



Jane K. Yura
Vice President
Regulation and Rates

Pacific Gas and Electric Company
P.O. Box 770000
Mail Code B10B
San Francisco, CA 94177

Fax: 415.973.6520

July 8, 2010

Advice 3128-G-A

(Pacific Gas and Electric Company ID U39G)

Public Utilities Commission of the State of California

Subject: Supplemental Filing: July 1, 2010 Gas Core Procurement Rate Changes

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

Purpose

The purpose of this filing is to modify PG&E's core end-use customer gas rates effective **July 1, 2010**, originally submitted in Advice ("AL") 3128-G¹ on June 24, 2010. This supplemental filing, which supersedes in part AL 3128-G, revises PG&E's gas core transport transportation rates to remove the discount for the "Sempra and Price Indexing Cases Gas Settlements Credit." due to the California Public Utilities Commission's ("CPUC" or "Commission") suspension of AL 3129-G.

Background

On January 21, 2010, the CPUC issued Decision 10-01-024 approving a process to disseminate to natural gas customers refunds that resulted from the settlement of two civil lawsuits, known as "The Sempra Settlement," and "The Price Indexing Cases Settlement." Both of these cases alleged that certain natural gas pipeline and marketing companies manipulated the natural gas market, which contributed to the energy crisis of 2000-2001 and artificially raised natural gas prices for California customers. PG&E was not a defendant in either of these lawsuits.

In total, PG&E's gas customers received \$56.3 million of the Sempra and Price Indexing Cases settlement refund. Approximately \$49 million was refunded to PG&E's core procurement customers (residential and commercial) who buy natural gas from PG&E in the March 2010 core procurement rates (AL 3096-G). Eligible wholesale customers

¹ Preliminary Statement Part B sheets 6 and 7 were included in Advice Letter 3128-G (July's core monthly pricing filing).

and former core subscription customers that are current PG&E noncore customers received a direct refund via checks (approximately \$1 million) in May 2010. As authorized in AL 3098-G, PG&E is refunding to core aggregation customers approximately \$6.3 million through the gas transportation Schedule G-CT beginning July 1, 2010, for approximately six months, as submitted in AL 3129-G.

On July 7, 2010, the Commission suspended AL 3129-G and requested PG&E to stop refunding core transport customers pending further staff review of the advice letter.

Effective Date

In accordance with D.97-10-065 and D.98-07-025, PG&E requests that this advice filing be approved effective **July 1, 2010**.

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 **July 28, 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: ijnj@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:

Jane K. 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

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. Supporting procurement rate workpapers are available upon request to e-mail PGETariffs@pge.com. Address changes to the General Order 96-B service list and electronic approvals should be sent to PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

A handwritten signature in black ink that reads "Jane Yura / lmt". The signature is written in a cursive style.

Vice President – Regulation and Rates

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) #: **3128-G-A**

Tier: 1

Subject of AL: **Supplemental Filing: July 1, 2010 Gas Core Procurement Rate Changes**

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.97-10-065

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

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: 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: _____

Resolution Required? Yes No

Requested effective date: **July 1, 2010**

No. of tariff sheets: 4

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: Preliminary Statement Part B

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: 3128-G

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: Jane K. Yura
Vice President, Regulation and Rates
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 3128-G-A**

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

Title of Sheet

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

28364-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 6	28249-G
28365-G	GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 7	28250-G
28366-G	GAS TABLE OF CONTENTS Sheet 1	28342-G
28367-G	GAS TABLE OF CONTENTS Sheet 4	28345-G



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 6

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

CORE p. 6

	<u>G-CT (CORE TRANSPORT)</u>			
	<u>RESIDENTIAL</u>	<u>RESIDENTIAL</u>	<u>CARE RESIDENTIAL</u>	<u>CARE RESIDENTIAL</u>
	<u>Baseline</u>	<u>Excess</u>	<u>Baseline</u>	<u>Excess</u>
CORE FIXED COST ACCOUNT—DISTRIBUTION COST SUBACCOUNT (1)*	0.33432	0.60053	0.33432	0.60053
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00758	0.00758	0.00758	0.00758
CARE DISCOUNT	0.00000	0.00000	(0.20299) (R)	(0.25624) (R)
LOCAL TRANSMISSION	0.03690	0.03690	0.03690	0.03690
CPUC FEE**	0.00069	0.00069	0.00069	0.00069
EOR	0.00000	0.00000	0.00000	0.00000
CEE INCENTIVE	0.00193	0.00193	0.00193	0.00193
SMARTMETER™ PROJECT – GAS	0.02864	0.02864	0.02864	0.02864
WGSP—TRANSPORTATION	0.03363	0.03363	0.03363	0.03363
SEMPRA AND PRICE INDEXING CASES GAS SETTLEMENTS CREDIT	(X.XXXXX)	(X.XXXXX)	(X.XXXXX)	(X.XXXXX)
TOTAL RATE	0.44369	0.70990	0.24070 (R)	0.45366 (R)

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

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

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 7

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

CORE p. 7

	<u>G-CT (CORE TRANSPORT)</u>		
	<u>RESIDENTIAL – NGV</u>		
	<u>G1-NGV</u>	<u>GL1-NGV</u>	
CORE FIXED COST ACCOUNT— DISTRIBUTION COST SUBACCOUNT (1)*	0.13261	0.13261	
CORE FIXED COST ACCOUNT—CORE COST SUBACCOUNT	0.00758	0.00758	
CARE DISCOUNT	0.00000	(0.14713)	(R)
LOCAL TRANSMISSION	0.03690	0.03690	
CPUC FEE**	0.00069	0.00069	
EOR	0.00000	0.00000	
CEE INCENTIVE	0.00193	0.00193	
SMARTMETER™ PROJECT – GAS	0.02864	0.02864	
WGSP—TRANSPORTATION	0.03363	0.03363	
SEMPRA AND PRICE INDEXING CASES GAS SETTLEMENTS CREDIT	(X.XXXXXX)	(X.XXXXXX)	
TOTAL RATE	0.24198	0.09485	(R)

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

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

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Advice Letter No: 3128-G-A
 Decision No. 97-10-065

Issued by
Jane K. Yura
 Vice President
 Regulation and Rates

Date Filed July 8, 2010
 Effective _____
 Resolution No. _____



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Sheet 4

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

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