

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



February 24, 2006

Advice Letter 2697-G

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

REGULATORY RELATIONS	
Tariffs Section	
M Brown (2)	D Poster
R De la Torre (1)	S Ramaiya
B Lam	
FEB 28 2006	

Records _____	
Return to _____	File _____
cc to _____	

Subject: February 2006 G-SUR rate change

Dear Ms de la Torre:

Advice Letter 2697-G is effective February 7, 2006. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director
Energy Division



**Pacific Gas and
Electric Company®**

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

415.973.4977
Internal: 223.4977
Fax: 415.973.7226
Internet: BKC7@pge.com

January 31, 2006

Advice 2697-G
(Pacific Gas and Electric Company ID U39G)

Public Utilities Commission of the State of California

Subject: February 2006 G-SUR Rate Change

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

Purpose

The purpose of this filing is to submit monthly revisions to the gas Schedule G-SUR effective **February 7, 2006**. In accordance with Resolution G-3326, the Schedule G-SUR rate now changes in conjunction with core gas procurement rates, which is generally on the 5th business day of the month. However, Decision (D.) 98-07-025 allows PG&E to change its core procurement rates on the first day of the month when gas transportation rates change on the first of the month.

Pursuant to Public Utilities Code Sections 6350-6354, gas volumes procured by customers from third-party entities and transported by PG&E may be subject to a gas franchise fee surcharge under Schedule G-SUR--*Customer-Procured Gas Franchise Fee Surcharge*. The franchise fee surcharge is calculated based on the monthly core Weighted Average Cost of Gas (WACOG), exclusive of storage costs, and franchise fees and uncollectibles, multiplied by the franchise fee factor adopted in PG&E's most recent General Rate Case.*

Effective **February 7, 2006**, the G-SUR price is **\$0.00734** per therm. The price in this advice filing shall remain in effect until the next such filing with the CPUC. Prices are posted on PG&E's internet website at:

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

* This includes revised Franchise Fee factor of 0.009765, per 2003 General Rate Case D.04-05-055.

Protests

Anyone wishing to protest this filing may do so by sending a letter within 20 days of the date of this filing, **February 20, 2006**. 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 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 protests should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company
Attn: Brian K. Cherry
Director, Regulatory Relations
77 Beale Street, Mailcode B10C
P.O. Box 770000
San Francisco, CA 94177

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

Notice

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

Handwritten signature of Brian K. Cherry in black ink, with the initials 'RDT' written at the end of the signature.

Director - Regulatory Relations

Attachments

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) #: **2697-G**

Subject of AL: Schedule G-SUR rate effective February 7, 2006

Keywords (choose from CPUC listing): **FRANCHISE FEE, SURCHARGE**

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: P.U. Code 6350-6354, D. 98-07-025, Res. G-3326

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 AL: _____

Resolution Required? Yes No

Requested effective date: 2/7/06

No. of tariff sheets: 3

Estimated system annual revenue effect (%): Unknown

Estimated system average rate effect (%): Unknown

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: Schedule G-SUR

Service affected and changes proposed¹: Monthly G-SUR price change effective February 7, 2006

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

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 2697-G**

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

Title of Sheet

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

23717-G	Schedule G-SUR--Customer-Procured Gas Franchise Fee Surcharge	23618-G
23718-G	Table of Contents -- Rate Schedules	23619-G
23719-G	Table of Contents -- Rate Schedules	23620-G



SCHEDULE G-SUR—CUSTOMER-PROCURED GAS FRANCHISE FEE SURCHARGE

APPLICABILITY: Pursuant to California State Senate Bill No. 278 (1993) and pursuant to PU Code Sections 6350-6354, this schedule applies to all gas volumes procured by Customers from third-party entities and transported by PG&E ("Customer-procured gas") with the following exceptions:

- a. the State of California or a political subdivision thereof;
- b. one gas utility transporting gas for end use in its Commission-designated service area through another utility's service area;
- c. a utility transporting its own gas through its own gas transmission and distribution system for purposes of generating electricity or for use in its own operations;
- d. cogeneration Customers, for that quantity of natural gas billed under Schedule G-EG.

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

RATES: The Customer-procured gas Franchise Fee Surcharge is comprised of the following components:

- a. the monthly core Weighted Average Cost of Gas (WACOG), exclusive of storage costs and Franchise Fees and Uncollectibles, which is Per Therm
\$0.75180 (R)
- multiplied by:
- b. the Franchise Fee factor* adopted in PG&E's most recent General Rate Case, which is..... 0.009765
- The G-SUR Franchise Fee Surcharge is \$0.00734 (R)

SURCHARGE RECOVERY: The surcharge will be shown on the Customer's monthly bill based on volumes procured by the Customer from a third party and transported by PG&E (metered usage).

DELINQUENT SURCHARGES: In the event that payment on a transportation Customer's closed account becomes more than 90 days delinquent or a transportation Customer notifies the utility that they refuse to pay the surcharge, PG&E shall, within 30 days, notify the municipality of the delinquency and provide information on the name and address of the delinquent transportation Customer and the surcharge amount owed. PG&E shall not be liable for delinquent surcharges.

* Does not include Uncollectibles factor of 0.002024.



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G-CFS	Core Firm Storage	22901,22147,22148,22149-G
G-AFT	Annual Firm Transportation On-System	22175,22902,22903-G
G-AFTOFF	Annual Firm Transportation Off-System	22055,22904,22057-G
G-SFT	Seasonal Firm Transportation On-System Only	22177,22905,22178-G
G-AA	As-Available Transportation On-System	22179,22906-G
G-AAOFF	As-Available Transportation Off-System	22907,22908,18150-G
G-NFT	Negotiated Firm Transportation On-System	22181,22909,22910-G
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G-NAA	Negotiated As-Available Transportation On-System	22183,22911,22185-G
G-NAAOFF	Negotiated As-Available Transportation Off-System	21839,22912,22913-G
G-CARE	CARE Program Service for Qualified Nonprofit Group-Living and Qualified Agricultural Employee Housing Facilities	20595-G
G-XF	Pipeline Expansion Firm Intrastate Transportation Service	22914,22915-G
G-PARK	Market Center Parking Service	22916,18177-G
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OTHER

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G-CRED	Billing Credits for CTA-Consolidated Billing	20063-G
G-SUR	Customer-Procured Gas Franchise Fee Surcharge	23717-G
G-ESP	Consolidated PG&E Billing Services to Core Transport Agents	21739-G

(T)

EXPERIMENTAL

G-NGV1	Experimental Natural Gas Service for Compression on Customer's Premises ..	23393,18625-G
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RATE SCHEDULES

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GM	Master-Metered Multifamily Service.....	23423,22851,23019-G
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GT	Mobilehome Park Service.....	23425,23023-G
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GL-1	Residential CARE Program Service	23426,23325-G
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NONRESIDENTIAL

G-NR1	Gas Service to Small Commercial Customers	23432-G
G-NR2	Gas Service to Large Commercial Customers	23433,23037-G
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G-CPX	Crossover Gas Procurement Service to Core End-Use Customers	22642-G
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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

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

ABAG Power Pool
Accent Energy
Agllet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Aicantar & 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
Defense Fuel Support Center
Department of the Army
Department of Water & Power City

DGS Natural Gas 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.
IUCG/Sunshine Design LLC
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