

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



February 7, 2006

Advice Letter 2679G-A|2739E-A

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

RECEIVED
REGULATORY RELATIONS DEPARTMENT

MAR 3 2006

Subject: Natural Gas Service for Residences with Natural Gas Vehicle Home
Refueling Appliances

Dear Ms de la Torre:

Advice Letter 2679G-A|2739E-A is effective February 7, 2006. A copy of the advice letter is sent herewith for your records.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean H. Gallagher".

Sean H. Gallagher
Director
Energy Division



**Pacific Gas and
Electric Company®**

REVISED

November 18, 2005

Advice. 2679-G/2739-E
(Pacific Gas and Electric Company ID U39G)

Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

Mailing Address
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

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**Subject: Natural Gas Service for Residences with Natural Gas Vehicle
Home Refueling Appliances**

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits for filing proposed new optional-residential gas Schedule G1-NGV – *Residential Natural Gas Service For Compression On Customers' Premises*, and Schedule GL1-NGV – *Residential CARE Program Natural Gas Service For Compression on Customers' Premises*. These optional rate schedules apply to residential customers with an installed Natural Gas Vehicle (NGV) home refueling appliance (HRA) meeting U.S. certification requirements, and who own or have under lease a natural gas vehicle. These customers otherwise would be served under PG&E's gas Schedule G-1 – *Residential Service*, or Schedule GL-1 – *Residential CARE Program Service*. These proposed optional schedules reflect PG&E's estimated cost to provide natural gas transportation service to residential customers whose use includes NGV home refueling, in addition to other standard residential gas uses.

This optional tariff applies to all gas use at the residence and assures that the rates paid by customers taking gas service for NGV home refueling use are reflective of PG&E's cost to provide this service. The rate structure for the proposed optional schedules consists of a fixed monthly customer charge, a per therm gas transportation charge, and a per therm gas procurement charge that changes monthly, as indicated in PG&E's core procurement *Schedule G-CP – Gas Procurement Service to Core End-Use Customers*.

PG&E is submitting certain proposed tariffs in draft form in this filing. PG&E proposes a **February 7, 2006**, implementation date, following the Commission's authorization of PG&E's proposed residential NGV refueling tariffs. The revised rates will be filed in final form in conjunction with PG&E's February 2006 monthly procurement price filing.

Background

PG&E is filing these optional tariffs in order to comply with statutory requirements to, "...facilitate the use of ...natural gas to fuel low-emission vehicles."¹ This filing

¹ Public Utilities Code 740.3.

is consistent with the state of California's petroleum reduction goals developed as a result of AB 2076 and articulated in a joint California Energy Commission (CEC)/California Clean Air Resources Board (CARB) report entitled "Reducing California's Petroleum Dependence"². These tariffs will facilitate air quality improvement programs led by the CARB as well as numerous local air districts. NGVs have been shown to reduce emissions of NO_x by 35% to 60%, CO by 90% to 97% and CO₂ by 25% when compared to gasoline-fueled automobiles.³ Recently, the 2005 natural gas powered Honda Civic was named the "greenest vehicle of the year" by the American Council for an Energy Efficiency Economy.

Home Refueling Appliances and Development

NGV refueling appliances have been available for a number of years for commercial application in the U.S. and Canada. Now, compressed natural gas (CNG) HRAs have been manufactured and certified for home refueling of NGVs. As a result, certified HRAs can now be installed within customers' premises to provide gas service much like any other customer appliance. Customers are responsible for the purchase and installation cost, including any modifications of the customer's houseline piping required to make the operation of the device possible. Before the device can be installed, customers must obtain permits and undergo inspections by their city or other local government.

Production and development of HRAs is a major development in the NGV industry. Development of the NGV market has been a long-term PG&E goal. PG&E has promoted NGVs over the past 14 years with some success for commercial applications. Day-to-day use by residential customers has, however, been limited due to the lack of an adequate fueling infrastructure similar to the convenience of gasoline stations. As HRA devices begin to find their way into the market, this significant barrier will be removed providing residential customers, for the first time, with a practical option to finally use natural gas as a preferred vehicle fuel option. Consequently, with the introduction of HRAs, PG&E has developed an optional NGV home refueling rate, without subsidies, consistent with state Public Utility Code statutes (PU Code 740.3). PG&E proposes this new optional rate to further support introduction of NGVs throughout PG&E's service territory.

