



**Pacific Gas and
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June 23, 2005

Advice 2645-G
(Pacific Gas and Electric Company ID U39G)

**Subject: July 1, 2005, CORE Monthly Procurement and Transportation
Rate Changes
(Biennial Cost Allocation Proceeding D. 05-06-029)**

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 included in Attachment I to this filing.

Purpose

The purpose of this filing is to submit changes to PG&E's core end-use customer gas rates effective **July 1, 2005**. This filing is submitted in compliance with Decision (D.) 97-10-065, which approved monthly changes for gas procurement rates for core customers.

This filing also implements revisions to PG&E's gas tariffs in compliance with Decision (D.) 05-06-029 dated June 16, 2005, for rates effective July 1, 2005, in PG&E's 2005 Biennial Cost Allocation Proceeding (BCAP) Application (A.) 04-07-044.¹ This filing also implements changes to gas master meter rate schedules as filed in Advice 2542-G/2676-E on June 18, 2005, in compliance with D. 05-05-026.

In accordance with D. 97-10-065, core gas procurement rates generally change on the fifth business day of the month. However, D. 98-07-025 allows PG&E to change its core procurement rates on the first day of the month when core transportation rates change on the first of the month, as proposed in this advice filing.

Noncore end-use gas transportation rates and other tariff revisions adopted in the BCAP decision to be effective July 1, 2005, are being filed concurrently in Advice 2646-G.

¹ The rates filed in this advice letter reflect corrections to inadvertent errors in Appendix A of D. 05-06-029. An order correcting these errors is expected to be issued by the Commission.

Procurement Rate Changes

PG&E is revising the gas procurement charges 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 capacity 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)	\$0.70560	\$0.70088	\$0.66896	\$0.65727

The Schedule G-CP rates effective **July 1, 2005**, include:

- a) A monthly weighted average cost of gas (WACOG) of **\$0.62505** per therm, compared to last month's WACOG of \$0.57563 per therm.
- b) A credit of **\$0.02697** per therm, unchanged from last month, to amortize over six months \$26 million received in May 2005 from El Paso Natural Gas Company to pay off their obligation to PG&E's core gas customers under the El Paso Settlement file (Federal Energy Regulatory Commission (FERC) in FERC Docket No. RP00-241-000, et al).
- c) Adjustments to core interstate and intrastate backbone capacity and core firm storage charges to account for the election of pipeline and storage capacity by gas Energy Service Providers (ESPs).
- d) Adjustments to the core capacity and storage costs to reflect the new core procurement volumes adopted in BCAP D. 05-06-029.

Core Transportation Rate Changes and BCAP Provisions

The purpose of the BCAP is to allocate authorized costs among core and noncore customers, including gas distribution-level base revenues adopted in the General Rate Case (GRC), set new gas demand forecasts, and propose changes in allocation and rate design methodology. The rates adopted in the BCAP recover PG&E's gas revenue requirement over the two-year forecast period.

The revenue requirement adopted in D. 05-06-029 results in an annual increase of \$14.8 million to PG&E's core and noncore gas transportation revenue requirement authorized by the Commission for recovery of Self-Generation Incentive Program (SGIP) costs in BCAP rates. This filing revises core transportation rates and updates PG&E's gas Preliminary Statement in accordance with the BCAP decision.

BCAP D. 05-06-029 adopted stipulation and settlement agreements submitted in the proceeding which included a number of rate recovery and rate design proposals to which parties agreed. The BCAP decision adopts the following provisions that impact the core rates and tariffs filed herein:

- Implements a \$3.00 minimum monthly transportation charge for non-CARE single family residential gas service customers under gas Schedule G-1 so that customers who would otherwise pay transportation charges of less than \$3.00 per month will pay part of their fixed monthly service costs.
- Continues the current level of core deaveraging at 10 percent per year in core rates until the next BCAP but for no longer than four years. Core natural gas vehicle rates are fully deaveraged in this BCAP.
- Narrows the difference between residential baseline and excess charges to lower winter bills.
- Revises the master-meter discount on Schedules GT, GTL, GS and GSL applicable during this BCAP period.
- Sets the compression rate adjustment included in Schedule G-NGV2 at \$0.15 per therm in this BCAP; the compression rate escalates \$0.03 per therm per year, beginning January 1 of each year, until new BCAP rates are put into effect.
- Recovers \$14.8 million in Self-Generation Incentive Program (SGIP) costs from core and noncore gas transportation customers on an equal cents per therm basis in the BCAP and authorizes PG&E to seek recovery of future costs in the Annual Gas True-up of Balancing Accounts.²
- Adopts a 9 percent reduction in the forecast of gas throughput used to update core and noncore gas transportation rates, monthly core procurement rates, and annual gas Public Purpose Program (PPP) surcharge rates.

