

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



February 4, 2009

Advice Letters 2971-G and 2971-G-A

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: Annual Gas True-up of Transportation Balancing Accounts (AGT),
Noncore Gas Transportation, and Gas Accord IV Rate Changes
Effective January 1, 2009**

Dear Mr. Cherry:

Advice Letters 2971-G and 2971-G-A are effective January 1, 2009.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Brian K. Cherry
Vice President
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

415.973.4977
Fax: 415.973.7226

December 23, 2008

Advice 2971-G-A

(Pacific Gas and Electric Company ID U39 G)

Subject: Supplemental Advice Letter- Annual Gas True-up of Transportation Balancing Accounts (AGT), Noncore Gas Transportation, and Gas Accord IV Rate Changes Effective January 1, 2009

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits revisions to its gas tariffs. The affected tariff sheets are included in Attachment A.

Purpose

This supplemental advice letter updates PG&E's Annual Gas True-up of Transportation Balancing Accounts (AGT) Advice 2971-G, submitted November 17, 2008, for gas tariff changes effective **January 1, 2009**. This supplement updates noncore gas transportation rates to reflect revenue requirement changes approved since the submission of Advice 2971-G.

As described in Advice 2971-G and supplemented in this advice, the overall impact of the changes consolidated in this advice letter from authorized amounts currently in gas rates is a total increase in 2009 revenues of \$156.9 million: an increase of \$105.9 million in end-use transportation; an increase of \$52.7 million in public purpose program (PPP) funding (as submitted in Advice 2970-G); and a decrease of \$1.7 million in Gas Accord IV unbundled backbone costs. Of the total change in revenue requirements, an increase of \$146.8 million and \$10.1 million is allocated to core customers and noncore customers unbundled Gas Accord IV revenue requirements, respectively.

Proposed changes in transportation and Gas Accord IV revenue requirements, and gas PPP authorized funding, effective January 1, 2009, are shown in Attachments 1 and 1A. Attachments 2 through 6 show PG&E's proposed 2009 revenue requirements and PPP authorized funding, balancing account balances, and illustrative class average rates.

The assumptions used to calculate the rate changes proposed herein are consistent with those used to calculate the gas PPP surcharges applicable to core and noncore customers effective January 1, 2009, as submitted in Advice Letter 2970-G.

Changes to gas transportation rates applicable to core end-users will be submitted with core procurement rate changes in Advice Letter **2983-G**, also to be effective January 1, 2009.

Background

On November 17, 2008, PG&E submitted AGT Advice Letter 2971-G, revising core and noncore gas transportation rates effective January 1, 2009. Advice letter 2971-G included year-end balances for transportation balancing accounts based on October 2008 recorded balances plus a forecast of activity for November through December 2008. Advice Letter 2971-G also consolidated revenue requirement changes impacting gas rates as authorized by the Commission, and advice letters proposed to be effective by January 1, 2009.

This supplemental advice letter updates end-of-year transportation balancing account balances using November 2008 recorded balances and forecast December 2008 balances and updates gas transportation rates to reflect a Commission decision that impacts gas rates. The newly authorized revenue requirements, and other changes to the average rates submitted in AGT Advice Letter 2971-G, are incorporated into gas transportation rates, as described below.

Discussion of Pending CPUC Proceedings and Advice Letters

This update to Advice 2971-G reflects the results of decisions and resolutions issued by the Commission since November 17, 2008, which impact PG&E's transportation revenue requirement and rates effective January 1, 2009:

- Self Generation Incentive Program (SGIP)

On September 17, 2008, the Commission issued an ALJ Ruling seeking comments on whether the SGIP budget should remain the same level through 2011. A final decision has not yet been issued on the 2009 SGIP budget. PG&E proposes to retain SGIP rates on January 1, 2009 at the same level as current rates, subject to adjustment as required by a final SGIP decision. The proposed 2009 SGIP total revenue requirement is \$6.1 million of which \$3.5 million is currently reflected in the rate component of the Non Core subaccount of the NCA.

- Cost of Capital Application

D.08-05-035 establishes a multi-year cost of capital mechanism. The mechanism allows for adjustments to PG&E's return on equity based on

changes in the average interest rate on the utility bonds from October through the following September as reported by Moody's Investor Services. Based on this index, PG&E has not proposed any change to its cost of capital for 2009.

- 2008 Attrition Adjustment

PG&E's Advice 2954-G/3340-E was approved October 15, 2008, which requested a 2009 Attrition Adjustment to increase PG&E's currently authorized gas distribution revenue requirement by \$22 million. As described in that advice letter, PG&E's 2009 Attrition Adjustment request is consistent with the provisions of D. 07-03-044, PG&E's 2007 test year GRC, and complies with the terms of the Settlement Agreements approved by the Commission in that decision. The proposed changes have been reflected in the illustrative 2009 rates submitted with this advice letter.

- Customer Energy Efficiency Incentive Balancing Account (CEEIA)

The CEEIA records the gas portion of the award or penalty from the Energy Efficiency Risk Reward Incentive Mechanism (RRIM) that is authorized by the Commission to be recovered in rates. The RRIM was approved in D.07-09-043 and D.08-01-042. On August 15, 2008, PG&E, Southern California Gas Company and San Diego Gas & Electric Company jointly filed a petition for modification of the RRIM decisions.

On December 18, 2008, the CPUC issued D.08-12-059 authorizing an interim incentive reward of \$41.5 million for program years 2006-2007. The gas portion is 16.6 percent based on the gas share of the benefits for the claim period. As approved in Advice 2929-G/3277-E, the gas portion is recovered through the gas CEEIA in the AGT and no interest is applied to the balance in the account. This AGT includes a \$6.9 million under-collection in the CEEIA – gas account of which \$0.1 million is reflected in the Noncore Cost subaccount of the NCA.

Preliminary Statement Changes

Among other revisions to PG&E's gas tariffs, Preliminary Statement Part B for noncore customer class schedules is updated to reflect the changes to noncore transportation rates submitted herein.

Also, Preliminary Statement Part C is updated to reflect the changes in authorized gas transportation, illustrative gas procurement, and Gas Accord IV revenue requirements, and PPP authorized funding amounts. The actual gas procurement rate will be submitted in Advice 2983-G.

Preliminary Statement Part C also is updated to reflect changes in the core and noncore allocation of Distribution Base Revenue and Intervenor Compensation.

Effective Date

PG&E requests that this advice letter be approved effective **January 1, 2009**.

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 **January 12, 2009**, 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: jjn@cpuc.ca.gov and 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

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 and the parties on the service list for A.04-07-044, R.02-10-001, and A.07-03-012. 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 black ink, appearing to read "Brent K. Angler". The signature is written in a cursive, somewhat stylized font.

Vice President - Regulatory Relations

Attachments

cc: Service Lists – Biennial Cost Allocation Proceeding (A.04-07-044)
Gas PPP Surcharge (R.02-10-001)
Gas Accord IV (A.07-03-012)

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: David Poster

Phone #: (415) 973-1082

E-mail: dxpu@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) #: **2971-G-A**

Tier: 2

Subject of AL: Supplement - Annual Gas True-up of Transportation Balancing Accounts and Other Proposed Gas Rate Changes Effective January 1, 2009

Keywords (choose from CPUC listing): **True-Up, Transportation Balancing Account**

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision 05-06-029

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: **January 1, 2009**

No. of tariff sheets: **28**

Estimated system annual revenue effect (%): \$156.9 million increase in revenues

Estimated system average rate effect (%): See advice letter

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).

Service affected and changes proposed¹: See advice letter

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 Avenue

San Francisco, CA 94102

E-mail: jnj@cpuc.ca.gov and 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

**ATTACHMENT A
Advice 2971-G-A**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
27384-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 12	26718-G
27385-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 13	26719-G
27386-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 14	26720-G
27387-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 15	26721-G
27388-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 16	26722-G
27389-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 17	26723-G
27390-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 18	26724-G
27391-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 19	26725-G
27392-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 20	26726-G
27393-G	GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 2	26874-G
27394-G	GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 3	26875-G
27395-G	GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 4	26730-G

**ATTACHMENT A
Advice 2971-G-A**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
27396-G	GAS SCHEDULE G-NT GAS TRANSPORTATION SERVICE TO NONCORE END-USE CUSTOMERS Sheet 2	26731-G
27397-G	GAS SCHEDULE G-EG GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION Sheet 1	26732-G
27398-G	GAS SCHEDULE G-WSL GAS TRANSPORTATION SERVICE TO WHOLESALE/RESALE CUSTOMERS Sheet 1	26733-G
27399-G	GAS SCHEDULE G-AFT ANNUAL FIRM TRANSPORTATION ON-SYSTEM Sheet 2	26734-G
27400-G	GAS SCHEDULE G-AFTOFF ANNUAL FIRM TRANSPORTATION OFF- SYSTEM Sheet 2	26735-G
27401-G	GAS SCHEDULE G-SFT SEASONAL FIRM TRANSPORTATION ON- SYSTEM ONLY Sheet 2	26736-G
27402-G	GAS SCHEDULE G-AA AS AVAILABLE TRANSPORTATION ON-SYSTEM Sheet 2	26737-G
27403-G	GAS SCHEDULE G-AAOFF AS-AVAILABLE TRANSPORTATION OFF- SYSTEM Sheet 2	26738-G
27404-G	GAS SCHEDULE G-XF PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE Sheet 1	26739-G
27405-G	GAS SCHEDULE G-XF PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE Sheet 2	26740-G

**ATTACHMENT A
Advice 2971-G-A**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
27406-G	GAS SCHEDULE G-NGV4 NATURAL GAS SERVICE TO NONCORE NATURAL GAS VEHICLES Sheet 2	26741-G
27407-G	GAS SCHEDULE G-LNG EXPERIMENTAL LIQUEFIED NATURAL GAS SERVICE Sheet 1	26742-G
27408-G	GAS TABLE OF CONTENTS Sheet 1	27347-G
27409-G	GAS TABLE OF CONTENTS Sheet 2	27341-G
27410-G	GAS TABLE OF CONTENTS Sheet 3	27303-G
27411-G	GAS TABLE OF CONTENTS Sheet 4	27338-G



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 12

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

NONCORE p. 1

THERMS:	G-NT TRANSMISSION	G-NT—DISTRIBUTION SUMMER			
		0- 20,833	20,834- 49,999	50,000- 166,666	166,667- 249,999*
NCA – NONCORE	0.00104 (R)	0.00104 (R)	0.00104 (R)	0.00104 (R)	0.00104 (R)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00001 (I)	0.00010 (I)	0.00010 (I)	0.00010 (I)	0.00010 (I)
CPUC FEE**	0.00069	0.00069	0.00069	0.00069	0.00069
EOR	0.00000	0.00000	0.00000	0.00000	0.00000
CEE INCENTIVE	0.00000	0.00018 (I)	0.00018 (I)	0.00018 (I)	0.00018 (I)
LOCAL TRANSMISSION OR SURCHARGE (AT RISK) (4)	0.01543 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00500 (I)	0.11588 (I)	0.07468 (I)	0.06821 (I)	0.06539 (I)
TOTAL RATE	0.02217 (I)	0.13332 (I)	0.09212 (I)	0.08565 (I)	0.08283 (I)

