

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



September 11, 2009

Advice Letter 3038-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 August 10, 2009**

Dear Mr. Cherry:

Advice Letter 3038-G is effective August 10, 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
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August 7, 2009

Advice 3038-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 August 10, 2009

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 **August 10, 2009**. 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.¹

For the period from **August 10, 2009, through September 9, 2009**, the following Schedule G-CPX rates will be in effect:

<u>Schedule G-CPX Rates</u>	<u>Per Therm</u>
Small Commercial Customers (Schedule G-NR1)	\$0.51040
Large Commercial Customers (Schedule G-NR2)	\$0.40584
Natural Gas Vehicle Customers (Schedule G-NGV1)	\$0.40155

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 21 days after the date of this filing, which is **August 27, 2009**. 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 and mas@cpuc.ca.gov

¹ 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 **August 10, 2009**. 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 San Heng at (415) 973-2640. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at ProcessOffice@cpuc.ca.gov. 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 Cherry / mt".

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: Linda Tom-Martinez

Phone #: (415) 973-4612

E-mail: lmt1@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) #: **3038-G**

Tier: 1

Subject of AL: Rates for Schedule G-CPX – Crossover Gas Procurement Service to Core End Use Customers, Effective August 10, 2009

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 AL¹: _____

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: **August 10, 2009**

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 proposed¹: 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 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 1
Advice 3038-G**

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

Title of Sheet

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

27758-G	GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1	27705-G
27759-G	GAS TABLE OF CONTENTS Sheet 1	27706-G
27760-G	GAS TABLE OF CONTENTS Sheet 2	27707-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)	\$0.51040 (I)
Large Commercial Crossover Charge: (G-NR2)	\$0.40584 (R)
Natural Gas Vehicle Crossover Charge: (G-NGV1)	\$0.40155 (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

TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Title Page	27759-G	(T)
Rate Schedules	27760,27661-G	(T)
Preliminary Statements	27662,27421-G	
Rules	27594-G	
Maps, Contracts and Deviations	21637-G	
Sample Forms	27499,27349,27262,27113,25059-G	

(Continued)

Advice Letter No: 3038-G
 Decision No. 03-12-008

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed August 7, 2009
 Effective August 10, 2009
 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	27681,23487-G
G-1-NGV	Residential Natural Gas Service for Compression on Customers' Premises	27682,23734-G
G-CS	ClimateSmart	24894-G
GM	Master-Metered Multifamily Service	27683,23019-G
GS	Multifamily Service	27684,26894,23215-G
GT	Mobilehome Park Service	27685,26896,26568-G
G-10	Service to Company Employees	11318-G
GL-1	Residential CARE Program Service.....	27686,26898-G
GL-1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises	27687,23740-G
GML	Master-Metered Multifamily CARE Program Service	27688,26901,23027-G
GSL	Multifamily CARE Program Service.....	27689,27690,23216-G
GTL	Mobilehome Park CARE Program Service.....	27691,27692,23502,26569-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge	22034-G

Rate Schedules Non-Residential		
G-NR1	Gas Service to Small Commercial Customers	27693,23035-G
G-NR2	Gas Service to Large Commercial Customers	27694,23037-G
G-CP	Gas Procurement Service to Core End-Use Customers	27695-G
G-CPX	Crossover Gas Procurement Service To Core End-Use Customers	27758-G (T)
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

(Continued)

Advice Letter No: 3038-G
 Decision No. 03-12-008

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed August 7, 2009
 Effective August 10, 2009
 Resolution No. _____

Crossover Rate Calculation

Aug-09

AECO Net Forward Calculation (\$/Dth)

	<u>Aug-09</u>
Combined GTN/Foothills fuel rate	0.9652
Foothills Fuel	1.31%
GTN Fuel	2.20%
AECO Monthly Index (C\$/GJ, source CGPR)	2.9012
Exchange Rate (US\$/C\$)	0.9358
AECO "C" monthly commodity index (US\$/Dth)	\$ 2.864
Foothills + GTN combined in-kind fuel rate	0.035
Foothills + GTN in-kind fuel charge	0.103
Foothills volumetric rate	0.0000
GTN volumetric rate	0.0115
AECO "C" Net Forward Price (14+16+17+18)	\$2.9792

<u>Gas Price Index</u>	<u>Price, CA Border</u>	<u>Intrastate Transport</u>	<u>Total</u>
AECO C (CGPR)	\$2.9792	\$0.0810	\$3.0602
Southern Border-PG&E (NGI)	\$3.3400	\$0.0810	\$3.4210
Core WACOG	\$3.2322	\$0.0810	\$3.3132
Crossover Price at PG&E Citygate (\$/Dth)			\$3.4210

8/4/2009

Calculation of the G-CPX Crossover Core Procurement Rate

Gas Prices	
	Border Price (\$/Dth)
AECO C	\$2.9792
PG&E Topock (Source NGI)	\$3.3400
Core WACOG	\$3.2322

