



May 7, 2010

**Advice 3116-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 May 10, 2010**

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 **May 10, 2010**. Schedule G-CPX crossover rates change on a monthly basis on the tenth calendar day of each month.

**Background**

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

**Schedule G-CPX Rate**

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

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

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

For the period from **May 10, 2010, through June 9, 2010**, 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)	<b>\$0.49741</b>
Large Commercial Customers (Schedule G-NR2)	<b>\$0.44540</b>
Natural Gas Vehicle Customers (Schedule G-NGV1)	<b>\$0.41658</b>

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

### Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than 20 days after the date of this filing, which is **May 27, 2010**. Protests should be mailed to:

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

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

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

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

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

Jane Yura  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10B  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-6520  
E-mail: PGETariffs@pge.com

### **Effective Date**

In accordance with D.03-12-008, PG&E requests that this advice filing become effective on **May 10, 2010**. 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 e-mail PGETariffs@pge.com. 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>.

Handwritten signature of Jane Yura in cursive script, with a vertical line through the signature and the initials 'JY' at the end.

Vice President – Regulation and Rates

Attachments

cc: Service List GO 96B

# 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: **Greg Backens**

Phone #: **415-973-4390**

E-mail:

### EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas  
PLC = Pipeline      HEAT = Heat      WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **3116-G**

Tier: **1**

Subject of AL: **Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective April 10, 2010**

Keywords (choose from CPUC listing): **Core, Procurement**

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

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

Does AL replace a withdrawn or rejected AL?: **No**

Summarize differences between the AL and the prior withdrawn or rejected AL: **N/A**

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: **No**

Confidential information will be made available to those who have executed a nondisclosure agreement: **N/A**

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: **N/A**

Resolution Required?  Yes  No

Requested effective date: **May 10, 2010**

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: **G-CPX**

Service affected and changes proposed: **Crossover Gas Procurement Service to Core End-Use Customers**

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

**Pacific Gas and Electric Company**  
**Attn: Jane K. Yura, Vice President, Regulation & Rates**  
**77 Beale Street, Mail Code B10B**  
**P.O. Box 770000**  
**San Francisco, CA 94177**  
**E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)**

**ATTACHMENT 1  
Advice 3116-G**

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

**Title of Sheet**

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

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28191-G	GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1	28154-G
28192-G	GAS TABLE OF CONTENTS Sheet 1	28184-G
28193-G	GAS TABLE OF CONTENTS Sheet 2	28185-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. 49741 (R)
Large Commercial Crossover Charge: (G-NR2)	\$0. 44540 (R)
Natural Gas Vehicle Crossover Charge: (G-NGV1)	\$0. 41658 (R)

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

The current applicable Procurement Charge for natural gas sales under Core End-User rate schedules may be obtained electronically on PG&E's internet site at <http://www.pge.com> or by calling PG&E at 1-800-743-5000.



**GAS TABLE OF CONTENTS**

Sheet 1

<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>	
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Rules .....	27883-G	
Maps, Contracts and Deviations .....	23208-G	
Sample Forms .....	27715,27626,27262,27113,25059-G	

(Continued)

Advice Letter No: 3116-G  
 Decision No. D.03-12-008

Issued by  
**Jane K. Yura**  
 Vice President  
 Regulation & Rates

Date Filed May 7, 2010  
 Effective May 10, 2010  
 Resolution No. \_\_\_\_\_



**GAS TABLE OF CONTENTS**

Sheet 2

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

**Rate Schedules  
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G-1	Residential Service .....	28167,23487-G
G-1-NGV	Residential Natural Gas Service for Compression on Customers' Premises .....	28168,23734-G
G-CS	ClimateSmart .....	28009-G
GM	Master-Metered Multifamily Service .....	28169,26892,23019-G
GS	Multifamily Service .....	28170,26894,23215-G
GT	Mobilehome Park Service .....	28171,26896,26568-G
G-10	Service to Company Employees .....	11318-G
GL-1	Residential CARE Program Service.....	28172,26898-G
GL1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises .....	28173,23740-G
GML	Master-Metered Multifamily CARE Program Service .....	28174,26901,23027-G
GSL	Multifamily CARE Program Service.....	28176,28142,23216-G
GTL	Mobilehome Park CARE Program Service.....	28177,28178,23502,26569-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge .....	22034-G

**Rate Schedules  
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G-NR1	Gas Service to Small Commercial Customers .....	28179,23035-G
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G-NT	Gas Transportation Service to Noncore End-Use Customers.....	24583,27396,22037,22038-G
G-EG	Gas Transportation Service to Electric Generation .....	27957,27879,25038,25039-G
G-ESISP	Exchange Service Through ISP Facilities .....	24364,24365-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers.....	27958,26781,22045-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.....	24465,27959,22903-G

(T)

(Continued)

Advice Letter No: 3116-G  
 Decision No. D.03-12-008

Issued by  
**Jane K. Yura**  
 Vice President  
 Regulation & Rates

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 Effective May 10, 2010  
 Resolution No. \_\_\_\_\_