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

** The CPUC Fee includes a \$0.00068 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 13

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

NONCORE p. 2

	G-NT BACKBONE	G-NT—DISTRIBUTION WINTER			
		0- 20,833	20,834- 49,999	50,000- 166,666	166,667- 249,999*
THERMS:					
NCA – NONCORE	0.00104 (R)	0.00104 (R)	0.00104 (R)	0.00104 (R)	0.00104 (R)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00010 (I)	0.00010 (I)	0.00010 (I)	0.00010 (I)
CPUC FEE**	0.00069	0.00069	0.00069	0.00069	0.00069
EOR	0.00000	0.00000	0.00000	0.00000	0.00000
CEE INCENTIVE	0.00000	0.00018 (I)	0.00018 (I)	0.00018 (I)	0.00018 (I)
LOCAL TRANSMISSION OR SURCHARGE (AT RISK) (4)	0.00058 (R)	0.01543 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00001 (I)	0.15638 (I)	0.10076 (I)	0.09202 (I)	0.08822 (I)
TOTAL RATE	0.00232 (R)	0.17382 (I)	0.11820 (I)	0.10946 (I)	0.10566 (I)

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

** The CPUC Fee includes a \$0.00068 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 14

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

NONCORE p. 3

	G-EG (3)*	G-EG BACKBONE
NCA – NONCORE	0.00104 (R)	0.00104 (R)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000 (I)	0.00000 (I)
CPUC FEE*	0.00064	0.00064
EOR	0.00000	0.00000
CEE INCENTIVE	0.00000	0.00000
LOCAL TRANSMISSION OR SURCHARGE (AT RISK) (4)	0.01543 (I)	0.00058 (R)
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00169 (I)	0.00169 (I)
TOTAL RATE	0.01880 (I)	0.00395 (R)

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

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 15

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	0.00019 (R)	0.00019 (R)	0.00019 (R)	0.00019 (R)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00000	0.00000	0.00000
CPUC FEE*	0.00000	0.00000	0.00000	0.00000
EOR	0.00000	0.00000	0.00000	0.00000
CEE INCENTIVE	0.00000	0.00000	0.00000	0.00000
LOCAL TRANSMISSION (AT RISK)	0.01543 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00000	0.00000	0.00000	0.00000
TOTAL RATE	0.01562 (I)	0.01562 (I)	0.01562 (I)	0.01562 (I)

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

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 16

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

NONCORE p. 5

	G-WSL		
	West Coast Mather-T	West Coast Mather-D	West Coast Castle-D
NCA – NONCORE	0.00019 (R)	0.00019 (R)	0.00019 (R)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00004 (I)	0.00004 (I)
CPUC FEE*	0.00000	0.00000	0.00000
EOR	0.00000	0.00000	0.00000
CEE INCENTIVE	0.00000	0.00000	0.00000
LOCAL TRANSMISSION (AT RISK)	0.01543 (I)	0.01543 (I)	0.01543 (I)
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00000	0.05282 (I)	0.03823 (I)
TOTAL RATE	0.01562 (I)	0.06848 (I)	0.05389 (I)

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

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 17

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

NONCORE p. 6

THERMS:	G-NGV4 TRANSMISSION	G-NGV4—DISTRIBUTION SUMMER			
		0- 20,833	20,834- 49,999	50,000- 166,666	166,667- 249,999
NCA – NONCORE	0.00104 (I)	0.00104 (I)	0.00104 (I)	0.00104 (I)	0.00104 (I)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00001 (I)	0.00010 (I)	0.00010 (I)	0.00010 (I)	0.00010 (I)
CPUC FEE**	0.00069	0.00069	0.00069	0.00069	0.00069
EOR	0.00000	0.00000	0.00000	0.00000	0.00000
CEE INCENTIVE	0.00000	0.00018 (I)	0.00018 (I)	0.00018 (I)	0.00018 (I)
NGV BALANCING ACCOUNT	0.00000 (R)	0.00000 (R)	0.00000 (R)	0.00000 (R)	0.00000 (R)
LOCAL TRANSMISSION (AT RISK)	0.01543 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00500 (I)	0.11588 (I)	0.07468 (I)	0.06821 (I)	0.06539 (I)
TOTAL RATE	0.02217 (I)	0.13332 (I)	0.09212 (I)	0.08565 (I)	0.08283 (I)

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

** The CPUC Fee includes a \$0.00068 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 18

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

NONCORE p. 7

THERMS:	G-NGV4 BACKBONE		G—NGV4-DISTRIBUTION WINTER		
	0- 20,833	20,834- 49,999	50,000- 166,666	166,667 249,999	
NCA – NONCORE	0.00104 (I)	0.00104 (I)	0.00104 (I)	0.00104 (I)	0.00104 (I)
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000	0.00010 (I)	0.00010 (I)	0.00010 (I)	0.00010 (I)
CPUC FEE**	0.00069	0.00069	0.00069	0.00069	0.00069
EOR	0.00000	0.00000	0.00000	0.00000	0.00000
CEE INCENTIVE	0.00000	0.00018 (I)	0.00018 (I)	0.00018 (I)	0.00018 (I)
NGV BALANCING ACCOUNT	0.00000 (R)	0.00000 (R)	0.00000 (R)	0.00000 (R)	0.00000 (R)
LOCAL TRANSMISSION (AT RISK)	0.00058 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)	0.01543 (I)
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00001 (I)	0.15638 (I)	0.10076 (I)	0.09202 (I)	0.08822 (I)
TOTAL RATE	0.00232 (R)	0.17382 (I)	0.11820 (I)	0.10946 (I)	0.10566 (I)

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

** The CPUC Fee includes a \$0.00068 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 19

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

NONCORE p. 8

	G-LNG (1)*
NCA – NONCORE	0.00000
NCA – INTERIM RELIEF AND DISTRIBUTION	0.00000
CPUC Fee**	0.00069
EOR	0.00000
CEE	0.00000
NGV BALANCING ACCOUNT	0.16080 (I)
LOCAL TRANSMISSION (AT RISK)	0.00000
NONCORE DISTRIBUTION FIXED COST ACCOUNT	0.00000
TOTAL RATE	0.16149 (I)

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

** The CPUC Fee includes a \$0.00068 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Expense (F&U).

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 20

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

MAINLINE EXTENSION RATES (1)

Core Schedules (2)	Mainline Extension Rate (Per Therm) (T)	Core Customer Charges (3)	
		ADU (therms) (4)	Per Day
Schedule G-NR1	\$0.20856 (R)	0 – 5.0	\$0.27048
		5.1 to 16.0	\$0.52106
		16.1 to 41.0	\$0.95482
		41.1 to 123.0	\$1.66489
		123.1 & Up	\$2.14936
Schedule G-NR2	\$0.06813 (I)	All Usage Levels	\$4.95518
Schedule G-NGV1	\$0.02893 (I)	All Usage Levels	\$0.44121
Schedule G-NGV2	\$0.03043 (I)	All Usage Levels	N/A
Noncore Schedules		Noncore Customer Access Charges (5)	
Schedule G-NT		Average Monthly Use (Therms)	Per Day
Distribution	\$0.08636 (I)	0 to 5,000	\$2.03342
Local Transmission	\$0.00500 (I)	5,001 to 10,000	\$6.05688
Backbone	\$0.00000	10,001 to 50,000	\$11.27310
Schedule G-EG		50,001 to 200,000	\$14.79485
Distribution	\$0.00167 (I)	200,001 to 1,000,000	\$21.46586
Local Transmission	\$0.00167 (I)	1,000,001 and above	\$182.08603
Backbone	\$0.00167 (I)		
Schedule G-NGV4			
Distribution	\$0.08636 (I)		
Local Transmission	\$0.00500 (I)		
Backbone	\$0.00000		

- (1) Mainline Extension Rates are required to support calculation of distribution-based revenues described in Rule 15.
- (2) For all residential schedules, see Rule 15 for extension allowances.
- (3) The Core Customer Charge is in addition to the core Mainline Extension Rates specified above.
- (4) The applicable Schedule G-NR1 Customer Charge is based on the customer's highest Average Daily Usage (ADU) determined from among the billing periods occurring within the last twelve (12) months, including the current billing period. PG&E calculates the ADU for each billing period by dividing the total usage by the number of days in the billing period.
- (5) The Noncore Customer Access Charge is in addition to the noncore Mainline Extension Rates specified above.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 2

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

2. ANNUAL GAS REVENUE REQUIREMENT AND PPP FUNDING REQUIREMENTS: (Cont'd.)

Description	Amount (\$000)				Total
	Core	Noncore	Unbundled	Core Procurement	
GRC BASE REVENUES (incl. F&U) (1):					
Authorized GRC Distribution Base Revenue					1,117,444 (I)
Less: Other Operating Revenue					<u>(26,023)</u>
Authorized GRC Distribution Revenues in Rates	<u>1,055,669</u> (I)	<u>35,752</u> (I)			1,091,421 (I)
BCAP ALLOCATION ADJUSTMENTS AND CREDITS TO BASE:					
G-10 Procurement-Related Employee Discount	(2,910) (I)				(2,910) (I)
G-10 Procurement Discount Allocation	1,223 (R)	1,687 (R)			2,910 (R)
Less: Front Counter Closures	(355)				(355)
Core Brokerage Fee Credit	<u>(9,581)</u>				<u>(9,581)</u>
GRC Distribution Base Revenue with Adj. and Credits	<u>1,044,046</u> (I)	<u>37,439</u> (I)			<u>1,081,485</u> (I)
TRANSPORTATION FORECAST PERIOD COSTS & BALANCING ACCOUNT BALANCES (2):					
Transportation Balancing Accounts	88,864 (I)	(815) (R)			88,049 (I)
Self-Generation Incentive Program Revenue Requirement	2,586 (I)	3,534 (I)			6,120 (R)
CPUC Fee	2,076 (I)	2,718			4,794 (I)
ClimateSmart	1,761 (I)	60 (I)			1,821 (I)
SmartMeter™ Project	38,287 (I)				38,287 (I)
10/20 Plus Winter Gas Savings Plan (WGSP) – Transportation	1,842 (I)				1,842 (I)
Franchise Fees and Uncollectible Expense (F&U) (on items above)	1,509 (I)	87 (R)			1,596 (I)
CARE Discount included in PPP Funding Requirement	(95,800) (R)				(95,800) (R)
CARE Discount not included in PPP Surcharge Rates	<u>0</u> (R)				<u>0</u> (R)
Transportation Forecast Period Costs & Balancing Account Balances	<u>41,125</u> (I)	<u>5,584</u> (R)			<u>46,709</u> (I)
GAS ACCORD REVENUE REQUIREMENT (incl. F&U) (3):					
Local Transmission	111,089 (I)	47,535 (I)			158,624 (I)
Customer Access Charge – Transmission Storage	42,093	5,174			5,174
Carrying Cost on Noncycled Storage Gas	1,757		7,499		49,592
Backbone Transmission/L-401	81,189 (R)		251		2,008
Gas Accord Revenue Requirement	<u>236,128</u> (I)	<u>52,709</u> (I)	<u>162,288</u> (R)		<u>243,477</u> (R)
					<u>458,875</u> (I)

