

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



October 15, 2008

**Advice Letter 2955-G**

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

**Subject: Schedule G-CPX – Crossover Gas Procurement Service to  
Core End-Use Customers for Rates Effective September 10, 2008**

Dear Mr. Cherry:

Advice Letter 2955-G is effective September 10, 2008.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Lewis".

Kenneth Lewis, Acting Director  
Energy Division



September 9, 2008

**Advice 2955-G**

(Pacific Gas and Electric Company ID U39G)

Public Utilities Commission of the State of California

**Subject: Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective September 10, 2008**

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 revise monthly crossover rates under Schedule G-CPX--*Crossover Gas Procurement Service to Core End-Use Customers*, effective **September 10, 2008**. Schedule G-CPX crossover rates change on a monthly basis on the tenth calendar day of each month.

**Background**

In accordance with Decision (D.) 03-12-008, Schedule G-CPX applies to gas customers that request to be reclassified from noncore to core status. Such customers will pay the applicable crossover procurement rate under Schedule G-CPX for the first twelve (12) regular monthly billing periods during which they take core gas procurement service from PG&E. Crossover customers will pay the customer charge and transportation charge as specified in their applicable core schedule. After the twelfth regular monthly billing period, Schedule G-CPX will no longer apply.

**Schedule G-CPX Rate**

As adopted in D.03-12-008, the crossover rate is the higher of: 1) the posted monthly core procurement rate, including backbone transmission system volumetric charges, as shown in Schedule G-CP--*Gas Procurement Service to Core End-Use Customers*; or 2) the higher of the AECO index (including variable transportation costs to Malin) or the Topock Index, as used in the computation of PG&E's Core Procurement Incentive Mechanism monthly benchmark for California border purchases, plus the per unit cost

of backbone transmission system volumetric service included in the posted monthly procurement rates.

Schedule G-CPX rates include the core brokerage fee, an allowance for core distribution and transmission in-kind shrinkage per gas Rule 21, core pipeline capacity costs, core storage costs, procurement balancing account balances, any other procurement-related costs, and an allowance for franchise fees and uncollectibles accounts expense. The crossover procurement rates reflect only the higher of the core weighted average cost of gas (WACOG) or the border index (both including the per unit cost of backbone transmission system volumetric service), with other procurement costs equivalent to those for otherwise-applicable core procurement rates.<sup>1</sup>

For the period from **September 10, 2008, through October 9, 2008**, the following Schedule G-CPX rates will be in effect.

<b><u>Schedule G-CPX Rates</u></b>	<b><u>Per Therm</u></b>
Small Commercial Customers (Schedule G-NR1)	<b>\$0.90540</b>
Large Commercial Customers (Schedule G-NR2)	<b>\$0.81099</b>
Natural Gas Vehicle Customers (Schedule G-NGV1)	<b>\$0.80087</b>

Workpapers showing the calculation of these rates are included in this filing as Attachment II.

### **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 20 days after the date of this filing, which is **September 29, 2008**. 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: [jnj@cpuc.ca.gov](mailto:jnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

<sup>1</sup> The shrinkage rate component included in the monthly Schedule G-CPX rates will be calculated based on the higher of the WACOG or the border index, using the same methodology used for calculating the shrinkage component in monthly core procurement rates.

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 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

### **Effective Date**

In accordance with D. 03-12-008, PG&E requests that this advice filing become effective on **September 10, 2008**. The rates in this advice filing shall remain in effect until the next such filing with the Commission.

### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes to the General Order 96-B service list should be directed to Rose de la Torre at (415) 973-4716. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: **<http://www.pge.com/tariffs>**

A handwritten signature in cursive script that reads "Brian K. Cherry".

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 (ID U39 M)**

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) #: **2955-G**

**Tier: 1**

Subject of AL: Rates for Schedule G-CPX – Crossover Gas Procurement Service to Core End Use Customers, Effective September 10, 2008

Keywords (choose from CPUC listing): Procurement

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision 03-12-008

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<sup>1</sup>: \_\_\_\_\_

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for:

Confidential information will be made available to those who have executed a nondisclosure agreement:  Yes  No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: \_\_\_\_\_

Resolution Required?  Yes  No

Requested effective date: **September 10, 2008**

No. of tariff sheets: 3

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: Schedule G-CPX

Service affected and changes proposed<sup>1</sup>: Crossover Gas Procurement Service to Core End-Use Customers

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

Protests, dispositions, 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**

**Tariff Files, Room 4005**

**DMS Branch**

**505 Van Ness Ave.,**

**San Francisco, CA 94102**

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

**Pacific Gas and Electric Company**

**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)**

**ATTACHMENT 1  
Advice 2955-G**

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

**Title of Sheet**

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

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27202-G	GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1	27161-G
27203-G	GAS TABLE OF CONTENTS Sheet 1	27198-G
27204-G	GAS TABLE OF CONTENTS Sheet 2	27199-G



**GAS SCHEDULE G-CPX**  
**CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE**  
**CUSTOMERS**

Sheet 1

**APPLICABILITY:** This schedule is filed monthly. It is applicable in the first year for Customers that have executed a Request for Reclassification from Noncore Service to Core Service (Form 79-983) and that are taking procurement service from PG&E. After the first year, these customers will be served under their otherwise-applicable core gas rate schedule.

