Agreement (Form No. 79-756) with PG&E. Service will be provided in increments of one (1) year. If there is a difference between actual deliveries and actual usage, such differences will be subject to the terms and conditions of Schedule G-BAL. Those Customers will not pay the Procurement Charge component of this schedule.

Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

The Customer may, at its option, receive firm interstate capacity directly assigned by PG&E as provided in Rule 21.1.

CURTAILMENT OF SERVICE: Service under this schedule may be curtailed. Details are provided in Rule 14.



SCHEDULE G-NR2—GAS SERVICE TO LARGE COMMERCIAL CUSTOMERS

APPLICABILITY: This rate schedule* applies to natural gas service to non-residential Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. To qualify, a Customer's average monthly use must have exceeded 20,800 therms during those months in the last twelve (12) months in which gas use exceeded 200 therms, except as specified below in the Energy Efficiency Adjustment Provision. Each March, service to all Customers under this schedule will be reviewed to determine continued applicability. Such determination will be based on natural gas use in the twelve (12) billing months ending in the most recent calendar year. This schedule may be taken in conjunction with Schedule G-EG; however, electric generators permanently classified as Noncore End-Use Customers, per gas Rule 1, must procure gas from a third-party supplier, not from a Core Procurement Group, as defined in gas Rule 1.

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TERRITORY: Schedule G-NR2 applies everywhere PG&E provides natural gas service.

RATES: Customers on this schedule pay a Customer Charge, a Procurement Charge and a Transportation Charge as specified below. Customers that have executed a Request for Reclassification from Noncore Service to Core Service (Form 79-983) will pay the Customer Charge and Transportation Charge shown below. Such Customers will pay the Procurement Charge specified in Schedule G-CPX 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 this schedule.

Customer Charge: Per Day
\$4.95518

	Per Therm			
	Summer		Winter	
	First 4,000 Therms	Excess	First 4,000 Therms	Excess
Procurement Charge:	\$0.44089 (R)	\$0.44089 (R)	\$0.44089 (R)	\$0.44089 (R)
Transportation Charge:	\$0.28310 (I)	\$0.17326 (I)	\$0.34858 (I)	\$0.21333 (I)
Total:	\$0.72399 (R)	\$0.61415 (R)	\$0.78947 (R)	\$0.65422 (R)

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

SEASONS: The Summer Season begins April 1 and ends on October 31. The Winter Season begins November 1 and ends on March 31.

CARE DISCOUNT FOR QUALIFIED FACILITIES: Facilities which meet the eligibility criteria in Rules 19.2 or 19.3 are eligible for a California Alternate Rates for Energy (CARE) Discount under Schedule G-CARE.

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

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SCHEDULE G-NR2—GAS SERVICE TO LARGE COMMERCIAL CUSTOMERS
(Continued)

**ENERGY
EFFICIENCY
ADJUSTMENT:**

A Customer who implements measures to improve energy efficiency on or after January 1, 1992, may be eligible to receive an energy efficiency adjustment. The following qualifications must be met by the Customer: (1) the Customer's service was established prior to January 1, 1992; and (2) the efficiency measures reduce the Customer's natural gas usage and/or demand to the point that the Customer would no longer be eligible for service under this schedule. Qualifying Customers must execute an Agreement for Adjustment for Natural Gas Energy Efficiency Measures (Form 79-788) with PG&E in order to receive an energy efficiency adjustment.

**ALTERNATIVE
PROCUREMENT
OPTIONS:**

Customers may procure gas supply from a party other than PG&E by taking service on this schedule in conjunction with Schedule G-CT—Core Gas Aggregation Service. Customers who procure their own gas supply will not pay the Procurement Charge component of this rate schedule, and will be subject to the applicable rates specified in Schedule G-CT.

(D)

Customers taking service on this schedule in conjunction with Schedule G-CT, or in conjunction with noncore service, will be subject to a franchise fee surcharge under Schedule G-SUR for gas volumes purchased from parties other than PG&E and transported by PG&E.

Service under this schedule may also be taken in conjunction with procurement service from a party other than PG&E if the Customer executes a Natural Gas Service Agreement (Form No. 79-756) with PG&E. Service will be provided in increments of one (1) year. If there is a difference between actual deliveries and actual usage, such differences will be subject to the terms and conditions of Schedule G-BAL. Customers who procure their own gas supply will not pay the Procurement Charge component of this schedule.

Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

The Customer may, at its option, receive firm interstate capacity directly assigned by PG&E as provided in Rule 21.1.

**NONCORE
ELIGIBILITY
OPTION:**

Customers taking service under this schedule are eligible to be reclassified to noncore status as provided in Rule 12. Customers eligible for noncore service must execute a Natural Gas Service Agreement (Form 79-756).

**CURTAILMENT
OF SERVICE:**

Service under this schedule may be curtailed. Details are provided in Rule 14.