Home Refueling Benefits

PG&E's proposed residential NGV refueling tariffs applies to NGV refueling as well as to residential natural gas use in other standard appliances, such as: space heaters; water heaters, clothes driers, ovens, cook tops, BBQs and fireplaces. PG&E's proposed optional NGV home refueling tariffs will not generally require modification to PG&E's gas delivery system on the utility side of the meter. Consequently, because gas used for NGV home fueling will use the same infrastructure already existing to provide residential gas service, home refueling of

² Published on August 14, 2003.

³ EPA publication entitled "Clean Alternative Fuels: Compressed Natural Gas", published March 2002.

NGVs will make more efficient use of PG&E's existing distribution and transmission infrastructure.

The proposed NGV home refueling rate will support promotion of NGVs by making refueling of NGVs convenient and cost-effective for residential customers, especially those commuting in their vehicle or those who otherwise drive a significant amount during the course of a day. Support for NGV development is positively viewed by NGV industry groups, NGV manufacturers, CARB, local air districts, CEC and other environmental stakeholders.

Potential customer benefits include:

- Convenience of refueling at home when needed;
- Use of High Occupancy Vehicle (HOV) lanes with a single occupant;
- Statewide progress toward petroleum independence;
- Clean air benefits;
- Tax incentives;
- Portability; and
- Quiet operation.

Home Refueling Rate Eligibility

PG&E's NGV home refueling rates are open to all residential customers currently served under PG&E residential gas Schedules G-1 and GL-1. Customers will be notified of the availability of the new optional rates through bill inserts and information provided to HRA retailers and NGV dealers. Customers requesting service under PG&E's optional NGV home refueling rates will be required to submit proposed Form 79-1047 – Natural Gas Home Refueling Appliance Certification at the time of enrollment. Customers will also be required, consistent with gas Rule 3, to inform PG&E in the event that they no longer have a HRA installed at the premises. Master metered and submetered residential customers are not eligible for service under these proposed optional rates.

NGV Home Refueling Rates

PG&E's proposed optional NGV home refueling rates are developed using currently adopted cost allocation methods and the gas transportation and illustrative gas procurement revenue requirements adopted in PG&E's 2004 BCAP decision, effective July 1, 2005. The rates reflect PG&E's estimated average distribution-level cost to serve NGV home refueling customers based on the load characteristics of customers within this residential segment. Since PG&E's proposed service for NGV home refueling is a new service, historic use data for customers that will take this service is currently unavailable. Accordingly, PG&E has calculated the rates using an estimate of the average use levels and resulting load characteristics of these customers. PG&E will update these rates in PG&E's next BCAP to reflect a forecast of NGV home refueling throughput based on the

historic gas use of customers taking service on PG&E's proposed optional NGV home refueling tariffs.

The transportation rates for PG&E's proposed gas schedule G1-NGV consist of a \$12.60 fixed monthly customer charge and a volumetric gas transportation rate of \$0.12598 per therm. The volumetric gas transportation rate includes PG&E's estimated average distribution-level cost to serve NGV home refueling customers. The average per therm distribution-level transportation rates and procurement rates paid by PG&E customers taking service on PG&E's proposed optional NGV home refueling rate schedules are lower than they would otherwise be if these customers were served under gas schedule G-1 because:

- 1) The allocation of distribution costs in these transportation rates and the allocation of capacity and storage costs in these procurement rates reflect efficiencies associated with the higher load-factor⁴ use of residential NGV customers; and
- 2) The fixed costs associated with residential service are spread over more volumes for higher-use customers in this residential segment.

There is no change to the local transmission and customer class charges paid by PG&E's residential customers. Low income customers taking service on PG&E's proposed optional Rate Schedule GL1-NGV receive a 20 percent discount on their fixed monthly customer charge and on their volumetric rate components consistent with methods currently adopted by the Commission for PG&E.

Customers taking service on PG&E's optional NGV home refueling rates will pay the Public Purpose Program (PPP) surcharges applicable to PG&E's residential and low-income residential customers under *Schedule G-PPPS – Gas Public Purpose Program Surcharge*. Bundled customers taking this service will pay a monthly gas core procurement charge as indicated in *Schedule G-CP – Gas Procurement Service to Core End-Use Customers*. Rate workpapers are attached to this filing.