- (1) The authorized GRC amount includes the distribution base revenue and F&U approved effective January 1, 2007, in General Rate Case D.07-03-044, and \$22M for Attrition as approved in AL 2877-G and AL 2954-G, respectively. The GRC distribution base revenue is allocated to core and noncore customers in Cost Allocation Proceedings, as shown in Part C.3.a. (T)
- (2) The total 2009 SGIP revenue requirement (RRQ) assumes the same revenue RRQ as 2008, which was established in D.08-01-029. Per D.06-05-019, SGIP costs were removed from wholesale gas rates on July 1, 2006. The Climate Protection Tariff RRQ for 2009 was approved in D.06-12-032. The SmartMeter™ Project RRQ was approved in D.06-07-027 and AL 2752-G/G-A. The Energy Division approved PG&E's AL 2951-G for the 10/20 WGSP costs, which are recovered in commercial customers' rates beginning January 1, 2009.
- (3) The Gas Accord IV RRQ effective January 1, 2009, was adopted in D.07-09-045. Storage revenues allocated to load balancing are included in unbundled transmission rates. (T)

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 3

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

2. ANNUAL GAS REVENUE REQUIREMENT AND PPP FUNDING REQUIREMENTS: (Cont'd.)

Description	Amount (\$000)				
	Core	Noncore	Unbundled	Core Procurement	Total
ILLUSTRATIVE CORE PROCUREMENT REVENUE REQUIREMENT (4):					
Illustrative Gas Supply Portfolio				2,183,534 (R)	2,183,534 (R)
Interstate and Canadian Capacity				150,233 (R)	150,233 (R)
10/20 Plus WGSP – Procurement – Residential				3,426	3,426
F&U (on items above and Procurement Account Balances Below)				28,226 (R)	28,226 (R)
Backbone Capacity (incl. F&U)	(62,314) (I)			62,314 (R)	0
Backbone Volumetric (incl. F&U)	(18,875) (I)			18,875 (R)	0
Storage (incl. F&U)	(42,093)			42,093	0
Carrying Cost on Noncycled Storage Gas (incl. F&U)	(1,757)			1,757	0
Core Brokerage Fee (incl. F&U)				9,581	9,581
Procurement Account Balances				(9,208) (I)	(9,208) (I)
Illus. Core Procurement Revenue Requirement	<u>(125,039) (I)</u>			<u>2,490,830 (R)</u>	<u>2,365,791 (R)</u>
TOTAL GAS REVENUE REQUIREMENT (without PPP) IN RATES	<u>1,196,260 (I)</u>	<u>95,732 (I)</u>	<u>170,038 (R)</u>	<u>2,490,830 (R)</u>	<u>3,952,861 (R)</u>
PUBLIC PURPOSE PROGRAM (PPP) FUNDING REQUIREMENT (F&U exempt) (5):					
Energy Efficiency (EE)	60,415 (I)	6,725 (I)			67,140 (I)
Low Income Energy Efficiency (LIEE)	37,290 (I)	4,151 (I)			41,441 (I)
Research, Demonstration and Development (RD&D)	6,984 (I)	3,378 (I)			10,362 (I)
CARE Administrative Expense	1,170 (R)	643 (R)			1,813 (R)
BOE and CPUC Administrative Cost	119 (R)	58 (R)			177 (R)
PPP Balancing Accounts	4,827 (I)	1,029 (I)			5,856 (I)
CARE Discount Recovered from non-CARE customers	61,806 (I)	33,994 (I)			95,800 (I)
Total PPP Funding Requirement in Rates	<u>172,611 (I)</u>	<u>49,978 (I)</u>			<u>222,589 (I)</u>
TOTAL GAS REVENUE AND PPP FUNDING REQUIREMENT IN RATES	<u>1,368,871 (I)</u>	<u>145,710 (I)</u>	<u>170,038 (R)</u>	<u>2,490,830 (R)</u>	<u>4,175,450 (I)</u>
TOTAL AUTHORIZED GAS REVENUE AND PPP FUNDING REQUIREMENT	<u>1,368,871 (I)</u>	<u>145,710 (I)</u>	<u>170,038 (R)</u>	<u>2,490,830 (R)</u>	<u>4,175,450 (I)</u>

- (4) The credits shown in the Core column represent the core portion of the Gas Accord RRQ that is included in the illustrative Core Procurement RRQ, and are shown here to avoid double counting these costs in the total. The Gas Supply Portfolio cost includes a forecast of carrying cost on cycled gas in storage, and an illustrative commodity and shrinkage cost based on the Weighted Average Cost of Gas (WACOG) of \$0.70275 per therm. Actual gas commodity costs change monthly. 10/20 WGSP costs, approved in AL 2951-G, will be recovered in residential rates effective April 1, 2009. (T)
- (5) The PPP funding requirement is recovered in gas PPP surcharge rates pursuant to D.04-08-010 and 2009 PPP surcharge AL 2970-G; and includes LIEE program funding adopted in D.08-11-031, EE program funding adopted in D.08-10-027, CARE annual administrative expense adopted in D.08-11-031, and excludes F&U per D.04-08-010. (T)

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 4

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

3. COST ALLOCATION FACTORS:

a. General: These factors are derived from the core and noncore costs adopted in the last Cost Allocation Proceeding and are used to allocate recorded costs to customer classes.

Cost Category	Factor			Total
	Core	Noncore	Unbundled Storage	
Distribution Base Revenue	0.967243 (R)	0.032757 (I)		1.000000
Intervenor Compensation	0.967243 (R)	0.032757 (I)		1.000000
Other – Equal Distribution Based on All Transportation Volumes	0.420329 (I)	0.579671 (R)		1.000000
Carrying Cost on Non-cycled Gas in Storage*	0.875000		0.125000	1.000000

* Excluding Non-cycled Gas in Storage which is allocated to system load balancing and recovered through transmission rates.

b. Pacific Gas and Electric Gas Transmission Northwest (PG&E GT-NW) and Intrastate Pipeline Demand Charges: Factors are derived based on the procedures defined in Decisions 91-11-025 and 97-05-093.

- 1) The core procurement factor will be equal to the capacity reserved for core procurement customers on each pipeline divided by the total capacity held by PG&E on that pipeline.
- 2) The core transport factor will be equal to the capacity reserved for core transport customers on each pipeline divided by the total capacity held by PG&E on that pipeline.

4. COST ALLOCATION PROCEEDING: The proceeding in which the Transportation Revenue Requirement, as described in Section C.10.c below, and the gas PPP authorized funding, as described in Section C.11. below, is allocated between customer classes. This proceeding is currently a biennial proceeding pursuant to CPUC Decision 90-09-089.

5. FORECAST PERIOD OR TEST PERIOD: The 24-month period, beginning with the revision date as specified in the Cost Allocation Proceeding.

(Continued)



GAS SCHEDULE G-AA
 AS AVAILABLE TRANSPORTATION ON-SYSTEM

Sheet 2

RATES: The Customer shall pay a Usage Charge for each decatherm equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

1. Usage Charge:

<u>Path:</u>	<u>Usage Rate (Per Dth)</u>
Redwood to On-System	\$0.3563 (R)
Baja to On-System	\$0.3864 (R)
Silverado to On-System	\$0.1857 (R)
Mission to On-System	\$0.0000

2. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

NEGOTIABLE RATES: Rates under this schedule are not negotiable.

CREDIT-WORTHINESS: Customer must meet the creditworthiness requirements specified in Rule 25.

SERVICE AGREEMENT AND TERM: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) is required for service on this schedule. The minimum term for service under the GTSA is one (1) year.

SHRINKAGE: Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

NOMINATIONS: Nominations are required for gas transported under this rate schedule. See Rule 21 for details.

CURTAILMENT OF SERVICE: Service under this schedule may be curtailed. See Rule 14 for details.

BALANCING: Service hereunder shall be subject to all applicable terms, conditions and obligations of Schedule G-BAL.



GAS SCHEDULE G-AAOFF
 AS-AVAILABLE TRANSPORTATION OFF-SYSTEM

Sheet 2

RATES: The Customer shall pay a Usage Charge for each decatherm equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

1. Usage Charge:

<u>Path:</u>	<u>Usage Rate (Per Dth)</u>
Redwood to Off-System	\$0.3563 (R)
Baja to Off-System	\$0.3864 (I)
Silverado to Off-System	\$0.3563 (R)
Mission to Off-System	\$0.3563 (R)
Mission to Off-System Storage Withdrawals	\$0.00000

2. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

NEGOTIABLE RATES: Rates under this schedule are not negotiable.

STORAGE WITHDRAWAL OPTIONS (MISSION TO OFF-SYSTEM): Storage withdrawals to PG&E's Backbone Transmission System may be nominated for off-system delivery under the Mission Off-System As-Available service for no additional charge.

CREDIT-WORTHINESS: Customer must meet the creditworthiness requirements specified in Rule 25.

SERVICE AGREEMENT: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) is required for service under this schedule. The minimum term for service under the GTSA is one (1) year.

SHRINKAGE: Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

NOMINATIONS: Nominations are required for gas transported under this rate schedule. See Rule 21 for details.

CURTAILMENT OF SERVICE: Service under this schedule may be curtailed. See Rule 14 for details.

BALANCING: Service hereunder shall be subject to all applicable terms, conditions and obligations of Schedule G-BAL.



GAS SCHEDULE G-AFT
ANNUAL FIRM TRANSPORTATION ON-SYSTEM

Sheet 2

RATES: Customer has the option to elect either the Modified Fixed Variable (MFV) or the Straight Fixed Variable (SFV) rate structure, which will then be specified in the exhibits to the Customer's GTSA.

1. Reservation Charge:

The Reservation Charge shall be the applicable reservation rate multiplied by the Maximum Daily Quantity (MDQ) for the contracted path as specified in the exhibits to the Customer's GTSA. The Reservation Charge is payable each month regardless of the quantity of gas transported during the month.

Path:	Reservation Rate (Per Dth per month)	
	MFV Rates	SFV Rates
Redwood to On-System	\$5.1204 (R)	\$8.8197 (R)
Redwood to On-System (Core Procurement Groups only)	\$3.3617 (R)	\$4.3794 (R)
Baja to On-System (including Core Procurement Groups)	\$7.0745 (R)	\$9.3253 (R)
Silverado to On-System (including Core Procurement Groups)	\$3.1151 (R)	\$4.5281 (R)
Mission to On-System (including Core Procurement Groups)	\$3.1151 (R)	\$4.5281 (R)

2. Usage Charge:

The Usage Charge shall be equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

Path:	Usage Rate (Per Dth)	
	MFV Rates	SFV Rates
Redwood to On-System	\$0.1286 (R)	\$0.0069 (R)
Redwood to On-System (Core Procurement Groups only)	\$0.0459 (R)	\$0.0125 (R)
Baja to On-System (including Core Procurement Groups)	\$0.0894 (R)	\$0.0154 (R)
Silverado to On-System (including Core Procurement Groups)	\$0.0523 (R)	\$0.0059 (R)
Mission to On-System (including Core Procurement Groups)	\$0.0523 (R)	\$0.0059 (R)
Mission to On-System Storage Withdrawals (Conversion option from Firm On-System Redwood or Baja Path only)	\$0.0000	\$0.0000

(Continued)



GAS SCHEDULE G-AFTOFF
ANNUAL FIRM TRANSPORTATION OFF-SYSTEM

Sheet 2

RATES: Customer has the option to elect either the MFV or the SFV rate structure, which will then be specified in the exhibits to the Customer's GTSA.

1. Reservation Charge:

The Reservation Charge shall be the applicable reservation rate multiplied by the Maximum Daily Quantity (MDQ) for the contracted path as specified in the exhibits to the Customer's GTSA. The Reservation Charge is payable each month regardless of the quantity of gas transported during the month.