² The BCAP decision accepts PG&E's expenditures for the current funding period through June 30, 2005. For future funding periods, PG&E may not recover (SGIP) costs prior to a Commission review or audit of the expenditures.

- Removes the replacement cost adder from distribution marginal costs.
- Separates the Core Fixed Cost Account (CFCA) into two subaccounts. The "Distribution Cost Subaccount" recovers the distribution base revenue requirement adopted in PG&E's GRC, including Annual Attrition Adjustments and the Cost of Capital Proceedings, that are allocated to core transportation customers based on the distribution base revenue allocation adopted in the BCAP. The "Core Cost Subaccount" recovers other costs, including Local Transmission, adopted by the Commission in various proceedings that are allocated equally to core transportation customers.
- Recovers the core procurement portion of Canadian Capacity costs through the Core Pipeline Demand Charge Account. These costs were previously recovered through the Purchased Gas Account.

Preliminary Statement Changes

The following revisions are being made to PG&E's gas Preliminary Statement in this filing:

Preliminary Statement Part B – Default Tariff Rate Components. The CFCA rate component is now shown as two components – "Core Fixed Cost Account – Distribution Cost Subaccount" and "Core Fixed Cost Account – Core Cost Account". The Intrastate/Interstate Capacity Charge component has been renamed "Core Capacity Charge." The text in core footnotes (1) and (2) has been revised consistent with these changes. Preliminary Statement Part B also is revised to reflect changes to the core transportation and procurement rate components.

Rate Schedule Revisions

Schedule G-1 – Residential Service, is revised to show the new minimum transportation charge. As agreed to by parties and adopted in the BCAP, the month of April will be moved from the winter to the summer baseline period in conjunction with monthly core procurement rates to be effective November 1, 2005.

Schedule GM – Master-Metered Multifamily Service, Schedule GML - Master-Metered Multifamily CARE Program Service, Schedule GS – Multifamily Service and Schedule GSL – Multifamily CARE Program Service, are revised to incorporate changes to the Applicability section in accordance with Advice 2462-G/2676-E and D. 05-05-026. The master-meter discounts on Schedules GS and GSL are revised in accordance with the BCAP decision.

Schedule GT - Mobilehome Park Service, and Schedule GTL - Mobilehome Park CARE Program Service, also are revised to reflect the master-meter discount adopted in the BCAP decision.

Schedule G-NR1 – Gas Service to Small Commercial Customers, is revised to update the volumetric rates effective July 1, 2005. The BCAP decision establishes a five-tier customer charge for this schedule, based on a customer's peak use during the last 12 months. To allow time for the necessary billing system changes, this provision will be implemented in conjunction with the monthly core procurement rates effective August 5, 2005.

Effective Date

In accordance with BCAP D. 05-06-029, PG&E requests that this advice filing be approved effective **July 1, 2005**.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **July 13, 2005**, 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:

CPUC - Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: jjr@cpuc.ca.gov and jnj@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: PGETariffs@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 Application (A.) 04-07-044. Supporting workpapers for this filing are available upon written request to: Pacific Gas and Electric Company, Regulatory Relations Department, Attention: Rose De La Torre, 77 Beale Street, Mail Code B10B, P.O. Box 770000, San Francisco, CA 94177. Address change requests should also 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 K. Cherry in cursive script. The initials "KDT" are written in the bottom right corner of the signature.

