

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



March 15, 2006

Advice Letter 2702-G

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

Subject: Revisions to Preliminary Statement Part B noncore rate components in compliance with approval of Advice Letter 2693-G

Dear Ms de la Torre:

Advice Letter Advice Letter 2702-G is effective February 1, 2006. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director
Energy Division

REGULATORY RELATIONS	
Tariffs Section	
M Brown	D Poster
R Dela Torre	S Ramaiya
B Lam	
MAR 17 2006	
Records	
Return to	File
cc to	



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
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Internet: BKC7@pge.com

February 9, 2006

Advice 2702-G

(Pacific Gas and Electric Company ID U39G)

**Subject: Revisions to Preliminary Statement Part B Noncore Rate
Components in Compliance with Approval of Advice 2693-G**

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

PG&E submits updates to the noncore portion of Preliminary Statement Part B – *Default Tariff Rate Components* in compliance with approval of PG&E's Advice 2693-G, *Revisions to PG&E's Gas Preliminary Statements to Consolidate Noncore Cost Recovery in the Noncore Customer Class Charge Account*, approved effective February 1, 2006. This filing does not result in any change to total noncore rates.

Background

In Advice 2693-G¹, PG&E proposed that the number of subaccounts in the Noncore Customer Class Charge Account (NCA) be reduced to two: (1) the Noncore Subaccount, which will recover costs and balances allocated to all noncore customers, and (2) the Interim Relief and Distribution Subaccount, which will recover costs and balances allocated to noncore customers in proportion to their allocation of noncore distribution base revenue.

PG&E also noted that once the filing and Advice 2678-G-A² (PG&E's Annual Gas True-Up of Balancing Accounts) were approved, PG&E would transfer the December 2005 recorded balance in the Noncore Distribution Fixed Cost Account

¹ Filed December 28, 2005 and approved on January 24, 2006.

² Filed December 22, 2005 and approved on January 24, 2006.

(NDFCA) and associated revenue to recover that balance recorded in the account since January 1, 2006, to the Interim Relief and Distribution Subaccount of the NCA.

Tariff Revisions

PG&E is revising Preliminary Statement Part B for noncore customers to move the portion of the NDFCA rate component that amortizes the balance in the account, as adopted in Advice 2678-G-A, to the NCA – Interim Relief and Distribution rate component.³ This transfer results in an increase to the NCA Interim Relief and Distribution component of noncore rates and a corresponding decrease to the Noncore Distribution Fixed Cost Account component.

In addition as approved in Advice 2693-G, PG&E revises the names of two rate components on Preliminary Statement Part B. “NCA Interim Relief” is revised to “NCA Interim Relief and Distribution” and “NCA” is revised to “NCA – Noncore.”

These proposed revisions result in changes to individual components of noncore rates; however, they do not result in changes to total noncore rates.

Effective Date

PG&E requests that this advice filing be approved effective **February 1, 2006**, to correspond with the changes approved effective the same date in Advice 2693-G.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **March 1, 2006**, 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 jjj@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.

³ In this filing, PG&E incorporates the correction discussed in Advice 2701-G regarding the rate components for industrial distribution customers.

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. 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>



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 (ID39G)

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) #: **2702-G**

Subject of AL: Revisions to Preliminary Statement Part B Noncore Rate Components in Compliance with Approval of Advice 2693-G

Keywords (choose from CPUC listing): Balancing Account, Noncore

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: N/A

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

Resolution Required? Yes No

Requested effective date: **02/01/06**

No. of tariff sheets: 10

Estimated system annual revenue effect: (%): N/A

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: Preliminary Statement Parts B – Default Tariff Rate Components

Service affected and changes proposed¹: See advice letter

Pending advice letters that revise the same tariff sheets: Advice 2701-G

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 2702-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
23767-G	Preliminary Statement Part B--Default Tariff Rate Components	23644-G
23768-G	Preliminary Statement Part B (Cont.)	23645-G
23769-G	Preliminary Statement Part B (Cont.)	23646-G
23770-G	Preliminary Statement Part B (Cont.)	23649-G
23771-G	Preliminary Statement Part B (Cont.)	23647-G
23772-G	Preliminary Statement Part B (Cont.)	23648-G
23773-G	Preliminary Statement Part B (Cont.)	23675-G
23774-G	Preliminary Statement Part B (Cont.)	23702-G
23775-G	Table of Contents -- Preliminary Statements	23752-G
23776-G	Table of Contents -- Rate Schedules	23766-G



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 1

THERMS:	G-NT	G-NT—DISTRIBUTION				
	TRANSMISSION	SUMMER				
		0- 20,833	20,834- 49,999	50,000- 166,666	166,667- 249,999*	
NCA – NONCORE	0.00577	0.00157	0.00157	0.00157	0.00157	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00029 (I)	0.00555 (I)	0.00555 (I)	0.00555 (I)	0.00555 (I)	(T)
CPUC FEE*	0.00000	0.00000	0.00000	0.00000	0.00000	
EOR	0.00000	0.00000	0.00000	0.00000	0.00000	
CEE	0.00001	0.00066	0.00066	0.00066	0.00066	
LOCAL TRANSMISSION (AT RISK)	0.01344	0.01344	0.01344	0.01344	0.01344	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00533 (R)	0.10914 (R)	0.07051 (R)	0.06444 (R)	0.06180 (R)	
TOTAL RATE	0.02484	0.13036	0.09173	0.08566	0.08302	

* Rate components for G-NT Distribution over 249,999 therms are the same as G-NT Transmission.

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 2

	G-NT BACKBONE	G-NT—DISTRIBUTION				
		WINTER				
THERMS:		0- 20,833	20,834- 49,999	50,000- 166,666	166,667- 249,999*	
NCA – NONCORE	0.00577	0.00157	0.00157	0.00157	0.00157	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00002	0.00555 (I)	0.00555 (I)	0.00555 (I)	0.00555 (I)	(T)
CPUC FEE*	0.00000	0.00000	0.00000	0.00000	0.00000	
EOR	0.00000	0.00000	0.00000	0.00000	0.00000	
CEE	0.00001	0.00066	0.00066	0.00066	0.00066	
LOCAL TRANSMISSION (AT RISK)	0.00000	0.01344	0.01344	0.01344	0.01344	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00063	0.14712 (R)	0.09496 (R)	0.08677 (R)	0.08321 (R)	
TOTAL RATE	0.00643	0.16834	0.11618	0.10799	0.10443	

* Rate components for G-NT Distribution over 249,999 therms are the same as G-NT Transmission.

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 3

	<u>G-EG (3)*</u>	<u>G-EG BACKBONE</u>	
NCA – NONCORE	0.00762	0.00762	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00010 (I)	0.00010 (I)	(T)
CPUC FEE*	0.00000	0.00000	
EOR	0.00000	0.00000	
CEE	0.00001	0.00001	
LOCAL TRANSMISSION (AT RISK)	0.01344	0.00000	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00220 (R)	0.00220 (R)	
TOTAL RATE	0.02337	0.00993	

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

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 4

	G-WSL				
	Palo Alto-T	Coalinga-T	Island Energy-T	Alpine-T	
NCA – NONCORE	0.00760	0.00759	0.00760	0.00760	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00000	0.00000	0.00000	(T)
CPUC FEE*	0.00000	0.00000	0.00000	0.00000	
EOR	0.00000	0.00000	0.00000	0.00000	
CEE	0.00000	0.00000	0.00000	0.00000	
LOCAL TRANSMISSION (AT RISK)	0.01344	0.01344	0.01344	0.01344	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00063	0.00063	0.00063	0.00063	
TOTAL RATE	0.02167	0.02166	0.02167	0.02167	

* The CPUC Fee does not apply to customers on Schedule G-WSL.

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 5

	G-WSL			
	West Coast Mather-T	(N)———(N) West Coast Mather-D	West Coast Castle-D	
NCA – NONCORE	0.00760	0.01120	0.00761	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00052 (I)	0.00055 (I)	(T)
CPUC FEE*	0.00000	0.00000	0.00000	
EOR	0.00000	0.00000	0.00000	
CEE	0.00000	0.00000	0.00000	
LOCAL TRANSMISSION (AT RISK)	0.01344	0.01344	0.01344	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00063	0.00946 (R)	0.00962 (R)	
TOTAL RATE	0.02167	0.03462	0.03122	

* The CPUC Fee does not apply to customers on Schedule G-WSL.

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 6

THERMS:	G-NGV4 (1)*	G-NGV4—DISTRIBUTION (1)*				
	<u>TRANSMISSION</u>	<u>SUMMER</u>				
		0- 20,833	20,834- 49,999	50,000- 166,666	166,667- 249,999	
NCA – NONCORE	0.00000	0.00000	0.00000	0.00000	0.00000	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00000	0.00000	0.00000	0.00000	(T)
CPUC FEE	0.00000	0.00000	0.00000	0.00000	0.00000	
EOR	0.00000	0.00000	0.00000	0.00000	0.00000	
CEE	0.00000	0.00000	0.00000	0.00000	0.00000	
NGV BALANCING ACCOUNT	0.02484	0.13036	0.09173	0.08566	0.08302	
LOCAL TRANSMISSION (AT RISK)	0.00000	0.00000	0.00000	0.00000	0.00000	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00000	0.00000	0.00000	0.00000	0.00000	
TOTAL RATE	0.02484	0.13036	0.09173	0.08566	0.08302	

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

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 7

THERMS:	G-NGV4 (1)* BACKBONE	G—NGV4-DISTRIBUTION (1)*				
		WINTER				
		0- 20,833	20,834- 49,999	50,000- 166,666	166,667 249,999	
NCA – NONCORE	0.00000	0.00000	0.00000	0.00000	0.00000	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00000	0.00000	0.00000	0.00000	(T)
CPUC FEE	0.00000	0.00000	0.00000	0.00000	0.00000	
EOR	0.00000	0.00000	0.00000	0.00000	0.00000	
CEE	0.00000	0.00000	0.00000	0.00000	0.00000	
NGV BALANCING ACCOUNT	0.00643	0.16834	0.11618	0.10799	0.10443	
LOCAL TRANSMISSION (AT RISK)	0.00000	0.00000	0.00000	0.00000	0.00000	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00000	0.00000	0.00000	0.00000	0.00000	
TOTAL RATE	0.00643	0.16834	0.11618	0.10799	0.10443	

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

(Continued)



PRELIMINARY STATEMENT
(Continued)

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

NONCORE p. 8

	<u>G-LNG (1)*</u>	
NCA – NONCORE	0.00000	(T)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	(T)
CPUC Fee	0.00000	
EOR	0.00000	
CEE	0.00000	
NGV BALANCING ACCOUNT	0.16411	
LOCAL TRANSMISSION (AT RISK)	0.00000	
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00000	
 TOTAL RATE	 <u>0.16411</u>	

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

(Continued)