

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 15, 2007

Advice Letter 2800-G

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

Subject: Consolidation of Approved Changes to Preliminary Statement D

Dear Ms. de la Torre:

Advice Letter 2800-G is effective January 1, 2007. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director  
Energy Division

<b>REGULATORY RELATIONS</b>	
M Brown	Tariffs Section
R Dela Torre	D Poster
B Lam	M Hughes
MAR 19 2007	
Return to _____	Records _____
	File _____
cc to _____	



**Brian K. Cherry**  
Vice President  
Regulatory Relations

77 Beale Street, Room 1087  
San Francisco, CA 94105

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Pacific Gas and Electric Company  
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415.973.4977  
Internal: 223.4977  
Fax: 415.973.7226  
Internet: BKC7@pge.com

January 19, 2007

**Advice 2800-G**

(Pacific Gas and Electric Company ID U39G)

**Subject: Consolidation of Approved Changes to Preliminary Statement D**

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 listed on the enclosed Attachment I.

**Purpose**

This purpose of this advice letter is to consolidate approved revisions to Preliminary Statement D – Purchased Gas Account. This advice filing should be approved effective **January 1, 2007**, as it is the later effective date for the two tariff pages being consolidated. The revisions in this advice letter were approved by the Commission as follows:

**Advice 2774-G** Filed October 25, 2006, effective November 24, 2006  
Approved by Energy Division on December 29, 2007  
*Revisions to Purchased Gas Account to Include Hedging Transactions As Approved in Decision 06-08-027*

**Advice 2781-G** Filed November 20, 2006, effective January 1, 2007  
Approved by Energy Division on January 4, 2007  
*Revisions to Preliminary Statement B – Default Rate Components and Gas Preliminary Statement D – Purchased Gas Account to Implement a Separate Winter Hedging Rate Component*

**Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than **February 8, 2007**, which is 20 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division  
Tariff Files, Room 4005  
DMS Branch  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: [ijnj@cpuc.ca.gov](mailto:ijnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

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

The protest 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:

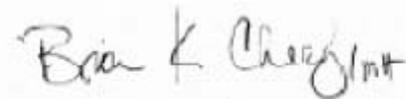
Brian K. Cherry  
Vice President, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-7226  
E-mail: [PGETariffs@pge.com](mailto: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. Address change requests should also be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can be accessed electronically at:

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



Vice President, 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 U39M

Utility type:

ELC       GAS  
 PLC       HEAT       WATER

Contact Person: Megan Hughes

Phone #: (415) 973-1877

E-mail: MEHr@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) #: **2800-G**

Subject of AL: Consolidation of Approved Changes to Preliminary Statement D

Keywords (choose from CPUC listing): Preliminary Statement

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

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

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 AL<sup>1</sup>:

Resolution Required?  Yes  No

Requested effective date: **January 1, 2007**

No. of tariff sheets: 4

Estimated system annual revenue effect: (%)

Estimated system average rate effect (%)

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: Gas Preliminary Statement D – Purchased Gas Account

Service affected and changes proposed<sup>1</sup>:

Pending advice letters that revise the same tariff sheets: N/A

**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

[inj@cpuc.ca.gov](mailto:inj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

Utility Info (including e-mail)

Attn: Brian K. Cherry

Vice President, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

<sup>1</sup> Discuss in AL if more space is needed.

**ATTACHMENT 1  
Advice 2800-G**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
24619-G	Preliminary Statement Part D--Purchased Gas Account	24450-G
24619-G	Preliminary Statement Part D (Cont.)	24434-G
24620-G	Preliminary Statement Part D (Cont.)	24451-G
24620-G	Preliminary Statement Part D (Cont.)	24435-G
24621-G	Table of Contents -- Title Page	24571-G
24622-G	Table of Contents -- Preliminary Statements	24570-G



PRELIMINARY STATEMENT  
(Continued)

D. PURCHASED GAS ACCOUNT (PGA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

PG&E shall maintain the PGA by making entries to the subaccounts as follows:

a. Core Subaccount

The following entries will be made to this subaccount each month:

- 1) A debit entry equal to the core portion of the recorded gas costs in the Gas Supply Portfolio during the month. The "core portion" is defined as the total cost of flowing supply during the month, (a) less the cost of gas injected into storage, (b) plus the cost of gas withdrawn from storage, (c) less the cost of gas sold to customers with negative imbalances under Schedule G-BAL during the Schedule G-BAL Transition Period;
- 2) A debit entry equal to the involuntary diversion usage charges incurred by the core;
- 3) A debit entry equal to the carrying costs on cycled gas in storage;
- 4) An annual debit or credit entry equal to the core portion of the cost or benefit resulting from the CPIM;
- 5) A credit entry equal to the Procurement Charge revenues from the sale of gas to core procurement customers delivered during the month, excluding the allowance for Franchise Fees and Uncollectible Accounts Expense (F&U);
- 6) A credit entry equal to the core procurement portion of the consideration received by PG&E for core gas customers from the El Paso Natural Gas Company (El Paso) Settlement approved by the FERC. Pursuant to CPUC Decision 03-10-087, the amount credited to this subaccount will be the upfront cash and the subsequent payments by El Paso for PG&E's core gas customers. The upfront cash amount recorded to this subaccount is net of the net present value of the amount allocated to core aggregation, wholesale, and core subscription customers, as approved by the CPUC; and
- 7) A debit or credit entry, as appropriate, to record the transfer of amounts from other accounts or subaccounts to this subaccount for recovery in rates. (N)  
(N)
- 8) An entry equal to the interest on the average of the balance in the subaccount at the beginning of the month and the balance in the subaccount after entries from D.6.a.1 through D.6.a.7, above, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (T)  
(T)