Electric Rate Schedule E-9 Applicability Revision

PG&E's electric rate Schedule E-9 – *Experimental Residential Time-Of-Use Service For Low Emission Vehicle Customers* currently applies as a required schedule for PG&E customers who refuel a low emission (LEV) at their premises. An LEV is defined as either an electric vehicle (EV) or a NGV. PG&E proposes to revise the applicability requirements for Schedule E-9 in order to make this electric service optional for PG&E customers who meet the eligibility criteria for PG&E's proposed optional NGV home refueling tariffs. PG&E's proposed revision provides

⁴ Under the current methods adopted for allocation of PG&E's transportation-related distribution and procurement-related pipeline capacity and storage costs, customers with higher load factors (i.e., where there is less difference between peak-month use in the winter and average monthly use during the entire year) are allocated a lesser amount of costs. These cost allocation methods reflect the lower cost incurred by PG&E to serve higher load-factor customers due to the lower amount of capacity PG&E must build or reserve to serve their peak demands.

these customers with the flexibility to tailor their residential electric service to match their individual electric use patterns.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **December 8, 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

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

Protests should also 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.

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

Protests also should be sent via U.S. mail (and by facsimile and electronically, if possible) 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 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

Effective Date

PG&E requests that the Commission authorize these proposed draft tariffs on **December 18, 2005**, which is 30 days' regular notice. In order to allow time for necessary bill system changes, PG&E proposes to implement these optional tariffs in conjunction with PG&E's February 2006 monthly procurement price filing. The draft optional schedules will be updated to reflect PG&E's authorized transportation and procurement rates at the time the rate schedules become effective.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. 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>

Brian K. Cherry /s/

Director, Regulatory Relations

Attachments

cc: LEV Proceeding – A.02-03-047
2003 General Rate Case Phase II – A.04-06-042

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 U39M

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Shilpa Ramaiya

Phone #: (415) 973-3186

E-mail: srrd@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) #: 2679-G/2739-E

Subject of AL: Natural Gas Service for Residences with Natural Gas Vehicle Home Refueling Appliances

Keywords (choose from CPUC listing): NATURAL GAS VEHICLE

AL filing type: Monthly Quarterly Annual One-Time Other _____

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

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL _____

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

Resolution Required? Yes No Commission's discretion

Requested effective date: 12-18-05

No. of tariff sheets: 14, including drafts

Estimated system annual revenue effect (%): Unknown

Estimated system average rate effect (%): N/A

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: New Schedules G1-NGV, GL1-NGV, Form 79-1047

Service affected and changes proposed¹: Residential Natural Gas Vehicle Home Refueling Service

Pending advice letters that revise the same tariff sheets: _____

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

Utility Info (including e-mail)

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

¹ Discuss in AL if more space is needed.

**ATTACHMENT 1
Advice 2679-G**

**Cal P.U.C.
Sheet No. Title of Sheet Cancelling Cal
P.U.C. Sheet No.**

Draft	Preliminary Statement Part B--Default Tariff Rate Components	New
Draft	Preliminary Statement Part B (Cont'd)	New
Draft	Schedule G-CP--Gas Procurement Service to Core End-Use Customers	23505-G
Draft	Schedule G1-NGV--Residential Natural Gas Service for Compression on Customers' Premises	New
Draft	Schedule G1-NGV (Cont.)	New
Draft	Schedule GL1-NGV--Residential CARE Program Natural Gas Service for Compression on Customers' Premises	New
Draft	Schedule GL1-NGV (Cont.)	New
Draft	Schedule G-PPPS--Gas Public Purpose Program Surcharge	23050-G
Draft	Schedule G-PPPS (Cont.)	23051-G
23549-G	Sample Form 79-1047--Natural Gas Home Refueling Appliance Certification	New
23550-G	Table of Contents -- Sample Forms	23412-G
23551-G	Table of Contents -- Rate Schedules	23055-G

**ATTACHMENT 1
Advice 2739-E**

**Cal P.U.C.
Sheet No. Title of Sheet Cancelling Cal
P.U.C. Sheet No.**

24014-E	Schedule E-9--Experimental Residential Time-of-Use Service for Low Emission Vehicle Customers	20891-E
24015-E	Table of Contents -- Rate Schedules	23993-E



PRELIMINARY STATEMENT
(Continued)

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

CORE p. 9

	RESIDENTIAL - NGV	
	GI-NGV	GL1-NGV
CORE FIXED COST ACCOUNT— DISTRIBUTION COST SUBACCOUNT (1)*	0. #####	0. #####
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0. #####	0. #####
CARE DISCOUNT	0. #####	(0. #####)
LOCAL TRANSMISSION	0. #####	0. #####
CPUC FEE	0. #####	0. #####
EOR	0. #####	0. #####
CEE	0. #####	0. #####
CORE TRANSPORT TRANSITION SUBACCOUNT	0. #####	0. #####
CORE BROKERAGE FEE	0. #####	0. #####
CORE FIRM STORAGE	0. #####	0. #####
SHRINKAGE	0. #####	0. #####
CORE CAPACITY CHARGE	0. #####	0. #####
CORE PROCUREMENT CHARGE (2)*	0. #####	0. #####
TOTAL RATE	0. #####	0. #####