**TERRITORY:** Schedule G-CPX applies everywhere within PG&E's natural gas Service Territory.

**RATES:** The following charges apply to natural gas service for applicable Core End-Use Customers. Customers will pay the Crossover Charge specified below 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, the Core End-Use Customer will pay the Procurement Charge specified in their otherwise-applicable rate schedule. Rates under this schedule will change on the 10th calendar day of the month.

<u>Procurement Charge:</u>	<u>Per Therm</u>
Small Commercial Crossover Charge: (G-NR1)	\$0.90540 (R)
Large Commercial Crossover Charge: (G-NR2)	\$0.81099 (R)
Natural Gas Vehicle Crossover Charge: (G-NGV1)	\$0.80087 (R)

The Crossover charge is the higher of: (a) the posted monthly core procurement rate, including backbone transmission volumetric charges, as shown in Schedule G-CP; or (b) the higher of the AECO index (including variable transportation costs to Malin) or the Topock index, as used in the computation of PG&E's Core Procurement Incentive Mechanism monthly benchmark for California border purchases, plus the per unit cost of backbone transmission volumetric service included in the posted monthly procurement rate, the Core Brokerage Fee, an allowance for core in-kind shrinkage per Rule 21, and all other procurement rate components included in the posted monthly core procurement rate.

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 1-800-743-5000.



**GAS TABLE OF CONTENTS**

Sheet 1

<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>	
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Rate Schedules .....	27204,27200-G	(T)
Preliminary Statements .....	27201,24225-G	
Rules .....	24488-G	
Maps, Contracts and Deviations.....	21637-G	
Sample Forms .....	26520,24933,24369,26572,25059-G	

(Continued)

Advice Letter No: 2955-G  
 Decision No. 03-12-008

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

Date Filed September 9, 2008  
 Effective September 10, 2008  
 Resolution No. \_\_\_\_\_



**GAS TABLE OF CONTENTS**

Sheet 2

**SCHEDULE TITLE OF SHEET CAL P.U.C. SHEET NO.**

**Rate Schedules  
 Residential**

Counties Served	Listing of Counties Covered Under Gas Rate Schedules.....	11271-G
G-1	Residential Service .....	27181,23487-G
G-1-NGV	Residential Natural Gas Service for Compression on Customers' Premises .....	27182,23734-G
G-CS	ClimateSmart .....	24894-G
GM	Master-Metered Multifamily Service .....	27183,23019-G
GS	Multifamily Service .....	27184,26894,23215-G
GT	Mobilehome Park Service .....	27185,26896,26568-G
G-10	Service to Company Employees .....	11318-G
GL-1	Residential CARE Program Service.....	27186,26898-G
GL-1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises .....	27187,23740-G
GML	Master-Metered Multifamily CARE Program Service .....	270188,26901,23027-G
GSL	Multifamily CARE Program Service.....	27189,27190,23216-G
GTL	Mobilehome Park CARE Program Service.....	27191, 27192,23502,26569-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge .....	22034-G

**Rate Schedules  
 Non-Residential**

G-NR1	Gas Service to Small Commercial Customers .....	27193,23035-G
G-NR2	Gas Service to Large Commercial Customers .....	27194,23037-G
G-CP	Gas Procurement Service to Core End-Use Customers .....	27195-G
G-CPX	Crossover Gas Procurement Service To Core End-Use Customers .....	27202-G
G-NT	Gas Transportation Service to Noncore End-Use Customers.....	24583,26731,22037,22038-G
G-EG	Gas Transportation Service to Electric Generation .....	26732,22895,25038,25039-G
G-ESISP	Exchange Service Through ISP Facilities .....	24364,24365-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers.....	26733,26781,22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers.....	24456,24457, 22135,22047-22048,24458-24460,26610,24461,20042,24462,24463,24464-G
G-SFS	Standard Firm Storage Service .....	24587,22140,22141,22300-G
G-NFS	Negotiated Firm Storage Service .....	24588,22301-G
G-NAS	Negotiated As-Available Storage Service.....	24589-G
G-CFS	Core Firm Storage.....	24590,22147,22148,22149-G
G-AFT	Annual Firm Transportation On-System.....	24465,26734,22903-G

