

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



December 1, 2004

Advice Letter 2587-G

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

Subject: Revision of Master Metered Gas Schedules GM, GML, Rules 1 and 18 ---
Decorative Gas Appliance Exemption

Dear Ms de la Torre:

Advice Letter 2587-G is effective January 1, 2005. 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**

Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

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November 4, 2004

Advice 2587-G

(Pacific Gas and Electric Company ID U 39 G)

Subject: Revises Master-Metered Gas Schedules GM and GML, and Rules 1 and 18 in compliance with Senate Bill 1891 (Decorative Gas Appliance Exemption)

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its gas rate schedules and rules. The revised tariffs are shown on Attachment I to this filing.

Purpose

In accordance with Senate Bill (SB) 1891, this filing revises PG&E's gas rate Schedules GM and GML and gas Rule 1—*Definitions*, and gas Rule 18—*Supply to Separate Premises and Submetering of Gas*, pertaining to exemption of decorative gas appliances under master-metered multi-family service.

Background

On September 22, 2004, the Governor approved SB 1891, which amends Public Utilities Code Section 780.5. SB 1891 states in part that, "This bill would except from the requirement for separate metering for gas service, multiunit residential units which are not equipped with gas appliances requiring venting or are equipped with only vented decorative appliances or which receive the majority of energy used for water or space heating from a solar energy system or through cogeneration technology."

Tariff Revisions

The following definition is added to PG&E's gas Rule 1:

"DECORATIVE GAS APPLIANCES: Decorative gas appliances include, but are not limited to, artificial fireplace logs or decorative gas lighting, and do not provide space or water heating."

The following language is added to gas rate Schedules GM and GML and gas Rule 18:

Where gas is furnished to residential units, that receive gas through a single meter to an apartment house, mobilehome park or other multi-family accommodation, where the only vented appliance is a decorative gas appliance, or the water and/or space heating is supplied by solar or cogeneration technology, the residential unit is not required to be separately metered and may receive its gas supply through a master meter.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **November 24, 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

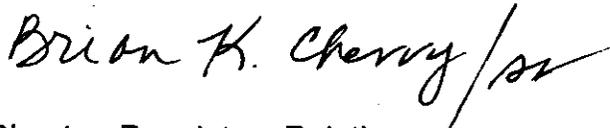
Each month, the rates shown on the first page of gas Schedules GM and GML are revised due to changes in gas procurement prices. Therefore, the revisions in these schedules are submitted herein in draft form, to be incorporated into final tariffs in the monthly gas price for January 2005, or the next gas price filing after Commission approval of this filing. This avoids having two separate versions of the same tariff sheets pending approval by the Commission. Revisions to gas Rules 1 and 18 are filed in final form.

PG&E requests that this filing be approved effective **January 1, 2005**, which is more than the 40-day regular notice period.

Notice

In accordance with Section III, Paragraph G, of General Order 96-A, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes should be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at:

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

Handwritten signature of Brian H. Cherry in black ink.

Director, Regulatory Relations

Attachments

**ATTACHMENT I
ADVICE 2587-G**

<u>Cal. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Cal P.U.C. Sheet No.</u>
DRAFT	Schedule GM—Master Metered Multifamily Service	22767-G
DRAFT	Schedule GML—Master Metered Multifamily CARE Program Service	22773-G
22789-G	Rule 1—Definitions	18199-G
22790-G	Rule 18—Supply to Separate Premises and Submetering of Gas	13399-G
22791-G	Table of Contents – Rules	22748-G
22792-G	Table of Contents	22785-G



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. Where gas is furnished to residential units that receive gas through a single meter to an apartment house, mobilehome park or other multi-family accommodation, where the only vented appliance is a decorative gas appliance, or the water and/or space heating is supplied by solar or cogeneration technology, the residential unit is not required to be separately metered and may receive its gas supply through a master meter. 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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(N)

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.	\$0.
<u>Transportation Charge:</u>	\$0.	\$0.
Total:	\$1.	\$1.

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.

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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. Where gas is furnished to residential units that receive gas through a single meter to an apartment house, mobilehome park or other multi-family accommodation, where the only vented appliance is a decorative gas appliance, or the water and/or space heating is supplied by solar or cogeneration technology, the residential unit is not required to be separately metered and may receive its gas supply through a master meter. 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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(N)

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.	\$0.
<u>Transportation Charge:</u>	\$0.	\$0.
<u>CARE Discounts:</u>	\$0.	\$0.
Total:	\$0.	\$1.
2. For Non-Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.	\$0.
<u>Transportation Charge:</u>	\$0.	\$0.
Total:	\$1.	\$1.

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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RULE 1—DEFINITIONS
(Continued)

DECATHERM (Dth) (Also DEKATHERM): A unit of energy equal to ten therms, or one million Btu.