* 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. 10

	<u>G-CT (CORE TRANSPORT)</u>	
	<u>G1-NGV</u>	<u>GL1-NGV</u>
CORE FIXED COST ACCOUNT— DISTRIBUTION COST SUBACCOUNT (1)*	0.#####	0.#####
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.#####	0.#####
CARE DISCOUNT	0.#####	(0.#####)
LOCAL TRANSMISSION	0.#####	0.#####
CPUC FEE	0.#####	0.#####
EOR	0.#####	0.#####
CEE	0.#####	0.#####
CORE TRANSPORT TRANSITION SUBACCOUNT	0.#####	0.#####
TOTAL RATE	<u>0.#####</u>	<u>0.#####</u>

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

(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.XXXXX
Residential NGV: (G1-NGV, GL1-NGV)	\$0.XXXXX
Small Commercial (G-NR1)	\$0.XXXXX
Large Commercial (G-NR2)	\$0.XXXXX
Natural Gas Vehicles: (G-NGV1, G-NGV2)	\$0.XXXXX

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 G1-NGV—RESIDENTIAL NATURAL GAS SERVICE
FOR COMPRESSION ON CUSTOMERS' 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 on this schedule is an option to those customers for whom Schedule G-1 applies** and is for residential use where a Natural Gas Vehicle (NGV) has been leased or purchased and a home refueling appliance (HRA) has been installed for the sole purpose of compressing natural gas for use as a motor-vehicle fuel for the personal vehicle(s) owned or leased by the customer served under this rate schedule. 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.

(N)

TERRITORY: Schedule G1-NGV applies everywhere within PG&E natural gas Service Territory.

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

	<u>Per Day</u>
<u>Customer Charge:</u>	\$X.XXXXX
	<u>Per Therm</u>
Procurement Charge:	\$X.XXXXX
Transportation Charge:	\$X.XXXXX
Total:	\$X.XXXXX

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.

TAXES: Customers are responsible for federal and state taxes applicable to fuels for vehicular use.

CERTIFICATION: In order to receive service under this rate schedule, customers must provide a Natural Gas Home Refueling Appliance Certification (Form No. 79-1047) to PG&E.

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

** Schedule GL-1 applies to applicants who qualify for California Rates for Energy (CARE) under the eligibility and certification criteria set forth in Rules 19.1, 19.2, or 19.3.

(N)

(Continued)



**SCHEDULE G1-NGV—RESIDENTIAL NATURAL GAS SERVICE
FOR COMPRESSION ON CUSTOMERS' PREMISES**

(Continued)

SURCHARGES:

Customers served under this schedule in conjunction with Schedule G-CT, or in conjunction with noncore service, are 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.

(N)

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

**ALTERNATE
PROCUREMENT
SERVICE:**

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.

(N)



SCHEDULE GL1-NGV—RESIDENTIAL CARE PROGRAM
NATURAL GAS SERVICE FOR COMPRESSION ON CUSTOMERS' 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 on this schedule is an option to those customers for whom Schedule GL-1 applies and is for residential use where a Natural Gas Vehicle (NGV) has been leased or purchased and a home refueling appliance (HRA) has been installed for the sole purpose of compressing natural gas for use as a motor-vehicle fuel for the personal vehicle(s) owned or leased by the customer served under this rate schedule. 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.

(N)

TERRITORY: Schedule GL1-NGV applies everywhere within PG&E natural gas Service Territory.

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

	<u>Per Day</u>
<u>Customer Charge:</u>	\$X.XXXXX
	<u>Per Therm</u>
Procurement Charge:	\$X.XXXXX
Transportation Charge:	\$X.XXXXX
CARE Discount:	(\$X.XXXXX)
Total:	\$X.XXXXX

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.

TAXES: Customers are responsible for federal and state taxes applicable to fuels for vehicular use.

CERTIFICATION: In order to receive service under this rate schedule, customers must provide a Natural Gas Home Refueling Appliance Certification (Form No. 79-1047) to PG&E.