SCHEDULE G-CP—GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS

APPLICABILITY: This schedule is filed monthly as an informational tariff. The natural gas procurement charges shown on this schedule are equivalent to the Procurement Charges shown on the otherwise-applicable rate schedules for Core End-Use Customers.

TERRITORY: Schedule G-CP applies everywhere within PG&E's natural gas Service Territory.

RATES: The following charges apply to natural gas service for Core End-Use Customers. Procurement rates generally change on the fifth business day of the month.

<u>Procurement Charge:</u>	<u>Per Therm</u>
Residential: (G-1, GM, GS, GT, GL-1, GML, GSL, GTL)	\$0.46703 (R)
Small Commercial (G-NR1)	\$0.46413 (R)
Large Commercial (G-NR2)	\$0.44089 (R)
Natural Gas Vehicles: (G-NGV1, G-NGV2)	\$0.45549 (R)

The above charge includes: (1) Procurement Charge; (2) Capacity Charge; (3) Core Brokerage Fee; (4) Shrinkage; and (5) Core Firm Storage, as shown on Preliminary Statement, Part B, for the otherwise-applicable rate schedules for Core End-Use Customers.

The current applicable Procurement Charge for natural gas sales under Core End-User rate schedules may be obtained electronically on PG&E's internet site at <http://www.pge.com> or by calling PG&E at 1-415-743-5000.



SCHEDULE G-NGV1—EXPERIMENTAL NATURAL GAS SERVICE
FOR COMPRESSION ON CUSTOMER'S PREMISES

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. Service is for uncompressed natural gas for the sole purpose of compressing it for use as a motor-vehicle fuel. Compression of natural gas to the pressure required for its use as motor-vehicle fuel will be performed by the Customer's equipment at the Customer's designated premises only.

TERRITORY: Schedule G-NGV1 applies everywhere PG&E provides natural gas service.

RATES: Customers on this schedule pay a Customer Charge, a Procurement Charge and a Transportation Charge as specified below. Customers that have executed a Request for Reclassification from Noncore Service to Core Service (Form 79-983) will pay the Customer Charge and Transportation Charge shown below. Such Customers will pay the Procurement Charge specified in Schedule G-CPX 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 this schedule.

	<u>Per Day</u>
Customer Charge:	\$0.44121
	<u>Per Therm</u>
Procurement Charge:	\$0.45549 (R)
Transportation Charge:	0.15730 (I)
Total:	\$0.61279 (R)

The Customer's total charges are subject to adjustment for the applicable proportionate part of any taxes or governmental imposition which may be assessed on the basis of the gross revenues from such sales.

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

SERVICE AGREEMENT: Customers must execute an Agreement For Supply of Natural Gas for Compression as a Motor-Vehicle Fuel (Form No. 79-755) in order to receive service under this rate schedule.

METERING REQUIREMENTS: Service under this schedule must be metered by a separate gas meter.

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

(Continued)



SCHEDULE G-NGV2—EXPERIMENTAL COMPRESSED NATURAL GAS SERVICE

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. Service is for compressed natural gas (CNG) at PG&E-owned natural gas fueling stations to Customers who use CNG as a motor fuel. Service under this schedule may be taken only from a designated PG&E fueling station delivering CNG at approximately 3,000 pounds per square inch (PSI).

TERRITORY: Schedule G-NGV2 applies only to those locations within PG&E's service territory where PG&E has excess capacity at designated fueling stations.

RATES: Customers on this schedule pay a Procurement Charge and a Transportation Charge as follows:

	<u>Per Therm</u>	<u>Per Gasoline Gallon Equivalent</u>
<u>Procurement Charge:</u>	\$0.45549 (R)	N/A
<u>Transportation Charge:</u>	0.73137 (I)	N/A
Total:	\$1.18686 (R)	\$1.51443 (R)

The Transportation Charge includes state tax of \$0.07000 per therm (\$0.08932 per gallon) and federal tax of \$0.04854 per therm (\$0.06194 per gallon). The gasoline gallon equivalent conversion factor is 1.276 therms.

For billing purposes, the number of gallons will be compiled from a Summary of Transactions recorded by the dispensing unit for the Customer during the month.

The Customer's total charges are subject to adjustment for the applicable proportionate part of any taxes or governmental imposition which may be assessed on the basis of the gross revenues from such sales.

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

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

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**PGE Gas Advice Filing
List
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Aglet Consumer Alliance
Agnews Developmental Center
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Alcantar & Elsesser
Applied Power Technologies
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Avista Corp
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BART
Blue Ridge Gas
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CA Bldg Industry Association
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CA League of Food Processors
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California Gas Acquisition Svcs
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Cardinal Cogen
Chevron USA Production Co.
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City of Palo Alto
City of Redding
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Constellation New Energy
CPUC
Creative Technology
Cross Border Inc
Crossborder Inc
CSC Energy Services
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Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
DGS Natural Gas Services
DMM Customer Services
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Dutcher, John
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