Director, Regulatory Relations

Attachments

cc: Service List – 04-07-044

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Rose de la Torre

Phone #: (415) 973-4716

E-mail: rxdd@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **2645-G**

Subject of AL: Core Procurement and Transportation Gas Prices effective July 1, 2005

(Biennial Cost Allocation Proceeding D. 05-06-029)

Keywords (choose from CPUC listing): **CORE, PROCUREMENT, TRANSPORTATION**

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Decisions 97-10-065; 98-07-025, 05-06-029

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: Not applicable

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: **7/1/05**

No. of tariff sheets: **27**

Estimated system annual revenue effect (%): \$14.8 million annual increase to PG&E's core and noncore gas transportation revenue requirement as a result of Commission authorization of the recovery of Self-Generation Incentive Program Costs in BCAP rates.

Estimated system average rate effect (%): See Advice 2646-G (BCAP Noncore transportation rate changes filed concurrently)

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Preliminary Statement Part B, Core gas schedules

Service affected and changes proposed¹: Residential, commercial and NGV gas procurement rates

Pending advice letters that revise the same tariff sheets: Advice 2635-G (June 2005 core procurement prices) and draft gas tariffs filed in Advice 2642-G/2676-E (Master-meter/submeter applicability)

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov**

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

¹ Discuss in AL if more space is needed.

**ATTACHMENT 1
Advice 2645-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
23221-G	Preliminary Statement - Part B--Default Tariff Rate Components	23159-G
23222-G	Preliminary Statement - Part B (Cont.)	23160-G
23223-G	Preliminary Statement - Part B (Cont.)	23161-G
23224-G	Preliminary Statement - Part B (Cont.)	23162-G
23225-G	Preliminary Statement - Part B (Cont.)	23163-G
23226-G	Preliminary Statement - Part B (Cont.)	23014-G
23227-G	Preliminary Statement - Part B (Cont.)	23015-G
23228-G	Preliminary Statement - Part B (Cont.)	22847-G
23229-G	Preliminary Statement - Part B (Cont.)	22848-G
23230-G	Rate Schedule G-1--Residential Service	23164-G
23231-G	Rate Schedule GM--Master-Metered Multifamily Service	23165-G
23232-G	Rate Schedule GS--Multifamily Service	23166-G
23233-G	Rate Schedule GT--Mobilehome Park Service	23167-G
23234-G	Rate Schedule GL-1--Residential CARE Program Service	23168-G
23235-G	Rate Schedule GML--Master-Metered Multifamily CARE Program Service	23169-G
23236-G	Rate Schedule GSL--Multifamily CARE Program Service	23170-G
23237-G	Rate Schedule GSL (Cont.)	23171-G
23238-G	Rate Schedule GTL--Mobilehome Park CARE Program Service	23172-G
23239-G	Rate Schedule GTL (Cont.)	23173-G
23240-G	Rate Schedule G-NR1--Gas Service to Small Commercial Customers	23174-G
23241-G	Rate Schedule G-NR2--Gas Service to Large Commercial Customers	23175-G

**ATTACHMENT 1
Advice 2645-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
23242-G	Rate Schedule G-CP--Gas Procurement Service to Core End-Use Customers	23176-G
23243-G	Rate Schedule G-NGV1--Experimental Natural Gas Service for Compression on Customers Premises	23177-G
23244-G	Rate Schedule G-NGV2--Experimental Compressed Natural Gas Service	23178-G
23245-G	Table of Contents--Preliminary Statements	23179-G
23246-G	Table of Contents--Rate Schedules	23180-G
23247-G	Table of Contents--Rate Schedules	23181-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—DISTRIBUTION COST SUBACCOUNT (1)*	0.31266	(I)	0.52755	(I)	0.31266	(I)	0.52755	(I)
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00075		0.00075		0.00075		0.00075	(N)
CARE DISCOUNT	0.00000		0.00000		(0.21075)	(R)	(0.25372)	(R)
LOCAL TRANSMISSION	0.03410		0.03410		0.03410		0.03410	
CPUC FEE	0.00000		0.00000		0.00000		0.00000	
EOR	0.00002		0.00002		0.00002		0.00002	
CEE	0.00021	(I)	0.00021	(I)	0.00021	(I)	0.00021	(I)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00039		0.00039		0.00039		0.00039	
CORE BROKERAGE FEE	0.00300		0.00300		0.00300		0.00300	
CORE FIRM STORAGE	0.01415	(R)	0.01415	(R)	0.01415	(R)	0.01415	(R)
SHRINKAGE	0.02087	(I)	0.02087	(I)	0.02087	(I)	0.02087	(I)
CORE CAPACITY CHARGE	0.06163	(I)	0.06163	(I)	0.06163	(I)	0.06163	(I)
CORE PROCUREMENT CHARGE (2)*	0.60595	(I)	0.60595	(I)	0.60595	(I)	0.60595	(I)
TOTAL RATE	1.05373	(I)	1.26862	(I)	0.84298	(I)	1.01490	(I)