(N)

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

(N)

(Continued)



SCHEDULE GL1-NGV—RESIDENTIAL CARE PROGRAM
NATURAL GAS SERVICE FOR COMPRESSION ON CUSTOMERS' PREMISES
(Continued)

SURCHARGES: Customers served under this schedule in conjunction with Schedule G-CT, or in conjunction with noncore service, are 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.

(N)

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

**ALTERNATE
PROCUREMENT
SERVICE:**

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.

(N)



SCHEDULE G-PPPS—GAS PUBLIC PURPOSE PROGRAM SURCHARGE

APPLICABILITY: Pursuant to Public Utility (PU) Code Sections 890-900, this schedule applies a gas Public Purpose Program (PPP) surcharge to gas transportation volumes under the rate schedules* specified below. The gas PPP surcharge is collected to fund gas energy efficiency and low-income energy efficiency programs, the California Alternate Rates for Energy (CARE) low-income assistant program, and public interest research and development. Under PU Code Section 896, certain customers are exempt from the gas PPP surcharge as described in the Exempt Customer section, below.

TERRITORY: This rate applies everywhere within PG&E's natural gas Service Territory.

RATES: The following surcharges apply to natural gas service for eligible Core and Noncore End-Use Customers.

Customer Class (Rate Schedule)	Per Therm (Non-CARE)	Per Therm (CARE)
Residential: (G-1, G1-NGV, GM, GS, GT, GL-1, GL1-NGV, GML, GSL, GTL)	\$0.XXXXX	\$0.XXXXX
Small Commercial (G-NR1)	\$0.XXXXX	\$0.XXXXX
Large Commercial (G-NR2)	\$0.XXXXX	\$0.XXXXX
Industrial: (G-NT--Distribution)	\$0.XXXXX	N/A
Industrial: (G-NT—Transmission/ Backbone)	\$0.XXXXX	N/A

EXEMPT CUSTOMERS: In accordance with PU Code Section 896, certain customers are exempt from Schedule G-PPPS. These include:

- a. All gas consumed by customers served under Schedules G-EG and G-WSL;
- b. All gas consumed by Enhanced Oil Recovery (EOR) facilities;
- c. All gas consumed by customers in which the State of California is prohibited from taxing under the United States Constitution or the California Constitution, consistent with California Energy Resources Surcharge Regulations 2315 and 2316, as described in Publication No. 11 issued by the California State Board of Equalization (BOE), which include:
 - 1. The United States, its unincorporated agencies and instrumentalities;
 - 2. Any incorporated agency of instrumentality of the United States wholly owned by either the United States or by a corporation wholly owned by the United States;

(L)

(L)

(Continued)



SCHEDULE G-PPPS—GAS PUBLIC PURPOSE PROGRAM SURCHARGE
(Continued)

EXEMPT
CUSTOMERS:
(Cont'd.)

c. (Cont'd.)

- 3. The American National Red Cross, its chapters and branches;
- 4. Insurance companies, including title insurance companies, subject to taxation under California Constitution, Article XIII, Section 28, or its successor;
- 5. Enrolled Native Americans purchasing and consuming natural gas on reservations; and (T)
- 6. Federal Credit unions organized in accordance with the provisions of the Federal Credit Union Act. (L)

EXEMPT
CUSTOMER BILL
ADJUSTMENTS:

PG&E will annually review its customer accounts and make appropriate bill adjustments to return any surcharge amounts received from exempt customers, plus applicable interest, within 30 days after identification of such exempt customers, unless previously refunded from the State Treasury. PG&E will inform BOE of any refunds issued to customers.



Pacific Gas and Electric Company
San Francisco, California

Original
Cancelling

Original

Cal. P.U.C. Sheet No.

23549-G

Cal. P.U.C. Sheet No.

PACIFIC GAS AND ELECTRIC COMPANY
NATURAL GAS HOME REFUELING APPLIANCE CERTIFICATION
FORM NO. 79-1047 (11/05)
(ATTACHED)

(N)
|
(N)

Advice Letter No. 2679-G

Decision No.

101486

Issued by
Thomas E. Bottorff
Senior Vice President
Regulatory Relations

Date Filed November 18, 2005

Effective _____

Resolution No. _____



NATURAL GAS HOME REFUELING APPLIANCE CERTIFICATION

I, _____, hereby declare and state, that gas usage at the single-family premise located at: _____

(Service Address: Number, Street, City and Zip Code)

meets the applicability standards for service under Pacific Gas and Electric's (PG&E) gas Rate Schedule G1-NGV – Residential Natural Gas Service For Compression On Customers' Premises, or GL1-NGV – Residential CARE Program Natural Gas Service For Compression On Customers' Premises. I certify that I own, or have leased, a motor vehicle fueled by natural gas (NGV) for my personal use and have installed a Home Refueling Appliance (HRA) at this premise. If I, as the customer of record, make any material change, either in the ownership of the natural gas vehicle or the HRA installed upon this premise to be served with gas by PG&E, I will give PG&E written notice of this fact as specified in PG&E's gas Rule 3.