(T)

(Continued)

**Crossover Rate Calculation**

Sep-08

**AECO Net Forward Calculation  
(\$/Dth)****Sep-08**

Combined PGT/ANG fuel rate	0.971384
ANG Fuel	0.80%
PGT Fuel	2.08%
AECO Monthly Index (C\$/GJ, source CGPR)	7.0475
Exchange Rate (US\$/C\$)	0.9345
AECO "C" monthly commodity index (US\$/Dth)	\$ 6.948
ANG + PGT combined in-kind fuel rate	0.0286
ANG+PGT in-kind fuel charge	0.205
ANG volumetric rate	0.0000
PGT volumetric rate	0.0117
<b>AECO "C" Net Forward Price (14+16+17+18)</b>	<b>\$7.1645</b>

<u>Gas Price Index</u>	<u>Price, CA Border</u>	<u>Intrastate Transport</u>	<u>Total</u>
AECO C (CGPR)	\$7.1645	\$0.0614	\$7.2259
Southern Border-PG&E (NGI)	\$7.0700	\$0.0614	\$7.1314
Core WACOG	\$7.1855	\$0.0614	\$7.2469
<b>Crossover Price at PG&amp;E Citygate (\$/Dth)</b>			<b>\$7.2469</b>

9/3/2008

**PG&E Gas and Electric  
Advice Filing List  
General Order 96-B, Section IV**

Aglet	Department of the Army	Northern California Power Association
Agnews Developmental Center	Dept of General Services	Occidental Energy Marketing, Inc.
Alcantar & Kahl	Division of Business Advisory Services	OnGrid Solar
Ancillary Services Coalition	Douglas & Liddell	PITCO
Anderson & Poole	Douglass & Liddell	PPL EnergyPlus, LLC
Arizona Public Service Company	Downey & Brand	Pinnacle CNG Company
BART	Duke Energy	Praxair
BP Energy Company	Duncan, Virgil E.	R. W. Beck & Associates
Barkovich & Yap, Inc.	Dutcher, John	RCS, Inc.
Bartle Wells Associates	Ellison Schneider & Harris LLP	RMC Lonestar
Blue Ridge Gas	Energy Management Services, LLC	Recon Research
Braun & Associates	FPL Energy Project Management, Inc.	SCD Energy Solutions
C & H Sugar Co.	Foster Farms	SCE
CA Bldg Industry Association	Foster, Wheeler, Martinez	SESCO
CAISO	Franciscan Mobilehome	SMUD
CLECA Law Office	G. A. Krause & Assoc.	SPURR
CSC Energy Services	GLJ Publications	Santa Fe Jets
California Cotton Ginners & Growers Assn	Goodin, MacBride, Squeri, Schlotz & Ritchie	Seattle City Light
California Energy Commission	Green Power Institute	Sempra Utilities
California League of Food Processors	Hanna & Morton	Sequoia Union HS Dist
California Public Utilities Commission	Heeg, Peggy A.	Sierra Pacific Power Company
California Water Company	Hitachi	Silicon Valley Power
Calpine	Hogan Manufacturing, Inc.	Smurfit Stone Container Corp
Cameron McKenna	Imperial Irrigation District	Southern California Edison Company
Cardinal Cogen	Innercite	St. Paul Assoc.
Casner, Steve	International Power Technology	Sunshine Design
Cerox	Intestate Gas Services, Inc.	Sutherland, Asbill & Brennan
Chamberlain, Eric	J. R. Wood, Inc.	TFS Energy
Chevron Company	JTM, Inc.	Tabors Caramanis & Associates
Chris, King	Los Angeles Dept of Water & Power	Tecogen, Inc.
City of Glendale	Luce, Forward, Hamilton & Scripps LLP	Tioga Energy
City of Palo Alto	MBMC, Inc.	TransCanada
City of San Jose	MRW & Associates	Turlock Irrigation District
Clean Energy Fuels	Manatt Phelps Phillips	U S Borax, Inc.
Coast Economic Consulting	Matthew V. Brady & Associates	United Cogen
Commerce Energy	McKenzie & Associates	Utility Cost Management
Commercial Energy	Meek, Daniel W.	Utility Resource Network
Constellation	Merced Irrigation District	Utility Specialists
Constellation New Energy	Mirant	Vandenberg Air Force
Consumer Federation of California	Modesto Irrigation District	Verizon
Crossborder Energy	Morgan Stanley	Wellhead Electric Company
Davis Wright Tremaine LLP	Morrison & Foerster	Western Manufactured Housing Communities Association (WMA)
Day Carter Murphy	New United Motor Mfg., Inc.	White & Case
Defense Energy Support Center	Norris & Wong Associates	eMeter Corporation
Department of Water Resources	North Coast SolarResources	