<u>Path:</u>	Reservation Rate (Per Dth per month)	
	<u>MFV Rates</u>	<u>SFV Rates</u>
Redwood to Off-System	\$5.1204 (R)	\$8.8197 (R)
Baja to Off-System	\$7.0745 (R)	\$9.3253 (R)
Silverado to Off-System	\$5.1204 (R)	\$8.8197 (R)
Mission to Off-System	\$5.1204 (R)	\$8.8197 (R)

2. Usage Charge:

The Usage Charge shall be equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

<u>Path:</u>	Usage Rate (Per Dth)	
	<u>MFV Rates</u>	<u>SFV Rates</u>
Redwood to Off-System	\$0.1286 (R)	\$0.0069 (R)
Baja to Off-System	\$0.0894 (R)	\$0.0154 (R)
Silverado to Off-System	\$0.1286 (R)	\$0.0069 (R)
Mission to Off-System	\$0.1286 (R)	\$0.0069 (R)

3. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

(Continued)



GAS SCHEDULE G-EG
GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION

Sheet 1

APPLICABILITY: This rate schedule* applies to the transportation of natural gas used in: (a) electric generation plants served directly from PG&E gas facilities that have a maximum operation pressure greater than sixty pounds per square inch (60 psi); (b) all Cogeneration facilities that meet the efficiency requirements specified in the California Public Utilities Code Section 216.6**; and (c) solar electric generation plants, defined herein. This schedule does not apply to gas transported to non-electric generation loads.

Customers on Schedule G-EG permanently classified as Noncore End-Use Customers, per Rule 1 must procure gas supply from a third-party gas supplier, not from a Core Procurement Group, as defined in Rule 1.

Certain noncore customers served under this rate schedule may be restricted from converting to a core rate schedule. See Rule 12 for details on core and noncore reclassification.

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

RATES: The following charges apply to this schedule. They do not include charges for service on PG&E's Backbone Transmission System:

1. Customer Access Charge:

The applicable Per-Day Customer Access Charge specified below is based on the Customer's Average Monthly Use, as defined in Rule 1. Usage through multiple noncore meters on a single premises will be combined to determine Average Monthly Usage. Customers taking service under this schedule who also receive service under other noncore rate schedules at the same premises will be charged a single Customer Access Charge under this schedule.

Average Monthly Use (Therms)	Per Day
0 to 5,000 therms	\$ 2.03342
5,001 to 10,000 therms	\$ 6.05688
10,001 to 50,000 therms	\$ 11.27310
50,001 to 200,000 therms	\$ 14.79485
200,001 to 1,000,000 therms	\$ 21.46586
1,000,001 and above therms	\$182.08603

2. Transportation Charge:

Customers will pay one of the following rates for gas delivered in the current billing period:

a. The Backbone Level Rate applies to Backbone Level End-Use Customers as defined in Rule 1.

Backbone Level Rate: \$0.00395 (R) per therm

b. All Other Customers: \$0.01880 (I) per therm

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

** Efficiency Standard: In accordance with PU Code Section 216.6, at least 5 percent of the facility's total output must be in the form of useful thermal energy. Where useful thermal energy follows power production, the useful annual power output plus one-half the useful annual thermal energy output must equal no less than 42.5 percent of any natural gas and oil energy input.

(Continued)



GAS SCHEDULE G-LNG
 EXPERIMENTAL LIQUEFIED NATURAL GAS SERVICE

Sheet 1

APPLICABILITY: This rate schedule* applies to experimental natural gas liquefaction service provided by PG&E to noncore End-Use Customers. This experimental liquefaction service is limited and PG&E will provide this service on a first-come first-served basis.

TERRITORY: Schedule G-LNG applies to the PG&E experimental Liquefied Natural Gas (LNG) facility located in Sacramento, California.

RATES: The following charges will apply to per therm liquefied natural gas service under this rate schedule:

Liquefaction Charge (Per Therm): \$0.16149 (I)

LNG Gallon Equivalent: \$0.13242 (I)
 (Conversion factor - One LNG Gallon = 0.82 Therms)

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

METERING: For metering and billing purposes, the number of LNG gallons dispensed will be compiled from a summary of transactions recorded at the dispensing unit for the Customer during a calendar month. Delivery and custody transfer of LNG shall be at the point where LNG is dispensed into the Customer's LNG transport vehicle. LNG will be weighed and converted to LNG gallons. Vehicles must be weighed at an authorized weigh station prior to receiving LNG and again after filling. Weight information must be provided to PG&E within 5 business days. LNG gallons delivered will be converted to therms and billed. LNG usage that occurs during a billing period, but which is not recorded in that billing period, will be deferred to a future billing period.

The rate includes local transportation costs from the PG&E Citygate to the LNG Facility. These charges do not include transportation service on PG&E's Backbone Transmission System, which must be arranged for separately

See Preliminary Statement, Part B for the default tariff rate components.

LNG COMPOSITION: The resulting LNG product delivered will contain amounts equal to or greater than ninety-six percent (96%) methane and amounts equal to or less than four percent (4%) ethane.

SERVICE AGREEMENT: The Customer must execute a Natural Gas Service Agreement (NGSA) Form No. 79-756 to receive service under this schedule.

NOMINATIONS: Customers who take service under this schedule must arrange for the delivery of natural gas to the PG&E LNG facility in quantities necessary to equal the amount of LNG fuel dispensed to the customer. Nominations are required for gas transported under this schedule. See Rule 21 for details.

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

(Continued)



**GAS SCHEDULE G-NGV4
 NATURAL GAS SERVICE
 TO NONCORE NATURAL GAS VEHICLES**

Sheet 2

RATES:
 (Cont'd.)

2. Transportation Charge:

A customer will pay one of the following rates for gas delivered in the current billing month.

a. Backbone Level Rate:

The Backbone Level Rate applies to Backbone Level End-Use Customers as defined in Rule 1.

Backbone Level Rate (per therm) \$0.00232 (R)

b. Transmission-Level Rate:

The Transmission-Level Rate applies to Customers served directly from PG&E gas facilities that have a maximum operating pressure greater than sixty pounds per square inch (60 psi) that do not qualify for the Backbone Level Rate.

Transmission-Level Rate (per therm)..... \$0.02217 (I)

c. Distribution-Level Rate:

The Distribution-Level Rate applies to Customers served from PG&E gas facilities that have a maximum operating pressure of sixty pounds per square inch (60 psi) or less. The Tier 5 rate is equal to the Transmission-Level Rate specified above.

Average Monthly Use (Therms)	Summer (Per Therm)	Winter (Per Therm)
Tier 1: 0 to 20,833	\$0.13332 (I)	\$0.17382 (I)
Tier 2: 20,834 to 49,999	\$0.09212	\$0.11820
Tier 3: 50,000 to 166,666	\$0.08565	\$0.10946
Tier 4: 166,667 to 249,999	\$0.08283	\$0.10566
Tier 5: 250,000 and above*	\$0.02217 (I)	\$0.02217 (I)

See Preliminary Statement Part B for Default Tariff Rate Components.

SURCHARGES
 FEES AND
 TAXES:

Customer may pay a franchise fee surcharge for gas volumes transported by PG&E. (See Schedule G-SUR for details.) The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

Public Purpose Program Surcharge:

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

* Tier 5 Summer and Winter rates are the same.

(Continued)



GAS SCHEDULE G-NT Sheet 2
GAS TRANSPORTATION SERVICE TO NONCORE END-USE CUSTOMERS

RATES:
 (Cont'd.)

2. Transportation Charge:

A customer will pay one of the following rates for gas delivered in the current billing month.

a. Backbone Level Rate:

The Backbone Level Rate applies to Backbone Level End-Use Customers as defined in Rule 1.

Backbone Level Rate (per therm): \$0.00232 (R)

b. Transmission-Level Rate:

The Transmission-Level Rate applies to Customers served directly from PG&E gas facilities that have a maximum operating pressure greater than sixty pounds per square inch (60 psi) that do not qualify for the Backbone Level Rate.

Transmission-Level Rate (per therm): \$0.02217 (I)

c. Distribution-Level Rate:

The Distribution-Level Rate applies to Customers served from PG&E gas facilities that have a maximum operating pressure of sixty pounds per square inch (60 psi) or less. The Tier 5 rate is equal to the Transmission-Level Rate specified above.

Average Monthly Use (Therms)	Summer (Per Therm)	Winter (Per Therm)
Tier 1: 0 to 20,833	\$0.13332 (I)	\$0.17382 (I)
Tier 2: 20,834 to 49,999	\$0.09212	\$0.11820
Tier 3: 50,000 to 166,666	\$0.08565	\$0.10946
Tier 4: 166,667 to 249,999	\$0.08283	\$0.10566
Tier 5: 250,000 and above*	\$0.02217 (I)	\$0.02217 (I)

See Preliminary Statement Part B for Default Tariff Rate Components.

SURCHARGES,
 FEES AND
 TAXES:

Customer may pay a franchise fee surcharge for gas volumes transported by PG&E. (See Schedule G-SUR for details.) The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

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

* Tier 5 Summer and Winter rates are the same.

(Continued)



GAS SCHEDULE G-SFT
SEASONAL FIRM TRANSPORTATION ON-SYSTEM ONLY

Sheet 2

RATES:

Customer has the option to elect either the Modified Fixed Variable (MFV) or the Straight Fixed Variable (SFV) rate structure, which will then be specified in the Customer's GTSA.

1. Reservation Charge:

The Reservation Charge shall be the applicable reservation rate multiplied by the Maximum Daily Quantity (MDQ) for the contracted path as specified in the Exhibit to the Customer's GTSA. The Reservation Charge is payable each month regardless of the quantity of gas transported during the month.

Path:	Reservation Rate (Per Dth per month)	
	MFV Rates	SFV Rates
Redwood to On-System	\$6.1445 (R)	\$10.5837 (R)
Baja to On-System	\$8.4894 (R)	\$11.1904 (R)
Silverado to On-System	\$3.7382 (R)	\$5.4337 (R)
Mission to On-System	\$3.7382 (R)	\$5.4337 (R)

2. Usage Charge:

The Usage Charge shall be equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

Path:	Usage Rate (Per Dth)	
	MFV Rates	SFV Rates
Redwood to On-System	\$0.1543 (R)	\$0.0083 (R)
Baja to On-System	\$0.1073 (R)	\$0.0185 (R)
Silverado to On-System	\$0.0628 (R)	\$0.0071
Mission to On-System	\$0.0628 (R)	\$0.0071

3. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

(Continued)



GAS SCHEDULE G-WSL Sheet 1
GAS TRANSPORTATION SERVICE TO WHOLESALE/RESALE CUSTOMERS

APPLICABILITY: This rate schedule* applies to the transportation of natural gas for resale. Service under this schedule is available to the Customers listed below, and any new wholesale Customer. Customers must procure gas supply from a supplier other than PG&E.

LOAD FORECAST: For planning purposes, Customers may provide PG&E an annual forecast of the core and noncore portion of its load. If the Customer elects not to provide an annual forecast, PG&E will use the forecast adopted in the most recent Cost Allocation Proceeding.

RATES: Customers pay a Customer Access Charge and a Transportation Charge.

1. Customer Access Charge:

	Per Day
Palo Alto	\$161.58016
Coalinga	\$ 48.46126
West Coast Gas-Mather	\$ 25.72603
Island Energy	\$ 32.83430
Alpine Natural Gas	\$ 10.95715
West Coast Gas-Castle	\$ 28.15101

2. Transportation Charges:

For gas delivered in the current billing month:

	Per Therm	
Palo Alto-T	\$0.01562	(I)
Coalinga-T	\$0.01562	
West Coast Gas-Mather-T	\$0.01562	
West Coast-Mather-D	\$0.06848	
Island Energy-T	\$0.01562	
Alpine Natural Gas-T	\$0.01562	
West Coast Gas-Castle-D	\$0.05389	(I)

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

(Continued)



GAS SCHEDULE G-XF
 PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE

Sheet 1

APPLICABILITY: This rate schedule* is available to any Customer who holds a Pipeline Expansion Firm Transportation Service Agreement (FTSA) (Form No. 79-791) approved by the CPUC. This schedule is closed to new Customers. This schedule may also be taken in conjunction with Schedule G-STOR, G-FS, G-NFS, G-NAS, G-PARK, or G-LEND.

TERRITORY: Schedule G-XF applies to pre-existing Pipeline Expansion firm transportation service.

RATES: The following charges apply to intrastate natural gas transportation service under this schedule. In addition, Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from inter- or intrastate sources and any other applicable charges.

1. Reservation Charge:

The monthly Reservation Charge shall be the applicable reservation rate multiplied by the Customer's Maximum Daily Quantity (MDQ), as specified in the Customer's FTSA.

<u>Reservation Rates:</u>	<u>Per Dth Per Month</u>
SFV Rates:	\$6.4339 (R)

Customer's obligation to pay the Reservation Charge each month is absolute and unconditional and is independent of Customer's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy. Customer's obligation to pay the Reservation Charge shall be unaffected by the quantity of gas transported by PG&E to Customer's Delivery Point(s) on the Pipeline Expansion.

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

(Continued)



GAS SCHEDULE G-XF
 PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE

Sheet 2

RATES:
 (Cont'd.)

2. Usage Charge:

In addition to the Reservation Charge described above, Customer shall pay a usage charge for each decatherm equal to the applicable usage rate times the quantity of gas received on the Customer's behalf, less the applicable shrinkage allowance in the current month.

<u>Usage Rates:</u>	<u>Per Dth</u>
SFV Rates:	\$0.0019

CREDIT-
 WORTHINESS:

The Customer must meet the creditworthiness requirements set forth in Rule 25.

SERVICE
 AGREEMENT:

Customer must have executed a Pipeline Expansion Firm Transportation Service Agreement (Form No. 79-791) prior to the implementation date of the Gas Accord Settlement on March 1, 1998, in order to qualify for service under this schedule.

NOMINATIONS:

Nominations are required for gas supplies delivered under this rate schedule. See Rule 21 for details.

CURTAILMENT
 OF SERVICE:

Service under this schedule may be curtailed. See Rule 14 for details.

TEMPORARY
 ASSIGNMENT OF
 CAPACITY
 RIGHTS:

Customer may assign all or a portion of its long-term firm capacity on the Pipeline Expansion to another party, subject to the creditworthiness requirements set forth in Rule 25. In order to assign capacity, Customer must provide PG&E written notice, using the Assignment of Gas Transmission Services (Form No. 79-867).

RECEIPT
 POINTS:

PG&E will accept gas on Customer's behalf only at the Receipt Point(s) specified in Exhibit A to the FTSA. On any given day, the total amount of gas nominated for firm transportation service at all Receipt Points may not exceed Customer's MDQ, as specified in the FTSA.

DELIVERY
 POINTS:

Customer may nominate only to the Delivery Point set forth in Exhibit A to the Customer's FTSA. Customer is responsible for separately arranging for transportation of its gas between the Delivery Point and the ultimate end-use destination(s).

SHRINKAGE:

Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

BALANCING:

Service hereunder shall be subject to all applicable terms, conditions and obligations of Schedule G-BAL.



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Advice Letter No: 2971-G-A
 Decision No.

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed December 23, 2008
 Effective January 1, 2009
 Resolution No. _____



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ATTACHMENT 1

PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (December 2008 Update)

ILLUSTRATIVE 2009 ANNUAL END-USE TRANSPORTATION, GAS ACCORD IV REVENUE REQUIREMENTS,
AND PUBLIC PURPOSE PROGRAMS AUTHORIZED FUNDING
(\$ THOUSANDS)

Line No.		Present in Rates as of 1/1/2008	Proposed as of 1/1/2009	Total Change	Core	Noncore / Unbundled	Line No.
END-USE TRANSPORTATION							
1	Transportation Balancing Accounts	27,077	88,049	60,972	64,494	(3,522)	1
2	GRC/Attrition Distribution Base Revenues	1,069,421	1,091,421	22,000	21,279	721	2
3	Front Counter Closures	(355)	(355)	-	-	-	3
4	Self Generation Incentive Program Revenue Requirement	5,760	6,120	360	152	208	4
5	SmartMeter™ Project (1)	27,785	38,287	10,502	10,502	-	5
6	CPUC Fee	4,784	4,794	10	4	6	6
7	Core Brokerage Fee Credit	(9,581)	(9,581)	-	-	-	7
8	10/20 Winter Gas Savings Program - Transportation	1,574	1,842	268	268	-	8
9	ClimateSmart™ (2)	1,536	1,821	285	276	9	9
10	Less CARE discount recovered in PPP surcharge from non-	(91,700)	(95,800)	(4,100)	(4,100)	-	10
11	Less PPP-CARE Shortfall Not Collected in Proposed Rates	142	-	(142)	(142)	-	11
12	FF&U	716	1,596	880	921	(41)	12
13	Total Transportation RRQ with Adjustments and Credits	1,037,159	1,128,194	91,035	93,654	(2,619)	13
14	Procurement-Related G-10 Total	(3,042)	(2,910)	132	132	-	14
15	Procurement-Related G-10 Total Allocated	3,042	2,910	(132)	(55)	(77)	15
16	Total Transportation Revenue Requirements Reallocated	1,037,159	1,128,194	91,035	93,731	(2,696)	16
17	Gas Accord IV Transportation Revenue Requirements						17
18	Local Transmission	143,768	158,624	14,856	10,404	4,452	18
19	Customer Access	5,174	5,174	-	-	-	19
20	Total Gas Accord Transportation RRQ (4)	148,942	163,798	14,856	10,404	4,452	20
21	Total End Use Transportation RRQ	1,186,101	1,291,992	105,891	104,135	1,756	21
PUBLIC PURPOSE PROGRAMS (PPP) FUNDING							
22	Energy Efficiency	52,575	67,140	14,565	13,106	1,459	22
23	Low Income Energy Efficiency	23,320	41,441	18,121	16,306	1,815	23
24	Research and Development and BOE Administrative Fees	9,240	10,539	1,299	875	424	24
25	CARE Administrative Expense	2,601	1,813	(788)	(508)	(280)	25
26	Total Authorized PPP Funding	87,736	120,933	33,197	29,779	3,418	26
27	PPP Surcharge Balancing Accounts	(9,567)	5,856	15,423	10,252	5,171	27
28	CARE discount recovered from non-CARE customers (3)	91,700	95,800	4,100	2,645	1,455	28
29	Total PPP Required Funding	169,869	222,589	52,720	42,676	10,044	29
GAS ACCORD IV UNBUNDLED COSTS							
30	Backbone	163,935	162,288	(1,647)	-	(1,647)	30
31	Storage	7,750	7,750	-	-	-	31
32	Total Gas Accord IV Unbundled (4)	171,685	170,038	(1,647)	-	(1,647)	32
33	TOTAL REVENUE REQUIREMENTS	1,527,655	1,684,619	156,964	146,811	10,153	33

Footnotes:

- 1 The SmartMeter™ Project revenue requirement was approved in Decision (D.) 06-07-027 and Advice Letter (AL) 2752-G/G-A.
- 2 This amount includes administration and marketing costs as requested in PG&E's Climate Protection Tariff A.06-01-012, and approved in D.06-12-032.
- 3 The CARE shortfall assumes the illustrative WACOG of \$7.0275 per Dth as is filed in 2009 PPP Surcharge AL 2970-G.
- 4 These unbundled costs represent the change resulting from Gas Accord IV authorized amounts in D.07-09-045, and are included to show the total change in authorized amounts included in rates effective 1/1/09.

Note: Positive balances represent under-collections and negative balances represent over-collections.

ATTACHMENT 1A

PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (December 2008 Update)

ILLUSTRATIVE 2009 ANNUAL END-USE TRANSPORTATION, GAS ACCORD IV REVENUE REQUIREMENTS,
AND PUBLIC PURPOSE PROGRAMS AUTHORIZED FUNDING
(\$ THOUSANDS)

Line No.		Proposed as of 1/1/2009	Core	Noncore / Unbundled	Line No.
	END-USE TRANSPORTATION				
1	Transportation Balancing Accounts	88,049	88,864	(815)	1
2	GRC/Attrition Distribution Base Revenues	1,091,421	1,055,669	35,752	2
3	Front Counter Closures	(355)	(355)	-	3
4	Self Generation Incentive Program Revenue Requirement	6,120	2,586	3,534	4
5	SmartMeter™ Project (1)	38,287	38,287	-	5
6	CPUC Fee	4,794	2,076	2,718	6
7	Core Brokerage Fee Credit	(9,581)	(9,581)	-	7
8	10/20 Winter Gas Savings Program - Transportation	1,842	1,842	-	8
9	ClimateSmart™ (2)	1,821	1,761	60	9
10	Less CARE discount recovered in PPP surcharge from non-	(95,800)	(95,800)	-	10
11	Less PPP-CARE Shortfall Not Collected in Proposed Rates	-	-	-	11
12	FF&U	1,596	1,509	87	12
13	Total Transportation RRQ with Adjustments and Credits	1,128,194	1,086,858	41,336	13
14	Procurement-Related G-10 Total	(2,910)	(2,910)	-	14
15	Procurement-Related G-10 Total Allocated	2,910	1,223	1,687	15
16	Total Transportation Revenue Requirements Reallocated	1,128,194	1,085,171	43,023	16
17	Gas Accord IV Transportation Revenue Requirements				17
18	Local Transmission	158,624	111,089	47,535	18
19	Customer Access	5,174	-	5,174	19
20	Total Gas Accord Transportation RRQ (4)	163,798	111,089	52,709	20
21	Total End Use Transportation RRQ	1,291,992	1,196,260	95,732	21
	PUBLIC PURPOSE PROGRAMS (PPP) FUNDING				
22	Energy Efficiency	67,140	60,415	6,725	22
23	Low Income Energy Efficiency	41,441	37,290	4,151	23
24	Research and Development and BOE Administrative Fees	10,539	7,103	3,436	24
25	CARE Administrative Expense	1,813	1,170	643	25
26	Total Authorized PPP Funding	120,933	105,978	14,955	26
27	PPP Surcharge Balancing Accounts	5,856	4,827	1,029	27
28	CARE discount recovered from non-CARE customers (3)	95,800	61,806	33,994	28
29	Total PPP Required Funding	222,589	172,611	49,978	29
	GAS ACCORD IV UNBUNDLED COSTS				
30	Backbone	162,288	-	162,288	30
31	Storage	7,750	-	7,750	31
32	Total Gas Accord IV Unbundled (4)	170,038	-	170,038	32
33	TOTAL REVENUE REQUIREMENTS	1,684,619	1,368,871	315,748	33

Footnotes:

- 1 The SmartMeter™ Project revenue requirement was approved in Decision (D.) 06-07-027 and Advice Letter (AL) 2752-G/G-A.
- 2 This amount includes administration and marketing costs as requested in PG&E's Climate Protection Tariff A.06-01-012, and approved in D.06-12-032.
- 3 The CARE shortfall assumes the illustrative WACOG of \$7.0275 per Dth as is filed in 2009 PPP Surcharge AL 2970-G.
- 4 These unbundled costs represent the change resulting from Gas Accord IV authorized amounts in D.07-09-045, and are included to show the total change in authorized amounts included in rates effective 1/1/09.

Note: Positive balances represent under-collections and negative balances represent over-collections.

ATTACHMENT 2

**PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (December 2008 Update)
BALANCING ACCOUNT FORECAST SUMMARY
(\$ THOUSANDS)**

Line No.

		Balance		Allocation		Balance		Allocation	
		Nov. 08 Recorded	Dec. 08 Forecast	Core	Noncore	December 2007 Recorded (2)	Core	Noncore	
TRANSPORTATION BALANCING ACCOUNTS									
1	CFCA - Distribution Cost Subaccount	\$62,380		\$62,380	\$0	\$26,692	\$26,692	\$0	
2	CFCA - Core Cost Subaccount	(\$1,705)		(\$1,705)	\$0	\$5,161	\$5,161	\$0	
3	CFCA - 10/20 Winter Gas Savings Subaccount - Transportation	(\$2,095)		(\$2,095)	\$0	\$13,364	\$13,364	\$0	
4	Noncore Distribution Fixed Cost Account	(\$295)		\$0	(\$295)	\$5	\$0	\$5	
5	NC Customer Class Charge (Noncore Subaccount)	(\$7,760)		\$0	(\$7,760)	(\$5,227)	\$0	(\$5,227)	
6	NC Customer Class Charge (Interim Relief and Distribution Subaccount)	\$336		\$0	\$336	\$126	\$0	\$126	
7	Enhanced Oil Recovery Account	\$0		\$0	\$0	(\$4)	(\$4)	(\$0)	
8	Core Brokerage Fee Balancing Account	\$1,075		\$1,075	\$0	\$928	\$928	\$0	
9	Natural Gas Vehicle Balancing Account	(\$3,076)		(\$1,293)	(\$1,783)	(\$2,511)	(\$1,055)	(\$1,456)	
10	Hazardous Substance Balance	\$14,890		\$6,259	\$8,631	\$15,321	\$6,440	\$8,881	
11	Balancing Charge Account	\$0		\$0	\$0	(\$74)	(\$31)	(\$43)	
12	Affiliate Transfer Fee Account	(\$74)		(\$72)	(\$2)	(\$117)	(\$113)	(\$4)	
13	Customer Energy Efficiency Incentive Recovery Account - Gas	\$6,893		\$6,835	\$58	(\$1,094)	(\$1,085)	(\$9)	
14	SmartMeter™ Project Balancing Account (SBA-G)	\$17,480		\$17,480	\$0	(\$127)	(\$127)	\$0	
15	Pension Contribution Balancing Account	\$0		\$0	\$0	\$0	\$0	\$0	
16	Non-Tariffed Products and Services Balancing Account	\$0		\$0	\$0	\$0	\$0	\$0	
17	Sum of Transportation Balancing Accounts	\$88,049		\$88,864	(\$815)	\$52,443	\$50,170	\$2,273	
PUBLIC PURPOSE PROGRAM (PPP) SURCHARGE BALANCING ACCOUNTS (1)									
18	PPP-Energy Efficiency	\$2,399		\$2,159	\$240	\$1,832	\$1,649	\$183	
19	PPP-Low Income Energy Efficiency	\$1,764		\$1,587	\$177	\$5,874	\$5,286	\$588	
20	PPP-Research Development and Demonstration	(\$370)		(\$250)	(\$120)	(\$146)	(\$98)	(\$48)	
21	California Alternate Rates for Energy Account	\$2,063		\$1,331	\$732	(\$11,159)	(\$7,199)	(\$3,960)	
22	Sum of Public Purpose Program Balancing Accounts	\$5,856		\$4,827	\$1,029	(\$3,599)	(\$364)	(\$3,235)	
23	TOTAL BALANCING ACCOUNTS	\$93,905		\$93,691	\$214	\$48,844	\$49,806	(\$962)	

1. These balances are consistent with the 2009 Natural Gas PPP Surcharge filed in AL 2970-G and have not been updated with November recorded balances.

2. These are the recorded balances as of December 2007. The balances that were provided in the 2008 AGT were the December 2007 forecasted balance (with September recorded balance).

Positive balances represent under-collections and negative balances represent over-collections.

ATTACHMENT 3

PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (DECEMBER 2008 UPDATE)

GAS TRANSPORTATION RATES AND PUBLIC PURPOSE PROGRAM SURCHARGES (2)
ANNUAL CLASS AVERAGE END-USE RATES (\$/th)

Line No.	Customer Class	Present Rates and Surcharges			Proposed Rates and Surcharges			% Change (3)		
		(A)			(B)			(C)		
		Transportation	G-PPPS (2)	Total	Transportation	G-PPPS (2)	Total	Transportation	G-PPPS (2)	Total
RETAIL CORE (1)										
1	Residential Non-CARE (4)	\$.439	\$.048	\$.487	\$.483	\$.065	\$.548	10.1%	34.9%	12.5%
2	Small Commercial Non-CARE (4)	\$.308	\$.036	\$.344	\$.322	\$.044	\$.366	4.4%	23.7%	6.5%
3	Large Commercial	\$.108	\$.051	\$.160	\$.115	\$.069	\$.183	6.0%	33.8%	15.0%
4	NGV1 - (uncompressed service)	\$.064	\$.022	\$.085	\$.069	\$.026	\$.095	7.7%	21.4%	11.2%
5	NGV2 - (compressed service)	\$.938	\$.022	\$.960	\$.979	\$.026	\$ 1.006	4.4%	21.4%	4.8%
RETAIL NONCORE (1)										
6	Industrial - Distribution	\$.107	\$.030	\$.137	\$.112	\$.038	\$.150	4.0%	27.3%	9.1%
7	Industrial - Transmission	\$.024	\$.027	\$.050	\$.024	\$.033	\$.058	2.8%	25.3%	14.7%
8	Industrial - Backbone	\$.006	\$.027	\$.032	\$.004	\$.033	\$.038	(19.9%)	25.3%	17.4%
9	Electric Generation - Transmission (G-EG-T)	\$.019	\$.000	\$.019	\$.020	\$.000	\$.020	2.7%	n/a	2.7%
10	Electric Generation - Backbone (G-EG-BB)	\$.006	\$.000	\$.006	\$.005	\$.000	\$.005	(17.7%)	n/a	(17.7%)
11	NGV 4 - Distribution (uncompressed service)	\$.107	\$.022	\$.129	\$.112	\$.026	\$.138	4.0%	21.4%	6.9%
12	NGV 4 - Transmission (uncompressed service)	\$.024	\$.022	\$.045	\$.024	\$.026	\$.051	2.8%	21.4%	11.7%
WHOLESALE CORE AND NONCORE (G-WSL) (1)										
13	Alpine Natural Gas	\$.024	\$.000	\$.024	\$.025	\$.000	\$.025	1.6%	n/a	1.6%
14	Coalinga	\$.024	\$.000	\$.024	\$.024	\$.000	\$.024	1.7%	n/a	1.7%
15	Island Energy	\$.044	\$.000	\$.044	\$.045	\$.000	\$.045	0.9%	n/a	0.9%
16	Palo Alto	\$.017	\$.000	\$.017	\$.017	\$.000	\$.017	2.4%	n/a	2.4%
17	West Coast Gas - Castle	\$.073	\$.000	\$.073	\$.084	\$.000	\$.084	15.2%	n/a	15.2%
18	West Coast Gas - Mather Distribution	\$.063	\$.000	\$.063	\$.078	\$.000	\$.078	23.7%	n/a	23.7%
19	West Coast Gas - Mather Transmission	\$.025	\$.000	\$.025	\$.025	\$.000	\$.025	1.7%	n/a	1.7%

(1) Transportation Only rates include: i) a transportation component that recovers customer class charges, customer access charges, CPUC fees, local transmission (where applicable) and distribution costs (where applicable). Transport only customers must arrange for their own gas purchases and transportation to PG&E's citygate/local transmission system.

(2) D. 04-08-010 authorized PG&E to remove the gas public purpose program surcharge that recovers the costs of low income California Alternate Rates for Energy (CARE), low income energy efficiency, customer energy efficiency, Research Development and Demonstration program and BOE/CPUC Admin costs from transportation rates and into its own separate surcharge tariff. Certain customers are exempt from paying the PPP surcharge, see Tariff G-PPP for details.

(3) Rates are rounded to 3 decimals for viewing ease. Percentage rate changes are calculated on a 5-digit basis.

(4) CARE Customers receive a 20% discount off of the total bundled rate and are exempt from CARE G-PPPS.

ATTACHMENT 4

**PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (DECEMBER 2008 UPDATE)**

**SUMMARY OF NON-PROCUREMENT RATES BY CLASS BY MAJOR ELEMENTS
(\$/dth; Annual Class Averages)**

		Core Retail					Noncore Retail						
		Non-CARE		G-NGV1 (Uncompressed)	G-NGV2 (Compressed)	Industrial			G-NGV 4		Electric Generation		
		Residential	Sml Com.			Lg. Comm.	Distribution	Transmission	BB-Level Serv.	Distribution	Transmission	Dist./Trans.	BB-Level Serv.
TRANSPORTATION CHARGE COMPONENTS													
1	Local Transmission (1)	\$.3568	\$.3568	\$.3568	\$.3568	\$.3568	\$.1543	\$.1543	\$.0058	\$.1543	\$.1543	\$.1543	\$.0058
2	Self Generation Incentive Program	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086	\$.0086
3	CPUC Fee (3)	\$.0069	\$.0069	\$.0069	\$.0069	\$.0069	\$.0069	\$.0069	\$.0069	\$.0069	\$.0069	\$.0064	\$.0064
4	Balancing Accounts (2)	\$.4513	\$.3662	\$.0811	\$.0251	\$.0251	\$.0063	\$.0020	\$.0020	\$.0063	\$.0020	\$.0019	\$.0019
5	Distribution - Annual Average (6)	\$ 4.0047	\$ 1.9377	\$.6447	\$.2717	\$ 9.3964	\$.8636	\$.0500		\$.8636	\$.0500	\$.0167	\$.0167
6	VOLUMETRIC RATE - Average Annual	\$ 4.8283	\$ 2.6761	\$ 1.0980	\$.6691	\$ 9.7938	\$ 1.0397	\$.2217	\$.0232	\$ 1.0397	\$.2217	\$.1880	\$.0395
7	CUSTOMER ACCESS CHARGE - Class Average (4)		\$.5391	\$.0478	\$.0174	\$.0000	\$.0781	\$.0215	\$.0215	\$.0781	\$.0215	\$.0094	\$.0094
8	CLASS AVERAGE TRANSPORTATION RATE	\$ 4.8283	\$ 3.2152	\$ 1.1458	\$.6864	\$ 9.7938	\$ 1.1178	\$.2432	\$.0447	\$ 1.1178	\$.2432	\$.1974	\$.0489
9	G-PUBLIC PURPOSE PROGRAM SURCHARGE/TAX (5)	\$.6535	\$.4448	\$.6879	\$.2637	\$.2637	\$.3819	\$.3320	\$.3320	\$.2637	\$.2637		
10	END-USE RATE	\$ 5.4818	\$ 3.6600	\$ 1.8337	\$.9501	\$ 10.0575	\$ 1.4997	\$.5752	\$.3767	\$ 1.3815	\$.5069	\$.1974	\$.0489

		Wholesale						
		Coalinga	Palo Alto	WC Gas Mather		Island Energy	Alpine	WC Gas Castle
				Dist.	Trans.			
TRANSPORTATION CHARGE COMPONENTS								
1	Local Transmission (1)	\$.1543	\$.1543	\$.1543	\$.1543	\$.1543	\$.1543	\$.1543
2	Self Generation Incentive Program							
3	CPUC Fee (3)							
4	Balancing Accounts (2)	\$.0019	\$.0019	\$.0029	\$.0019	\$.0019	\$.0019	\$.0029
5	Distribution - Annual Average			\$.5277				\$.3817
6	VOLUMETRIC RATE - Average Annual	\$.1562	\$.1562	\$.6848	\$.1562	\$.1562	\$.1562	\$.5389
7	CUSTOMER ACCESS CHARGE - Class Average (4)	\$.0846	\$.0174	\$.0935	\$.0935	\$.2910	\$.0928	\$.3031
8	CLASS AVERAGE TRANSPORTATION RATE	\$.2408	\$.1735	\$.7783	\$.2497	\$.4472	\$.2489	\$.8420
9	G-PUBLIC PURPOSE PROGRAM SURCHARGE/TAX (5)							
10	END-USE RATE	\$.2408	\$.1735	\$.7783	\$.2497	\$.4472	\$.2489	\$.8420

NOTES

1. Decision 07-09-045, Attachment A, Appendix B Table 11.
2. Based on the 2009 True-Up balances.
3. Resolution M-4819, effective July 1, 2007 (including FF&U).
4. Decision 07-09-045, Attachment A, Appendix B Tables 2 and 12.
5. Decision 04-08-010 ordered the removal of PPP from transportation rates. On March 1, 2005 PG&E began to treat PPP as a tax. AL 2970-G updated the PPP surcharges for 2009.
6. The G-NGV2 Distribution element includes the cost of compression, station operations and maintenance, and state/federal gas excise taxes.

ATTACHMENT 5

**PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (DECEMBER 2008 UPDATE)
ALLOCATION OF TRANSPORTATION COSTS AND PUBLIC PURPOSE PROGRAM SURCHARGES IN RATES BY CLASS
(\$000)**

ALLOCATION OF GRC/ATTRITION DISTRIBUTION-LEVEL REVENUE REQUIREMENT BY CUSTOMER CLASS

Line No.	Component	TOTAL	Residential*	Small Commercial*	Large Commercial	NGV Core	Subtotal Core	Industrial Distribution	Industrial Transmission	Electric Gen	Total Wholesale**	Total Noncore & Wholesale
1	Customer	629,570	559,979	62,427	1,780	53	624,238	4,312	214	807	0	5,332
2	Distribution	448,748	316,909	97,253	4,229	365	418,757	20,350	5,996	3,576	70	29,991
3	Allocation of Franchise Fees	10,348	8,415	1,532	58	4	10,009	237	60	42	1	339
4	Allocation of Uncollectibles Expense	2,755	2,241	408	15	1	2,665	63	16	11	0	90
5	Totals Before Averaging	1,091,421	887,543	161,620	6,082	423	1,055,669	24,961	6,285	4,436	70	35,752
6	Re-Allocation Due to Averaging*	0	(37,094)	37,094	0	0	0	0	0	0	0	0
7	Final Allocation of Distribution Revenue Requirement	1,091,421	850,450	198,714	6,082	423	1,055,669	24,961	6,285	4,436	70	35,752
Distribution Revenue Requirement Allocation %		100.00000%	77.92132%	18.20692%	0.55724%	0.03879%	96.72427%	2.28701%	0.57582%	0.40647%	0.00643%	3.27573%

ALLOCATION BY CUSTOMER CLASS OF COSTS AND BALANCES COLLECTED THROUGH THE CFCA, NCA, and NDFCA RATE COMPONENTS

Component	TOTAL	Residential	Small Commercial	Large Commercial	NGV Core	Subtotal Core	Industrial Distribution	Industrial Transmission	Electric Gen	Total Wholesale	Total Noncore & Wholesale
8 Core Fixed Cost Acct. Bal. - Dist. Cost Subacct.	62,380	50,254	11,742	359	25	62,380	0	0	0	0	0
9 Core Fixed Cost Acct. Bal. - Core Cost Subacct.	(1,705)	(1,200)	(448)	(49)	(8)	(1,705)	0	0	0	0	0
10 CFCA-Comm. Trans. Portion of Wtr. Gas Savings Prog. (10/20+)	5,359	0	4,830	529	0	5,359	0	0	0	0	0
11 Noncore Customer Class Charge Account - ECPT	(7,760)	0	0	0	0	0	(488)	(2,318)	(4,882)	(71)	(7,760)
12 Noncore Customer Class Charge Account - Interim Relief	336	0	0	0	0	0	235	59	42	1	336
13 NC Distribution Fixed Cost Acct.	(295)	0	0	0	0	0	(206)	(52)	(37)	(1)	(295)
14 Natural Gas Vehicle Account Balance	(3,076)	(910)	(340)	(37)	(6)	(1,293)	(112)	(533)	(1,122)	(16)	(1,783)
15 Hazardous Substance Balance	14,890	4,404	1,645	180	30	6,259	543	2,578	5,430	79	8,631
16 Core Brokerage Fee Credit (Gas Brokerage Costs)	(8,065)	(5,675)	(2,119)	(232)	(39)	(8,065)	0	0	0	0	0
17 Core Brokerage Fee Credit (Sales/Marketing Costs)	(1,516)	(1,360)	(152)	(4)	(0)	(1,516)	0	0	0	0	0
18 Affiliate Transfer Fee Account	(74)	(60)	(11)	(0)	(0)	(72)	(2)	(0)	(0)	(0)	(2)
19 Balancing Charge Account	0	0	0	0	0	0	0	0	0	0	0
20 G-10 Procurement-related Employee Discount Allocated	2,910	861	321	35	6	1,223	106	504	1,061	16	1,687
21 Brokerage Fee Balance Account	1,075	756	282	31	5	1,075	0	0	0	0	0
22 G-10 Procurement-related Employee Discount	(2,910)	(2,910)	0	0	0	(2,910)	0	0	0	0	0
23 2007 GRC Office Closure (net of FF&U)	(351)	(283)	(66)	(2)	(0)	(351)	0	0	0	0	0
24 Gas Reimbursable Fees Account Balance	0	0	0	0	0	0	0	0	0	0	0
25 WGSP (10/20) Balancing Account	(2,095)	264	(1,903)	(457)	0	(2,095)	0	0	0	0	0
26 Climate Protection Tariff	1,821	1,481	270	10	1	1,761	42	10	7	0	60
27 Self Gen Incentive Program Forecast Period Cost	6,120	1,820	680	74	12	2,586	225	1,065	2,244	0	3,534
28 Subtotals of Items Transferred to CFCA and NCA	67,045	47,442	14,732	437	26	62,637	342	1,314	2,744	7	4,408
29 Re-Allocation Due to Averaging	(0)	(2,069)	2,069	0	0	(0)	0	0	0	0	0
30 Alloc. After Averaging	67,045	45,374	16,801	437	26	62,637	342	1,314	2,744	7	4,408
31 Franchise Fees and Uncoll. Exp. on Items Above	815	551	204	5	0	761	4	16	33	0	54
32 Subtotals with FF&U and Other Bal. Acct./Forecast Period Costs	67,859	45,925	17,005	442	26	63,398	346	1,330	2,777	7	4,461
33 Total of Items Collected via CFCA, NCA, and NDFCA	1,159,280	896,375	215,719	6,524	449	1,119,067	25,307	7,615	7,214	78	40,213

ALLOCATION BY CUSTOMER CLASS OF OTHER COSTS AND BALANCES COLLECTED THROUGH THEIR OWN RATE COMPONENT

Component	TOTAL	Residential	Small Commercial	Large Commercial	NGV Core	Subtotal Core	Industrial Distribution	Industrial Transmission	Electric Gen	Total Wholesale	Total Noncore & Wholesale
34 EOR Balancing Account	0	0	0	0	0	0	0	0	0	0	0
35 CEE Incentive	6,893	6,131	683	19	1	6,835	47	2	9	0	58
36 Smart Meter™ Project Forecast Period Costs	38,287	30,844	7,207	221	15	38,287	0	0	0	0	0
37 SmartMeter™ Project Balancing Account (SBA-G)	17,480	14,082	3,290	101	7	17,480	0	0	0	0	0
38 CPUC FEE	4,794	1,461	546	60	10	2,076	180	855	1,683	0	2,718
39 Subtotals	67,455	52,518	11,726	400	33	64,678	227	858	1,691	0	2,776
40 Re-Allocation Due to Averaging	0	-1,722	1,722	0	0	0	0	0	0	0	0
41 Allocation after Remaining Averaging	67,455	50,796	13,449	400	33	64,678	227	858	1,691	0	2,776
42 Franch. Fee and Uncoll. Exp. on Items Above	820	617	163	5	0	786	3	10	21	0	34
43 Subtotals of Other Costs	68,274	51,413	13,612	405	33	65,464	230	868	1,712	0	2,810
44 Allocation of Total Transportation Costs	1,227,554	947,788	229,331	6,929	483	1,184,531	25,537	8,483	8,926	78	43,023

ALLOCATION BY CUSTOMER CLASS OF END-USER GAS ACCORD IV TRANSPORTATION REVENUE REQUIREMENT

Component	TOTAL	Residential	Small Commercial	Large Commercial	NGV Core	Subtotal Core	Industrial Distribution	Industrial Transmission	Electric Gen	Total Wholesale	Total Noncore & Wholesale
45 Local Transmission	158,624	83,247	26,327	1,515	0	111,089	5,639	15,904	24,845	1,148	47,535
46 Customer Access Charge	5,174	0	0	0	0	0	0	2,786	2,275	112	5,174
47 Total End-User Gas Accord Transportation Costs	163,798	83,247	26,327	1,515	0	111,089	5,639	18,691	27,120	1,260	52,709
48 Gross End-User Transportation Costs in Rates	1,391,352	1,031,035	255,658	8,445	483	1,295,620	31,176	27,174	36,045	1,338	95,732
49 Less Forecast CARE Discount recovered in PPP Surcharges	95,800	95,800	0	0	0	95,800	0	0	0	0	0
50 Net End-User Transportation Costs in Rates	1,295,552	935,234	255,658	8,445	483	1,199,820	31,176	27,174	36,045	1,338	95,732

RECONCILIATION WITH ATTACHMENT 1 FOR END-USE TRANSPORTATION REVENUE REQUIREMENTS

Reconciling Item	TOTAL	Residential	Small Commercial	Large Commercial	NGV Core	Subtotal Core	Industrial Distribution	Industrial Transmission	Electric Gen	Total Wholesale	Total Noncore & Wholesale
51 Res. Alloc. of 10/20 M&I Costs in April - Oct. Rates Only w/o FF&U	1,303	1,303	0	0	0	1,303	0	0	0	0	0
52 10/20 Rebate Recovery from Commercial Classes (w/o FF&U)	(4,819)	0	(4,344)	(475)	0	(4,819)	0	0	0	0	0
53 Franchise Fees and Uncollectibles Expense	(43)	16	(53)	(6)	0	(43)	0	0	0	0	0
54 Total End-User Transportation Revenue Requirement	1,291,993	936,553	251,262	7,963	483	1,196,260	31,176	27,174	36,045	1,338	95,732

ALLOCATION OF PUBLIC PURPOSE PROGRAMS IN PUBLIC PURPOSE PROGRAM SURCHARGES

Component	TOTAL	Residential	Small Commercial	Large Commercial	NGV Core	Subtotal Core	Industrial Distribution	Industrial Transmission	Electric Gen	Total Wholesale	Total Noncore & Wholesale
55 PPP-EE Surcharge	67,140	52,919	5,385	2,110	0	60,415	1,805	4,920	0	0	6,725
56 PPP-EE Balancing Account	2,399	1,891	192	75	0	2,159	64	176	0	0	240
57 PPP-LIEE Surcharge	41,441	32,663	3,324	1,303	0	37,290	1,114	3,037	0	0	4,151
58 PPP-LIEE Balancing Account	1,764	1,390	141	55	0	1,587	47	129	0	0	177
59 PPP - RD&D Programs	10,362	4,938	1,821	192	32	6,984	591	2,788	0	0	3,378
60 PPP - RD&D Balancing Account	(370)	(177)	(65)	(7)	(1)	(250)	(21)	(100)	0	0	-121
61 PPP-CARE Discount Allocation Set Annually	95,800	41,225	18,323	1,936	323	61,806	5,945	28,050	0	0	33,994
62 PPP-CARE Administration Expense	1,813	780	347	37	6	1,170	113	531	0	0	643
63 PPP-CARE Balancing Account	2,063	888	395	42	7	1,331	128	604	0	0	732
64 PPP-Admin Cost for BOE and CPUC	177	84	31	3	1	119	10	48	0	0	58
65 Subtotal	222,589	136,603	29,894	5,747	367	172,612	9,796	40,182	0	0	49,978
66 Re-Allocation Due to Core Averaging	(0)	(5,273)	5,273	0	0	(0)	0	0	0	0	0
67 Allocation after Remaining Averaging	222,589	131,329	35,168	5,747	367	172,612	9,796	40,182	0	0	49,978

* Residential and Small Commercial Classes are 30% averaged

** Wholesale Customer West Coast Gas is allocated 40% of its full Distribution Cost allocation as of January 1, 2009

ATTACHMENT 6

**PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (DECEMBER 2008 UPDATE)
2009 WINTER GAS SAVINGS PROGRAM: 10/20 PLUS**

TABLE 1: 10/20 PLUS RATES (a)

	Totals	Transportation	Procurement
1 Estimated 10/20 Plus Rebate (\$000; including FF&U)	\$45,189	\$16,651	\$28,545
2 Resulting Transportation/Procurement Split	100.0%	36.8%	63.2%
3 Apportioned Program Marketing/Implementation Costs (including FF&U)	\$5,061	\$1,865	\$3,197
4 Totals for Recovery in Rates (Lines 1 + 3)	\$50,250	\$18,516	\$31,742
5 Adopted Annual Core Volumes (mth) for Transportation and Procurement		3,038,621	2,979,265
6 Resulting ECPT Rate for Transportation and Procurement (Non-CARE) (b)	\$0.01675	\$0.00609	\$0.01065
7 Resulting ECPT Rate for Transportation and Procurement (CARE) (b)	\$0.01340	\$0.00274	\$0.01065

TABLE 2: ILLUSTRATIVE 10/20 PLUS RATE IMPACT WITH EQUAL CENTS PER THERM (ECPT) IMPLEMENTATION (a)

	Present Rates (Illust. Annual Avg.)	Present Rates w/ 10/20 Plus	% Change
<u>BUNDLED RATES</u>			
1 Non-CARE Residential (b)	\$1.361	\$1.378	1.2%
2 CARE Residential (b)	\$1.089	\$1.102	1.2%
3 Small Commercial	\$1.210	\$1.227	1.4%
4 Large Commercial	\$0.987	\$1.003	1.7%
<u>TRANSPORTATION+PPP ONLY RATES</u>			
5 Non-CARE Residential (b)	\$0.487	\$0.493	1.3%
6 CARE Residential (b)	\$0.215	\$0.218	1.3%
7 Small Commercial	\$0.344	\$0.350	1.8%
8 Large Commercial	\$0.160	\$0.166	3.8%

- a) 10/20 Plus revenue recovery will be implemented using forecasted total program costs allocated across applicable core classes on an equal cents per therm basis. Final impacts of the 10/20 Plus program will be based on credits earned by each class during 2009 reflecting segmentation between transportation and procurement causation. This final impact will be trued-up through allocation of the WGSP balancing accounts incorporated in rates filed in PG&E's 2010 AGT.
- b) Residential impacts are shown on annual basis for comparison only with commercial class impacts. Actual 10/20 Plus recovery from residential customers will occur in summer months (April - October 2009) as approved in AL 2850-G. Proposed residential rates and illustrative residential bill impacts are shown, respectively, on Tables 3 and 4.

ATTACHMENT 6 (contd.)

**PACIFIC GAS AND ELECTRIC COMPANY
2009 ANNUAL GAS TRUE-UP (DECEMBER 2008 UPDATE)
2009 WINTER GAS SAVINGS PROGRAM: 10/20 PLUS**

TABLE 3: CALCULATION OF RATE RECOVERY FROM RESIDENTIAL CLASS DURING APRIL - OCTOBER 2009 PERIOD (a)
(Note: Only Applies to Residential Class; Commercial Rates Change for 10/20 Plus On January 1, 2009 for annual recovery)

	<u>Total</u>	<u>Procurement</u>	<u>Transportation</u>
1 Residential Share of 10/20 Plus (Equal Cents Per Therm Initial Recovery)			
10/20 Plus Program Cost (\$ 000)	\$50,250	\$31,742	\$18,516
2 Residential Share of Annual Adopted Volumes (2005 BCAP Decision)	71.5%	72.0%	70.7%
3 Residential Share of 10/20 Program Cost For Initial Rate-Setting Purposes	\$35,950	\$22,859	\$13,092
4 Commercial Share of 10/20 Program Costs (Line 3 Less Line 1; w/FF&U)	\$14,299	\$8,883	\$5,424
5 Marketing and Implementation Costs Within Commercial Allocator	\$1,441	\$895	\$546
6 Marketing and Implementation Costs Within Residential Allocator	\$3,621	\$2,302	\$1,318
		<u>Adopted Apr-Oct Avg. Yr. (Mth)</u>	
7 Residential Bundled Volumes			809,414
8 Residential Transport Volumes			2,436
9 Less G-10 Transportation Adj.			1,210
10 Adjusted Residential Transportation Volumes			810,640
	<u>Allocated RRQ (\$ 000)</u>	<u>Adopted Volumes (Mth)</u>	<u>Rates (\$/th)</u>
11 10/20 Plus Non-CARE Residential Program Cost for Rate Recovery - Procurement	\$22,859	809,414	\$0.02824
12 10/20 Plus Non-CARE Program Cost for Rate Recovery - Transportation	\$13,092	810,640	\$0.01615
13 Non-CARE Residential Rate for Bundled Customers	\$35,950		\$0.04439
14 Rate for CARE Residential - Procurement			\$0.02824
15 Rate for CARE Residential - Transportation			\$0.00727
16 Rate for CARE Residential - Totals for Bundled Customers			\$0.03551

TABLE 4: ILLUSTRATIVE RESIDENTIAL RATE IMPACT, SUMMER BILL IMPACT, AND AVERAGE 10/20 PLUS CREDIT

	<u>Present Rates</u>	<u>Present Rates with 10/20 Plus (a)</u>	<u>Change</u>
<u>Recovery in April through October 2009</u>			
1 Non-CARE Residential Bundled Rate	\$1.361	\$1.406	3.3%
2 CARE Residential Bundled Rate	\$1.089	\$1.125	3.3%
3 Non-CARE Residential Transportation+PPP Only Rates	\$0.487	\$0.503	3.3%
4 CARE Residential Transportation+PPP Only Rates	\$0.215	\$0.222	3.4%
<u>Average Illustrative Residential Bill Impact During Summer Months (April 1 through October 31, 2009) (b)</u>			
5 Proposed Average Illustrative Bundled Bill with 10/20	\$40.76		
6 Present Average Illustrative Bundled Bill	\$39.48		
7 Average Monthly Bill Change	\$1.29		
8 Percentage Change	3.3%		
<u>Average Residential Savings for Jan-Feb 2009 Period (Non-CARE Customers; Estimated)</u>			
9 Average Savings from Conservation	\$ 35.68		
10 Average 10/20 Plus Rebate	\$ 19.18		
11 Average Total Savings to Customers Achieving 10/20 Plus Rebate	\$ 54.86		

- a) 10/20 Plus revenue recovery will be implemented using forecasted total program costs allocated across applicable core classes on an equal cents per therm basis. Final impacts of the 10/20 Plus program will be based on credits earned by each class during 2009 reflecting segmentation between transportation and procurement causation. This final impact will be trueed-up through allocation of the WGSP balancing accounts incorporated in rates filed in PG&E's 2010 AGT.
- b) Based on 29 therms per month average Summer season usage per residential customer as adopted in PG&E's BCAP D.05-06-029.

**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	PPL EnergyPlus, LLC
Anderson & Poole	Douglass & Liddell	Pinnacle CNG Company
Arizona Public Service Company	Downey & Brand	Praxair
BART	Duke Energy	R. W. Beck & Associates
BP Energy Company	Duncan, Virgil E.	RCS, Inc.
Barkovich & Yap, Inc.	Dutcher, John	RMC Lonestar
Bartle Wells Associates	Ellison Schneider & Harris LLP	Recon Research
Blue Ridge Gas	Energy Management Services, LLC	SCD Energy Solutions
Braun & Associates	FPL Energy Project Management, Inc.	SCE
C & H Sugar Co.	Foster Farms	SESCO
CA Bldg Industry Association	Foster, Wheeler, Martinez	SMUD
CAISO	Franciscan Mobilehome	SPURR
CLECA Law Office	G. A. Krause & Assoc.	Santa Fe Jets
CSC Energy Services	GLJ Publications	Seattle City Light
	Goodin, MacBride, Squeri, Schlotz & Ritchie	Sempra Utilities
California Cotton Ginners & Growers Assn	Green Power Institute	Sequoia Union HS Dist
California Energy Commission	Hanna & Morton	Sierra Pacific Power Company
California League of Food Processors	Heeg, Peggy A.	Silicon Valley Power
California Public Utilities Commission	Hitachi	Smurfit Stone Container Corp
Calpine	Hogan Manufacturing, Inc.	Southern California Edison Company
Cameron McKenna	Imperial Irrigation District	St. Paul Assoc.
Cardinal Cogen	Innercite	Sunshine Design
Casner, Steve	International Power Technology	Sutherland, Asbill & Brennan
Cerox	Intestate Gas Services, Inc.	TFS Energy
Chamberlain, Eric	J. R. Wood, Inc.	Tabors Caramanis & Associates
Chevron Company	JTM, Inc.	Tecogen, Inc.
Chris, King	Los Angeles Dept of Water & Power	Tiger Natural Gas, 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)
		White & Case
Day Carter Murphy	New United Motor Mfg., Inc.	eMeter Corporation
Defense Energy Support Center	Norris & Wong Associates	
Department of Water Resources	North Coast SolarResources	