	<u>\$/Decatherm</u>	<u>\$/Therm</u>	<u>Components</u> <u>\$/Therm</u>	<u>Calculation</u>
G-CPX CROSSOVER CORE PROCUREMENT RATE				
CROSSOVER COMMODITY CHARGE				
Weighted Average Cost of Gas (WACOG)				(a)
WACOG at the Border	\$3.3400			(b)
Intrastate Backbone Volumetric Transport Charge	\$0.810			(c)=(a)+(b)
Total WACOG	3.4210	\$3.4210		
Franchise Fee	0.009596	Changes in GRC		
Uncollectible Fee	0.002555	Changes in GRC		
Subt F & U	0.012151	X WACOG at the Border		(d)=(a)*F&U Factor
WACOG with Franchise and Uncollectible	\$3.4616			(e)=(c)+(d)
PGA Adjustment: Core Sales	(\$5868)	\$3.4616		(f)
PGA Adjustment: Hedging	\$0.0000	(\$0.05868)		
Cycled Carrying Cost of Gas in Storage	\$0.0098	\$0.0000		(g)
Total Core Commodity Charge		\$0.0098		
Small Commercial			\$28846	(k)=(e)+(f)+(g)+(h)
Large Commercial			\$28846	(l)=(e)+(f)+(g)+(i)
Natural Gas Vehicle			\$28846	(m)=(e)+(f)+(g)+(j)
CORE FIRM STORAGE COSTS (Including F&U)				
CFSA Adjustment: Core Firm Storage Account	\$1.551	\$0.1551		(n)
Small Commercial	\$2340	\$0.2340	\$0.3891	(o) (r)=(n)+(o)
Large Commercial	\$0.703	\$0.0703	\$0.2254	(p) (s)=(n)+(p)
Natural Gas Vehicle	\$0.977	\$0.0977	\$0.2528	(q) (t)=(n)+(q)
INTERSTATE & INTRASTATE CAPACITY CHARGES (Incl. F&U)				
CPDCA Adjustment (Incl. F&U)	\$4.186	\$0.4186		(u)
BC System and NOVA Costs (Incl. F&U)				
Small Commercial	\$2574	\$0.2574		(h)
Large Commercial	\$0.654	\$0.0654		(i)
Natural Gas Vehicle	\$0.593	\$0.0593		(j)
Interstate Capacity Charges				
Small Commercial	\$6159	\$0.6159		(v)
Large Commercial	\$1565	\$0.1565		(w)
Natural Gas Vehicle	\$1418	\$0.1418		(x)
Intrastate Backbone Capacity Charges				
Small Commercial	\$2915	\$0.2915	\$15834	(y) (ab)=(u)+(v)+y
Large Commercial	\$0.741	\$0.0741	\$0.7146	(z) (ac)=(u)+(w)+(z)
Natural Gas Vehicle	\$0.671	\$0.0671	\$0.6868	(aa) (ad)=(u)+(x)+(aa)
WGSP - PROCUREMENT (Small and Large Comm'l)				
Small Commercial	0.05560	\$0.0556	\$0.0556	
Large Commercial	0.04250	\$0.0425	\$0.0425	
CORE BROKERAGE FEE				
	\$0.320		\$0.0320	(ae)
SHRINKAGE RATE				
Shrinkage (Incl. F&U)	\$1.593	\$0.1593		(af)
Based on Core Shrinkage: 4.60%		Changes in BCAP		
PGA Adjustment: Core Shrinkage (Incl. F&U)	\$0.0000	\$0.0000		(ag)
Total Shrinkage Rate			\$0.1593	(ah)=(af)+(ag)
TOTAL G-CPX CORE PROCUREMENT CHARGE				
Small Commercial			\$0.51040	(ai)=(k)+(r)+(ab)+(ae)+(ah)
Large Commercial			\$0.40584	(aj)=(l)+(s)+(ac)+(ae)+(ah)
Natural Gas Vehicle			\$0.40155	(ak)=(m)+(t)+(ad)+(ae)+(ah)

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

Aglet	Day Carter Murphy	North Coast SolarResources
Alcantar & Kahl	Defense Energy Support Center	Occidental Energy Marketing, Inc.
Ameresco	Department of Water Resources	OnGrid Solar
Anderson & Poole	Department of the Army	Praxair
Arizona Public Service Company	Dept of General Services	R. W. Beck & Associates
BART	Division of Business Advisory Services	RCS, Inc.
BP Energy Company	Douglas & Liddell	Recon Research
Barkovich & Yap, Inc.	Douglass & Liddell	SCD Energy Solutions
Bartle Wells Associates	Downey & Brand	SCE
C & H Sugar Co.	Duke Energy	SMUD
CA Bldg Industry Association	Dutcher, John	SPURR
CAISO	Ellison Schneider & Harris LLP	Santa Fe Jets
CLECA Law Office	FPL Energy Project Management, Inc.	Seattle City Light
CSC Energy Services	Foster Farms	Sempra Utilities
California Cotton Ginners & Growers Assn	G. A. Krause & Assoc.	Sierra Pacific Power Company
California Energy Commission	GLJ Publications	Silicon Valley Power
California League of Food Processors	Goodin, MacBride, Squeri, Schlotz & Ritchie	Southern California Edison Company
California Public Utilities Commission	Green Power Institute	Sunshine Design
Calpine	Hanna & Morton	Sutherland, Asbill & Brennan
Cameron McKenna	International Power Technology	Tabors Caramanis & Associates
Casner, Steve	Intestate Gas Services, Inc.	Tecogen, Inc.
Chamberlain, Eric	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
Chevron Company	Luce, Forward, Hamilton & Scripps LLP	Tioga Energy
Chris, King	MBMC, Inc.	TransCanada
City of Glendale	MRW & Associates	Turlock Irrigation District
City of Palo Alto	Manatt Phelps Phillips	U S Borax, Inc.
City of San Jose	Matthew V. Brady & Associates	United Cogen
Clean Energy Fuels	McKenzie & Associates	Utility Cost Management
Coast Economic Consulting	Merced Irrigation District	Utility Specialists
Commerce Energy	Mirant	Verizon
Commercial Energy	Modesto Irrigation District	Wellhead Electric Company
Consumer Federation of California	Morgan Stanley	Western Manufactured Housing Communities Association (WMA)
Crossborder Energy	Morrison & Foerster	eMeter Corporation
Davis Wright Tremaine LLP	New United Motor Mfg., Inc.	
	Norris & Wong Associates	