DECORATIVE GAS APPLIANCES: Decorative gas appliances include, but are not limited to, artificial fireplace logs or decorative gas lighting, and do not provide space or water heating.

(N)
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(N)

DELIVERY POINT(S): The point(s) on PG&E's pipeline system where PG&E delivers natural gas that it has transported to the Customer.

DISTRIBUTION SYSTEM: Generally, mains, service connections, and equipment that carry or control the supply of natural gas from point of local supply to and including the meter.

ELECTRIC-UTILITY START-UP AND IGNITOR FUEL: Electric utility natural-gas use where no alternative-fuel capability exists for: (a) heating the boiler system adequately during start-up to enable efficient oil burning to meet pollution standards; and (b) insuring continuous ignition and flame stabilization within the boiler.

END-USE CUSTOMER: See CORE END-USE CUSTOMER and NONCORE END-USE CUSTOMER.

ENERGY PUBLIC UTILITY: Investor-owned electric and/or natural gas public utility regulated by the California Public Utilities Commission, or a municipal utility.

ENHANCED OIL RECOVERY: Any operation which includes the use of gas as a fuel to pressure, cycle or inject steam or hot water into a well for the purpose of increasing oil production from that well, including gas used for cogeneration to promote these operations.

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RULE 18—SUPPLY TO SEPARATE PREMISES AND SUBMETERING OF GAS

A. SEPARATE METERING

Separate premises, even though owned by the same customer, will not be supplied through the same meter, except as may be specifically provided for in the applicable rate schedule.

B. OTHER USES OR PREMISES

A customer shall not furnish or use gas received from PG&E upon premises, or for purposes, other than those specified in his application for service.

C. FURNISHING AND METERING OF GAS

1. RESIDENTIAL SERVICE

PG&E will furnish and meter gas to each individual residential dwelling unit, including multi-family dwellings where tenants in each occupancy use gas directly in gas appliances which require venting, except:

- a. Where gas is furnished under a rate schedule that specifically provides for resale service; or
- b. Where a customer, or his predecessors in interest on the same premises, was a customer on April 21, 1979, receiving gas through a single meter to an apartment house, mobilehome park or other multi-family accommodation, and the cost of gas is absorbed in the rental for the individual dwelling unit, there is no separate identifiable charge by such customer to the tenants for gas, and the rent does not vary with gas consumption, or
- c. Where a customer or his predecessors in interest on the same premises was a customer on December 14, 1981, and submeters and furnishes gas to residential tenants at the same rates and charges that would be applicable if the user were purchasing such gas directly from PG&E, or
- d. Where gas is furnished to residential units that receive gas through a single meter to an apartment house, mobilehome park or other multi-family accommodation, where the only vented appliance is a decorative gas appliance, or the water and/or space heating is supplied by solar or cogeneration technology, the residential unit is not required to be separately metered and may receive its gas supply through a master meter.

(N)

(N)

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RATE SCHEDULES

RESIDENTIAL

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**PG&E Gas and Electric Advice
Filing List
General Order 96-A, Section III(G)**

ABAG Power Pool
Accent Energy
Aglet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alcantar & Elsesser
Anderson Donovan & Poole P.C.
Applied Power Technologies
APS Energy Services Co Inc
Arter & Hadden LLP
Avista Corp
Barkovich & Yap, Inc.
BART
Bartle Wells Associates
Blue Ridge Gas
Bohannon Development Co
BP Energy Company
Braun & Associates
C & H Sugar Co.
CA Bldg Industry Association
CA Cotton Ginners & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
California Farm Bureau Federation
California Gas Acquisition Svcs
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Assoc
Cameron McKenna
Cardinal Cogen
Cellnet Data Systems
Chevron Texaco
Chevron USA Production Co.
Childress, David A.
City of Glendale
City of Healdsburg
City of Palo Alto
City of Redding
CLECA Law Office
Constellation New Energy
Cooperative Community Energy
CPUC
Creative Technology
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright Tremaine LLP
Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
Dept of the Air Force
DGS Natural Gas Services
DMM Customer Services
Douglass & Liddell
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynergy Inc.
Ellison Schneider
Energy Law Group LLP
Energy Management Services, LLC
Enron Energy Services
Exelon Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martinez
Franciscan Mobilehome
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Interstate Gas Services, Inc.
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JTM, Inc
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Korea Elec Power Corp
Luce, Forward, Hamilton & Scripps
Marcus, David
Masonite Corporation
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Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
Navigant Consulting
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
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
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R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonestar
Sacramento Municipal Utility District
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SESCO
Sierra Pacific Power Company
Silicon Valley Power
Simpson Paper Company
Smurfit Stone Container Corp
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