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

(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—DISTRIBUTION COST SUBACCOUNT (1)*	0.23938	(R)	0.03684	(R)	0.29800	(R)	0.05225	(R)
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00075		0.00075		0.00075		0.00075	(N)
LOCAL TRANSMISSION	0.03410		0.03410		0.03410		0.03410	
CPUC FEE	0.00000		0.00000		0.00000		0.00000	
EOR	0.00002		0.00002		0.00002		0.00002	
CEE	0.00014	(R)	0.00014	(R)	0.00014	(R)	0.00014	(R)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00039		0.00039		0.00039		0.00039	
CORE BROKERAGE FEE	0.00300		0.00300		0.00300		0.00300	
CORE FIRM STORAGE	0.01353	(R)	0.01353	(R)	0.01353	(R)	0.01353	(R)
SHRINKAGE	0.02087	(I)	0.02087	(I)	0.02087	(I)	0.02087	(I)
CORE CAPACITY CHARGE	0.05753	(I)	0.05753	(I)	0.05753	(I)	0.05753	(I)
CORE PROCUREMENT CHARGE (2)*	0.60595	(I)	0.60595	(I)	0.60595	(I)	0.60595	(I)
TOTAL RATE	0.97566	(I)	0.77312	(I)	1.03428	(I)	0.78853	(R)

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

(Continued)



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—DISTRIBUTION COST SUBACCOUNT (1)*	0.23950	(R)	0.03696	(R)	0.29812	(R)	0.05237	(R)
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00075		0.00075		0.00075		0.00075	(N)
LOCAL TRANSMISSION	0.03410		0.03410		0.03410		0.03410	
CPUC FEE	0.00000		0.00000		0.00000		0.00000	
EOR	0.00002	(R)	0.00002	(R)	0.00002	(R)	0.00002	(R)
CEE	0.00002	(R)	0.00002	(R)	0.00002	(R)	0.00002	(R)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00039		0.00039		0.00039		0.00039	
CORE BROKERAGE FEE	0.00300		0.00300		0.00300		0.00300	
CORE FIRM STORAGE	0.00860	(R)	0.00860	(R)	0.00860	(R)	0.00860	(R)
SHRINKAGE	0.02087	(I)	0.02087	(I)	0.02087	(I)	0.02087	(I)
CORE CAPACITY CHARGE	0.03054	(R)	0.03054	(R)	0.03054	(R)	0.03054	(R)
CORE PROCUREMENT CHARGE (2)*	0.60595	(I)	0.60595	(I)	0.60595	(I)	0.60595	(I)
TOTAL RATE	0.94374	(I)	0.74120	(R)	1.00236	(I)	0.75661	(R)

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

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 4

	<u>G-NGV1</u>		<u>G-NGV2</u>	
CORE FIXED COST ACCOUNT— DISTRIBUTION COST SUBACCOUNT (1)*	0.00000		0.00000	
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00000		0.00000	(N)
LOCAL TRANSMISSION	0.00000		0.00000	
CPUC FEE	0.00000		0.00000	
EOR	0.00000		0.00000	
CEE	0.00000		0.00000	
NGV BALANCING ACCOUNT	0.06128	(R)	0.74507	(I)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00000		0.00000	
CORE BROKERAGE FEE	0.00300		0.00300	
CORE FIRM STORAGE	0.00828	(R)	0.00828	(R)
SHRINKAGE	0.02087	(I)	0.02087	(I)
CORE CAPACITY CHARGE	0.01917	(R)	0.01917	(R)
CORE PROCUREMENT CHARGE (2)*	0.60595	(I)	0.60595	(I)
TOTAL RATE	<u>0.71855</u>	(R)	<u>1.40234</u>	(I)