## Crossover Rate Calculation

May-10

**AECO Net Forward Calculation  
(\$/Dth)**

May-10

Combined GTN/Foothills fuel rate	0.9706
Foothills Fuel	1.00%
GTN Fuel	1.96%
AECO Monthly Index (C\$/GJ, source CGPR)	3.5356
Exchange Rate (US\$/C\$)	0.9968
AECO "C" monthly commodity index (US\$/Dth)	\$ 3.718
Foothills + GTN combined in-kind fuel rate	0.029
Foothills + GTN in-kind fuel charge	0.113
Foothills volumetric rate	0.0000
GTN volumetric rate	0.0117
<b>AECO "C" Net Forward Price (14+16+17+18)</b>	<b>\$3.8425</b>

<u>Gas Price Index</u>	<u>Price, CA Border</u>	<u>Intrastate Transport</u>	<u>Total</u>
AECO (CGPR)	\$3.8425	\$0.0736	\$3.9161
Southern Border-PG&E (NGI)	\$4.0400	\$0.0736	\$4.1136
Core WACOG	\$3.8063	\$0.0736	\$3.8799
<b>Crossover Price at PG&amp;E Citygate (\$/Dth)</b>			<b>\$4.1136</b>

5/4/2010

## Calculation of the G-CPX Crossover Core Procurement Rate

Gas Prices	
	Border Price (\$/Dth)
AECO C	\$3.8425
PG&E Topock (Source NGI)	\$4.0400
Core WACOG	\$3.8063

	<u>\$/Decatherm</u>	<u>\$/Therm</u>	<u>Components</u> <u>\$/Therm</u>	<u>Calculation</u>
<b>G-CPX CROSSOVER CORE PROCUREMENT RATE</b>				
<b>CROSSOVER COMMODITY CHARGE</b>				
Weighted Average Cost of Gas (WACOG)				(a)
WACOG at the Border	\$4.0400			(b)
Intrastate Backbone Volumetric Transport Charge	\$0.736			(c)=(a)+(b)
Total WACOG	4.1136	\$4.1136		
Franchise Fee	0.009596	<i>Changes in GRC</i>		
Uncollectible Fee	0.002555	<i>Changes in GRC</i>		
Subt F & U	0.012151	X WACOG at the Border		(d)=(a)*F&U Factor
WACOG with Franchise and Uncollectible	\$4.1627	\$4.1627	\$4.1627	(e)=(c)+(d)
PGA Adjustment: Core Sales	(\$1.0472)	(\$1.0472)	(\$1.0472)	(f)
PGA Adjustment: Hedging	\$0.0000	\$0.0000	\$0.0000	
Cycled Carrying Cost of Gas in Storage	\$0.0064	\$0.0064	\$0.0064	(g)
Total Core Commodity Charge				
Small Commercial			\$31219	(k)=(e)+(f)+(g)+(h)
Large Commercial			\$31219	(l)=(e)+(f)+(g)+(i)
Natural Gas Vehicle			\$31219	(m)=(e)+(f)+(g)+(j)
<b>CORE FIRM STORAGE COSTS (Including F&amp;U)</b>				
CFSA Adjustment: Core Firm Storage Account	\$0.0000	\$0.0000		(n)
Small Commercial	\$1526	\$01526	\$01526	(o) (r)=(n)+(o)
Large Commercial	\$0939	\$00939	\$00939	(p) (s)=(n)+(p)
Natural Gas Vehicle	\$0775	\$00775	\$00775	(q) (t)=(n)+(q)
<b>INTERSTATE &amp; INTRASTATE CAPACITY CHARGES (Incl. F&amp;U)</b>				
CPDCA Adjustment (Incl. F&U)	\$5192	\$05192		(u)
<b>BC System and NOVA Costs (Incl. F&amp;U)</b>				
Small Commercial	\$2306	\$02306		(h)
Large Commercial	\$1202	\$01202		(i)
Natural Gas Vehicle	\$0647	\$00647		(j)
<b>Interstate Capacity Charges</b>				
Small Commercial	\$4162	\$04162		(v)
Large Commercial	\$2169	\$02169		(w)
Natural Gas Vehicle	\$1167	\$01167		(x)
<b>Intrastate Backbone Capacity Charges</b>				
Small Commercial	\$1805	\$01805	\$13465	(y) (ab)=(u)+(v)+y
Large Commercial	\$0940	\$00940	\$09503	(z) (ac)=(u)+(w)+(z)
Natural Gas Vehicle	\$0506	\$00506	\$07512	(aa) (ad)=(u)+(x)+(aa)
<b>WGSP - PROCUREMENT (Small and Large Comm'l)</b>				
Small Commercial	0.13786	\$01379	\$01379	
Large Commercial	0.07266	\$00727	\$00727	
<b>CORE BROKERAGE FEE</b>				
	\$0320		\$00320	(ae)
<b>SHRINKAGE RATE</b>				
Shrinkage (Incl. F&U)	\$1832	\$01832		(af)
Based on Core Shrinkage: 4.40%		<i>Changes in BCAP</i>		
PGA Adjustment: Core Shrinkage (Incl. F&U)	\$0.0000	\$0.0000		(ag)
Total Shrinkage Rate			\$01832	(ah)=(af)+(ag)
<b>TOTAL G-CPX CORE PROCUREMENT CHARGE</b>				
Small Commercial			\$0.49741	(ai)=(k)+(r)+(ab)+(ae)+(ah)
Large Commercial			\$0.44540	(aj)=(l)+(s)+(ac)+(ae)+(ah)
Natural Gas Vehicle			\$0.41658	(ak)=(m)+(t)+(ad)+(ae)+(ah)

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

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