Additionally, I will notify PG&E within thirty (30) days in writing of any circumstances that render the HRA incapable of meeting the applicability standards as specified in PG&E's Rate Schedules G1-NGV or GL1-NGV. I also agree to allow PG&E, at its sole discretion, to install any additional metering required to verify compliance with these standards, unless otherwise previously agreed to, in writing, by PG&E.

I certify that the HRA has been installed by a qualified contractor/installer and I have received all of the required city and/or county inspections. **Note:** A copy of all required inspection forms must be attached to this Natural Gas Home Refueling Appliance Certification form.

I understand that if I cease to meet the qualifications for service under PG&E Rate Schedules G1-NGV or GL1-NGV, the gas service will be provided at the rates shown on my otherwise applicable residential gas rate schedule (i.e., G-1 – Residential Service or GL-1 – Residential CARE Program Service) until I can demonstrate that my premise again meets the applicability standard to qualify for service under PG&E's Rate Schedules G1-NGV or GL1-NGV.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed at

_____ on _____
(City) (DD/MM/YY)

(Customer's Signature) PG&E Account Number: _____

(Print Name)



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SAMPLE FORMS (Cont'd.)

FORM NO.	DATE SHOWN ON FORM	AGREEMENT/CONTRACT TITLE	CAL P.U.C. SHEET NO.	
<u>RESIDENTIAL</u>				
79-1047	11/05	Natural Gas Home Refueling Appliance Certification	23349-G	(N) (N)
<u>NON-RESIDENTIAL</u>				
M62-1491	1/97	Summary Bill Agreement	17782-G	
79-753	REV 9/05	Compressed Natural Gas Fueling Agreement	23410-G	
79-755	REV 9/05	Agreement for Supply of Natural Gas for Compression as a Motor-Vehicle Fuel	23411-G	
79-756	REV 1/05	Natural Gas Service Agreement	22925-G	
79-757	8/97	Natural Gas Service Agreement Modification Revised Exhibits	18289-G	
79-1026	1/05	Authorization to Revise Nominating Marketer on Exhibit C and D of Form No. 79-756—Natural Gas Service Agreement	22940-G	
79-762	REV 4/00	Imbalance Trading Form for Schedule G-BAL Service	19787-G	
79-780	8/97	Agreement for Assigned Interstate Capacity for Service to Core Customers	18291-G	
79-788	2/94	Agreement for Adjustment for Natural Gas Energy Efficiency Measures	16387-G	
79-791	5/94	Pipeline Expansion Firm Transportation Service Agreement	16551-G	
79-796	5/99	Notice of Gas Storage Inventory Transfer	19378-G	
79-844	11/95	Agreement to Provide Compressed Natural Gas (CNG) Station Maintenance Service	17264-G	
79-845	REV 2/04	Core Gas Aggregation Service Agreement	22740-G	
79-983	12/03	Request for Re-classification from Noncore Service to Core Service	21983-G	

(Continued)

Advice Letter No. 2679-G
Decision No.

Issued by
Thomas E. Bottorff
Senior Vice President
Regulatory Relations

Date Filed November 18, 2005
Effective _____
Resolution No. _____



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Rules.....	22927-G	
Maps, Contracts and Deviations	22438-G	
Sample Forms	23112,23550,22997,23187,23188-G	(T)

RATE SCHEDULES

RESIDENTIAL

<u>SCHEDULE</u>	<u>TITLE OF SHEET</u>	<u>CAL P.U.C. SHEET NO.</u>
G-1	Residential Service	23486,23487-G
GM	Master-Metered Multifamily Service.....	23488,23489,23019-G
GS	Multifamily Service.....	23490,23491,18601-G
GT	Mobilehome Park Service.....	23492,23493-G
G-10	Service to Company Employees.....	11318-G
GL-1	Residential CARE Program Service	23494,23495-G
GML	Master-Metered Multifamily CARE Program Service	23496,23497,23027-G
GSL	Multifamily CARE Program Service	23498,23499,23030-G
GTL	Mobilehome Park CARE Program Service	23500,23501,23502-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge.....	22034-G