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

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 5

	G-CT (CORE TRANSPORT)							
	RESIDENTIAL				CARE RESIDENTIAL			
	Baseline		Excess		Baseline		Excess	
CORE FIXED COST ACCOUNT—DISTRIBUTION COST SUBACCOUNT (1)*	0.31266	(I)	0.52755	(I)	0.31266	(I)	0.52755	(I)
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00075		0.00075		0.00075		0.00075	(N)
CARE DISCOUNT	0.00000		0.00000		(0.21075)	(R)	(0.25372)	(R)
LOCAL TRANSMISSION	0.03410		0.03410		0.03410		0.03410	
CPUC FEE	0.00000		0.00000		0.00000		0.00000	
EOR	0.00002		0.00002		0.00002		0.00002	
CEE	0.00021	(I)	0.00021	(I)	0.00021	(I)	0.00021	(I)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00039		0.00039		0.00039		0.00039	
EL PASO SETTLEMENT CREDIT	(0.01900)		(0.01900)		(0.01900)		(0.01900)	
TOTAL RATE	0.32913	(I)	0.54402	(I)	0.11838	(I)	0.29030	(R)

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

(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—DISTRIBUTION COST SUBACCOUNT (1)*	0.23938	(R)	0.03684	(R)	0.29800	(R)	0.05225	(R)
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00075		0.00075		0.00075		0.00075	(N)
LOCAL TRANSMISSION	0.03410		0.03410		0.03410		0.03410	
CPUC FEE	0.00000		0.00000		0.00000		0.00000	
EOR	0.00002		0.00002		0.00002		0.00002	
CEE	0.00014	(R)	0.00014	(R)	0.00014	(R)	0.00014	(R)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00039		0.00039		0.00039		0.00039	
EL PASO SETTLEMENT CREDIT	(0.01900)		(0.01900)		(0.01900)		(0.01900)	
TOTAL RATE	0.25578	(R)	0.05324	(R)	0.31440	(R)	0.06865	(R)

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

(Continued)



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—DISTRIBUTION COST SUBACCOUNT (1)*	0.23950	(R)	0.03696	(R)	0.29812	(R)	0.05237	(R)
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00075		0.00075		0.00075		0.00075	(N)
LOCAL TRANSMISSION	0.03410		0.03410		0.03410		0.03410	
CPUC FEE	0.00000		0.00000		0.00000		0.00000	
EOR	0.00002	(R)	0.00002	(R)	0.00002	(R)	0.00002	(R)
CEE	0.00002	(R)	0.00002	(R)	0.00002	(R)	0.00002	(R)
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00039		0.00039		0.00039		0.00039	
EL PASO SETTLEMENT CREDIT	(0.01900)		(0.01900)		(0.01900)		(0.01900)	
TOTAL RATE	0.25578	(R)	0.05324	(R)	0.31440	(R)	0.06865	(R)

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

(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—DISTRIBUTION COST SUBACCOUNT (1)*	0.00000	0.00000	
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00000	0.00000	(N)
LOCAL TRANSMISSION	0.00000	0.00000	
CPUC FEE	0.00000	0.00000	
EOR	0.00000	0.00000	
CEE	0.00000	0.00000	
NGV BALANCING ACCOUNT	0.06128 (R)	0.06302 (R)	
CORE TRANSPORT TRANSITION SUBACCOUNT	0.00000	0.00000	
EL PASO SETTLEMENT CREDIT	(0.01900)	(0.01900)	
TOTAL RATE	<u>0.04228 (R)</u>	<u>0.04402 (R)</u>	

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

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

CORE (Cont'd.)

- (1) The CFCA-Distribution Cost subaccount includes GRC 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-Distribution Cost subaccount. (See rate schedules for Customer Charge.) (T)
- (2) The Core Procurement Charge includes the gas supply portfolio cost, 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. (T)

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)



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 as defined in Decision 05-05-26. A customer whose building was constructed prior to December 14, 1981, and was served as a master-meter customer shall be eligible to convert from its master-meter rate schedule to a submetered rate schedule. Buildings originally constructed for a non-residential purpose that have converted to residential use before December 1981 or without the need for a building permit on or after July 1, 1982, shall be eligible to convert from their master-meter rate schedule to a submetered rate schedule.

(T)

(T)

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>	\$0.70560 (I)	\$0.70560 (I)
<u>Transportation Charge:</u>	\$0.34813 (I)	\$0.56302 (I)
Total:	\$1.05373 (I)	\$1.26862 (I)

Public Purpose Program Surcharge

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

Discount (Per dwelling unit per day): \$0.17700 (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.

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): \$0.70560 (I)

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 online 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>	\$0.70560 (l)	\$0.70560 (l)
<u>Transportation Charge:</u>	\$0.34813 (l)	\$0.56302 (l)
Total:	\$1.05373 (l)	\$1.26862 (l)

Public Purpose Program Surcharge

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

Discount (Per installed space per day): \$0.35600 (l)

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): \$0.70560 (l)

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 online 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.

	<u>Per Therm</u>	
	<u>Baseline</u>	<u>Excess</u>
<u>Procurement Charge:</u>	\$0.70560 (l)	\$0.70560 (l)
<u>Transportation Charge:</u>	\$0.34813 (l)	\$0.56302 (l)
<u>CARE Discount:</u>	<u>(\$0.21075) (l)</u>	<u>(\$0.25372) (l)</u>
Total:	\$0.84298 (l)	\$1.01490 (l)

Public Purpose Program Surcharge

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

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 online 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 schedule is closed as of April 21, 1979, except to residential hotels as defined in Rule 1 and to residential RV parks which rent at least 50 percent of their spaces on a month-to-month basis for at least 9 months of the year to RV units used as permanent residences and to new installations in mobilehome parks and to new single-meter installations where individual dwelling units contain appliances which do not require venting.

(T)

(T)

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.

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.

	<u>Per Therm</u>	
	<u>Baseline</u>	<u>Excess</u>
1. For Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.70560 (I)	\$0.70560 (I)
<u>Transportation Charge:</u>	\$0.34813 (I)	\$0.56302 (I)
<u>CARE Discounts:</u>	(\$0.21075) (I)	(\$0.25372) (I)
Total:	\$0.84298 (I)	\$1.01490 (I)
<u>Public Purpose Program Surcharge</u>		
Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.		
2. For Non-Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.70560 (I)	\$0.70560 (I)
<u>Transportation Charge:</u>	\$0.34813 (I)	\$0.56302 (I)
Total:	\$1.05373 (I)	\$1.26862 (I)

* PG&E's gas tariffs are available online at www.pge.com.

(Continued)



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 as defined in Decision 05-05-026. A customer whose building was constructed prior to December 14, 1981, and was served as a master-meter customer shall be eligible to convert from its master-meter rate schedule to a submetered rate schedule. Buildings originally constructed for a non-residential purpose that have converted to residential use before December 1981 or without the need for a building permit on or after July 1, 1982, shall be eligible to convert from their master-meter rate schedule to a submetered rate schedule.

(T)

(T)

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>	\$0.70560 (I)	\$0.70560 (I)
<u>Transportation Charge:</u>	\$0.34813 (I)	\$0.56302 (I)
<u>CARE Discount:</u>	(\$0.21075) (I)	(\$0.25372) (I)
Total:	\$0.84298 (I)	\$1.01490 (I)

Public Purpose Program Surcharge

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

2. For Non-Qualifying CARE use:		
<u>Procurement Charge:</u>	\$0.70560 (I)	\$0.70560 (I)
<u>Transportation Charge:</u>	\$0.34813 (I)	\$0.56302 (I)
Total:	\$1.05373 (I)	\$1.26862 (I)

Discount (Per dwelling unit per day): \$0.17700 (I)

* PG&E's gas tariffs are available online at www.pge.com.

(Continued)



SCHEDULE GSL—MULTIFAMILY CARE PROGRAM SERVICE
(Continued)

RATES: See Preliminary Statement, Part B for the Default Tariff Rate Components.
(Cont'd.)
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): \$0.70560 (I)

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 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.

BASELINE QUANTITIES (THERMS PER DAY PER DWELLING UNIT)

Baseline Territories**	Summer	Winter
P	0.5	2.3
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	0.9	2.7

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.

(L)

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

(Continued)



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>	\$0.70560 (I)	\$0.70560 (I)
<u>Transportation Charge:</u>	\$0.34813 (I)	\$0.56302 (I)
<u>CARE Discount:</u>	(0.21075) (I)	(0.25372) (I)
Total:	\$0.84298 (I)	\$1.01490 (I)

Public Purpose Program Surcharge

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

2. For Non-Qualifying CARE Use:		
<u>Procurement Charge:</u>	\$0.70560 (I)	\$0.70560 (I)
<u>Transportation Charge:</u>	\$0.34813 (I)	\$0.56302 (I)
Total:	\$1.05373 (I)	\$1.26862 (I)

Discount (Per installed space per day): \$0.35600 (I)

* PG&E's gas tariffs are available online at www.pge.com.

(Continued)



SCHEDULE GTL—MOBILEHOME PARK CARE PROGRAM SERVICE
(Continued)

RATES: (Cont'd.) 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): \$0.70560 (I)

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	2.3
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	0.9	2.7

* 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.

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:	\$0.70088 (I)	\$0.70088 (I)	\$0.70088 (I)	\$0.70088 (I)
Transportation Charge:	\$0.27478 (R)	\$0.07224 (R)	\$0.33340 (R)	\$0.08765 (R)
Total:	\$0.97566 (I)	\$0.77312 (I)	\$1.03428 (I)	\$0.78853 (R)

PUBLIC PURPOSE PROGRAM SURCHARGE: Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

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 online at www.pge.com.

(Continued)



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.

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.

	<u>Per Day</u>			
<u>Customer Charge:</u>	\$4.95518			
	<u>Per Therm</u>			
	<u>Summer</u>		<u>Winter</u>	
	<u>First 4,000 Therms</u>	<u>Excess</u>	<u>First 4,000 Therms</u>	<u>Excess</u>
Procurement Charge:	\$0.66896 (I)	\$0.66896 (I)	\$0.66896 (I)	\$0.66896 (I)
Transportation Charge:	\$0.27478 (R)	\$0.07224 (R)	\$0.33340 (R)	\$0.08765 (R)
Total:	\$0.94374 (I)	\$0.74120 (R)	\$1.00236 (I)	\$0.75661 (R)

PUBLIC PURPOSE PROGRAM SURCHARGE: Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

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 online at www.pge.com.

(Continued)



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)	\$0.70560 (I)
Small Commercial (G-NR1)	\$0.70088 (I)
Large Commercial (G-NR2)	\$0.66896 (I)
Natural Gas Vehicles: (G-NGV1, G-NGV2)	\$0.65727 (I)

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:	\$0.65727 (I)
Transportation Charge:	0.06128 (R)
Total:	\$0.71855 (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 online 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>	\$0.65727 (I)	N/A
<u>Transportation Charge:</u>	0.74507 (I)	N/A
Total:	\$1.40234 (R)	\$1.78939 (I)

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 online at www.pge.com.

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Advice Letter No. 2645-G
Decision No. 97-10-065,98-07-025,
05-06-029

Issued by
Karen A. Tomcala
Vice President
Regulatory Relations

Date Filed June 23, 2005
Effective July 1, 2005
Resolution No. _____



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

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Aglet Consumer Alliance
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Alicantar & Elsesser
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Creative Technology
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Crossborder Inc
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Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
Department of the Army
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DMM Customer Services
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Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
Gas Transmission Northwest Corporation
GLJ Energy Publications
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Hanna & Morton
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Hitachi Global Storage Technologies
Hogan Manufacturing, Inc
House, Lon
Imperial Irrigation District
Integrated Utility Consulting Group
International Power Technology
Interstate Gas Services, Inc.
J. R. Wood, Inc
JTM, Inc
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Luce, Forward, Hamilton & Scripps
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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
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Northern California Power Agency
Office of Energy Assessments
Palo Alto Muni Utilities

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