(Continued)



PRELIMINARY STATEMENT  
(Continued)

D. PURCHASED GAS ACCOUNT (PGA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

b. Core Shrinkage Subaccount

The following entries will be made to this account each month:

- 1) a debit entry equal to the core portion of the recorded purchased gas cost for shrinkage;
- 2) a credit entry equal to the shrinkage revenue from core customers during the month, excluding the allowance for F&U; and
- 3) an entry equal to the interest on the average of the balance in the subaccount at the beginning of the month and the balance in the subaccount after entries from D.6.b.1. and D.6.b.2, above, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

c. Emergency Core Gas Hedging Plan Subaccount

The following entries will be made to this account each month as needed:

- 1) a debit entry equal to the costs of any hedge instruments under the Emergency Core Gas Hedging Plan pursuant to D.05-10-015 and D.06-08-027; (T)
- 2) a credit entry equal to the revenue from the Winter Hedging rate component, excluding the allowance for F&U;
- 3) a credit entry equal to the payouts associated with any hedge instruments under the Emergency Core Gas Hedging Plan pursuant to D.05-10-015 and D.06-08-027; (T)
- 4) a debit or credit entry to transfer any remaining balance in this subaccount to the Core subaccount of the PGA upon termination of this subaccount; and (T)
- 5) an entry equal to the interest on the average of the balance in the subaccount at the beginning of the month and the balance in the subaccount after entries from D.6.c.1 through D.6.c.4, above, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.



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

ABAG Power Pool	Douglass & Liddell	PG&E National Energy Group
Accent Energy	Downey, Brand, Seymour & Rohwer	Pinnacle CNG Company
Aglet Consumer Alliance	Duke Energy	PITCO
Agnews Developmental Center	Duke Energy North America	Plurimi, Inc.
Ahmed, Ali	Duncan, Virgil E.	PPL EnergyPlus, LLC
Alcantar & Kahl	Dutcher, John	Praxair, Inc.
Ancillary Services Coalition	Dynergy Inc.	Price, Roy
Anderson Donovan & Poole P.C.	Ellison Schneider	Product Development Dept
Applied Power Technologies	Energy Law Group LLP	R. M. Hairston & Company
APS Energy Services Co Inc	Energy Management Services, LLC	R. W. Beck & Associates
Arter & Hadden LLP	Exelon Energy Ohio, Inc	Recon Research
Avista Corp	Exeter Associates	Regional Cogeneration Service
Barkovich & Yap, Inc.	Foster Farms	RMC Lonestar
BART	Foster, Wheeler, Martinez	Sacramento Municipal Utility District
Bartle Wells Associates	Franciscan Mobilehome	SCD Energy Solutions
Blue Ridge Gas	Future Resources Associates, Inc	Seattle City Light
Bohannon Development Co	G. A. Krause & Assoc	Sempra
BP Energy Company	Gas Transmission Northwest Corporation	Sempra Energy
Braun & Associates	GLJ Energy Publications	Sequoia Union HS Dist
C & H Sugar Co.	Goodin, MacBride, Squeri, Schlotz &	SESCO
CA Bldg Industry Association	Hanna & Morton	Sierra Pacific Power Company
CA Cotton Ginners & Growers Assoc.	Heeg, Peggy A.	Silicon Valley Power
CA League of Food Processors	Hitachi Global Storage Technologies	Smurfit Stone Container Corp
CA Water Service Group	Hogan Manufacturing, Inc	Southern California Edison
California Energy Commission	House, Lon	SPURR
California Farm Bureau Federation	Imperial Irrigation District	St. Paul Assoc
California Gas Acquisition Svcs	Integrated Utility Consulting Group	Stanford University
California ISO	International Power Technology	Sutherland, Asbill & Brennan
Calpine	Interstate Gas Services, Inc.	Tabors Caramanis & Associates
Calpine Corp	IUCG/Sunshine Design LLC	Tecogen, Inc
Calpine Gilroy Cogen	J. R. Wood, Inc	TFS Energy
Cambridge Energy Research Assoc	JTM, Inc	Transcanada
Cameron McKenna	Luce, Forward, Hamilton & Scripps	Turlock Irrigation District
Cardinal Cogen	Manatt, Phelps & Phillips	U S Borax, Inc
Cellnet Data Systems	Marcus, David	United Cogen Inc.
Chevron Texaco	Matthew V. Brady & Associates	URM Groups
Chevron USA Production Co.	Maynor, Donald H.	Utility Cost Management LLC
City of Glendale	MBMC, Inc.	Utility Resource Network
City of Healdsburg	McKenzie & Assoc	Wellhead Electric Company
City of Palo Alto	McKenzie & Associates	Western Hub Properties, LLC
City of Redding	Meek, Daniel W.	White & Case
CLECA Law Office	Mirant California, LLC	WMA
Commerce Energy	Modesto Irrigation Dist	
Constellation New Energy	Morrison & Foerster	
CPUC	Morse Richard Weisenmiller & Assoc.	
Cross Border Inc	Navigant Consulting	
Crossborder Inc	New United Motor Mfg, Inc	
CSC Energy Services	Norris & Wong Associates	
Davis, Wright, Tremaine LLP	North Coast Solar Resources	
Defense Fuel Support Center	Northern California Power Agency	
Department of the Army	Office of Energy Assessments	
Department of Water & Power City	OnGrid Solar	
DGS Natural Gas Services	Palo Alto Muni Utilities	