NONRESIDENTIAL

G-NR1	Gas Service to Small Commercial Customers	23503-G
G-NR2	Gas Service to Large Commercial Customers	23504,23037-G
G-CP	Gas Procurement Service to Core End-Use Customers	23505-G
G-CPX	Crossover Gas Procurement Service to Core End-Use Customers	22642-G
G-NT	Gas Transportation Service to Noncore End-Use Customers	22892,23286,22037,22038-G
G-EG	Gas Transportation Service to Electric Generation	23287,22895,22525,22173-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers	23288,22897,22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers.....	22174, 21867,22135,22047,22048,20037,22136,21872,22137,22138,20042,20043,20044,22051-G



**SCHEDULE E-9—EXPERIMENTAL RESIDENTIAL TIME-OF-USE SERVICE
FOR LOW EMISSION VEHICLE CUSTOMERS**

APPLICABILITY:

This experimental schedule applies to electric service to customers for whom Schedule E-1 applies and who refuel a low emission vehicle (LEV) at their premises. An LEV is either an electric vehicle (EV) or a natural gas vehicle (NGV). This schedule is required for customers with an EV and is optional for customers where a NGV has been purchased or leased, a home refueling appliance (HRA) has been installed at the customer's premise for the sole purpose of compressing natural gas for use as a motor-vehicle fuel and gas service is provided by PG&E under optional residential gas Schedule G1-NGV – Residential Natural Gas Service For Compression On Customers' Premises, and Schedule GL1-NGV – Residential CARE Program Natural Gas Service For Compression on Customers' Premises. Service under this schedule is provided at the sole option of PG&E and based upon the availability of metering equipment and customer infrastructure improvements necessary for charging or fueling.

(T)
(N)
|
|
|
(N)

The provisions of Schedule S—Standby Service Special Conditions 1 through 6 shall also apply to customers whose premises are regularly supplied in part (but not in whole) by electric energy from a nonutility source of supply. These customers will pay monthly reservation charges as specified under Section 1 of Schedule S, in addition to all applicable Schedule E-9 charges. Customers qualifying for this exemption shall be subject to the requirements outlined in the Standby Applicability Section of this rate schedule.

Depending on the manner in which customers will fuel their LEV, one of the following rates will apply:

- Rate A: Applies to all LEV customers unless they qualify for and choose Rate B.
- Rate B: Applies to customers with a separately metered EV battery charger or NGV fueling station.

TERRITORY:

The entire territory.

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ES	Multifamily Service.....	23781,23782,21592,22142,23783,21256-E
ESR	Residential RV Park and Residential Marina Service	23784,23785,22593,20657,23786,21261-E
ET	Mobilehome Park Service.....	23787,23788,21594,22149,23789,21267-E
E-7	Residential Time-of-Use Service	21268,23790,23791,21595,22909,23792-E
E-A7	Experimental Residential Alternate Peak Time-of-Use Service	21274,23793,23794,21277,22912,23795-E
E-8	Residential Seasonal Service Option.....	23796,23797,23798,22159-E
E-9	Experimental Residential Time-of-Use Service for Low Emission Vehicle Customers.....	23799,23800,23801,23802,21596,21289,23803,21291-E (T)
EL-1	Residential CARE Program Service	22918,23804,21597,22919,23805-E
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ETL	Mobilehome Park CARE Program Service	23814,23815,21600,22180,23816,21319-E
EL-7	Residential CARE Program Time-of-Use Service	21320,22930,23817,22542,21601,23818,21325-E
EL-A7	Experimental Residential CARE Program Alternate Peak Time-of-Use Service	21326,22932,23819,19783,23820,21330-E
EL-8	Residential Seasonal CARE Program Service Option.....	22934,23821,23822,22190-E
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A-6	Small General Time-of-Use Service	21340,23826,23827,21343,23828,21345-E
A-10	Medium General Demand-Metered Service	22941,23829,23830,23831,23832,21351,22942,23823,21354,21355-E
A-15	Direct-Current General Service	23834,23835-E
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E-20	Service to Customers with Maximum Demands of 1,000 Kilowatts or More	21372,21373,23843,23844,21377,22213,19314,22214,22112,21022, 22113,21024,21025,22114,15358,21027,23845,23846,23847,23154,17101,20945,21383-E

(Continued)

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Regulatory Relations

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Rate Workpapers

Residential Natural Gas Service for Compression on Customers' Premises

Advice 2679-G

Pacific Gas and Electric Company

PROPOSED G1-NGV and GL1-NGV Gas Transportation Rates
Based on Residential Rates Effective July 2005
(\$ per Therm)

Illustrative Rates**Non-CARE (G1-NGV)**

Monthly Fixed Charge	\$12.60
Fixed Charge Daily Equivalent	\$0.41425
Bundled Volumetric Rate (including illustrative G-CP)	\$0.85227
Transportation Volumetric Rate	\$0.12598

CARE (GL1-NGV)

Monthly Fixed Charge	\$10.08
Fixed Charge Daily Equivalent	\$0.33140
Bundled Volumetric Rate (including illustrative G-CP)	\$0.68182
Transportation Volumetric Rate	\$0.12598
CARE Discount	(\$0.17045)

Pacific Gas and Electric Company

Calculation of a G1-NGV Rate Based Transportation Rates Effective July 2005

Usage Per Day (avg. over month)	1.2
Days per Month	30.417
Illustrative Total NGV Usage @ Home	38.0

		<u>Non-NGV Res.</u>	<u>NGV-Res</u>	<u>New Totals</u>
Cold Day in January Allocator for Distribution Costs (2004 BCAP)		3.95367	5.20325	
Total Peak Day Allocator	15,821,362	15,820,321	1,041	
Allocation Factor	100.00%	99.99%	0.01%	

Two-Year Costs	<u>Alloc. To Res.</u>	<u>Non-NGV Res.</u>	<u>NGV-Res</u>	
Customer Costs (40% De-Averaged)	\$861,350	\$861,307	\$43	\$861,350
Distribution Costs (40% De-Averaged)	\$534,453	\$534,417	\$35	\$534,453
Base F&U	\$16,455	\$16,454	\$1	\$16,455
Total Distribution Base Revenue	\$1,412,258	\$1,412,179	\$79	\$1,412,258

Assumed Penetration for Calculation Purposes	0.0050%			
Adopted Residential Throughput (annual avg.; therms)	2,148,478	2,148,371	199	2,148,570
Adopted Residential Customers	4,001,625	4,001,425	200	4,001,625
Avg. Annual Use per Res. Acct.	537	536.90	993.00	536.92
Avg. Mo. Use per Res. Acct.	45	45	83	45
Avg. Daily Use per Res. Acct.	1.5	1.47	2.72	1.47
Distribution-Level Base Rate		\$0.32866	\$0.19921	
Non-Base Portion of Res. Transportation Rate		\$0.07904	\$0.07904	
Total Transportation Rate		\$0.40770	\$0.27825	
Illustrative Avg. Annual Procurement Rate		\$0.72629	\$0.72629	
Total Natural Gas Rate		\$1.13399	\$1.00454	

Rate under Customer Charge/Volumetric Rate Structure

Target Average Rate on Volumetric Basis	\$1.00454
Total Monthly Usage per Account	83
Amount Due Per Account (on Average)	\$83.13
Less Customer Charge	(\$12.60)
Remainder to Collect Volumetrically	\$70.53
Monthly Usage	83
Volumetric Rate (inc. illust. WACOG)	\$0.85227

Resulting Rates and Charges

Monthly Customer Charge	\$12.60
Bundled Volumetric Rate	\$0.85227
Illustrative WACOG	\$0.72629
Bundled Volumetric Transportation Rate	\$0.12598

**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
Commerce Energy
Constellation New Energy
Cooperative Community Energy
CPUC
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright Tremaine LLP
Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
DGS Natural Gas Services
DMM Customer Services
Douglass & Liddell
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynegy 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
Future Resources Associates, Inc
G. A. Krause & Assoc
Gas Transmission Northwest Corporation
GLJ Energy Publications
Goodin, MacBride, Squeri, Schlotz &
Hanna & Morton
Heeg, Peggy A.
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
Kaiser Cement Corp
Luce, Forward, Hamilton & Scripps
Manatt, Phelps & Phillips
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
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
Praxair, Inc.
Price, Roy
Product Development Dept
R. M. Hairston & Company
R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonestar
Sacramento Municipal Utility District
SCD Energy Solutions
Seattle City Light
Sempra
Sempra Energy
Sequoia Union HS Dist
SESCO
Sierra Pacific Power Company
Silicon Valley Power
Smurfit Stone Container Corp
Southern California Edison
SPURR
St. Paul Assoc
Stanford University
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tansev and Associates
Tecogen, Inc
TFS Energy
Transcanada
Turlock Irrigation District
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA