

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



November 12, 2010

Advice Letter 3156-G

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, CA 94177

**Subject: Schedule G-CPX – Crossover Gas Procurement Service to
Core End-Use Customers for Rates Effective 10/10/2010**

Dear Ms. Yura:

Advice Letter 3156-G is effective October 10, 2010.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



October 8, 2010

Advice 3156-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 October 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 **October 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.¹

For the period from **October 10, 2010, through November 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)	\$0.54533
Large Commercial Customers (Schedule G-NR2)	\$0.47204
Natural Gas Vehicle Customers (Schedule G-NGV1)	\$0.46959

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 **October 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: 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:

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 **October 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 Process_Office@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 "Jane Yura /ent".

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) #: **3156-G**

Tier: 1

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

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: **October 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: 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: Jane 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 3156-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
28556-G	GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1	28506-G
28557-G	GAS TABLE OF CONTENTS Sheet 1	28542-G
28558-G	GAS TABLE OF CONTENTS Sheet 2	28543-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)	\$0.54533 (I)
Large Commercial Crossover Charge: (G-NR2)	\$0.47204 (I)
Natural Gas Vehicle Crossover Charge: (G-NGV1)	\$0.46959 (I)

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.



Pacific Gas and Electric Company
San Francisco, California
U 39

Revised
Cancelling Revised

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

28557-G
28542-G

GAS TABLE OF CONTENTS

Sheet 1

TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Title Page	28557-G	(T)
Rate Schedules	28558,28544-G	(T)
Preliminary Statements.....	28545,28465-G	
Rules	28564-G	
Maps, Contracts and Deviations.....	23208-G	
Sample Forms	27715,28300,27262,28314,28503-G	

(Continued)

Advice Letter No: 3156-G
Decision No. 03-12-008

Issued by
Jane K. Yura
Vice President
Regulation and Rates

Date Filed October 8, 2010
Effective October 10, 2010
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	28527,23487-G
G1-NGV	Residential Natural Gas Service for Compression on Customers' Premises	28533,23734-G
G-CS	ClimateSmart	28009-G
GM	Master-Metered Multifamily Service	28536,26892,23019-G
GS	Multifamily Service	28538,26894,23215-G
GT	Mobilehome Park Service	28540,26896,26568-G
G-10	Service to Company Employees	11318-G
GL-1	Residential CARE Program Service	28534,26898-G
GL1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises	28535,23740-G
GML	Master-Metered Multifamily CARE Program Service	28537,26901,23027-G
GSL	Multifamily CARE Program Service	28539,28448,23216-G
GTL	Mobilehome Park CARE Program Service	28541,28450,23502,26569-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge	22034-G
Rate Schedules Non-Residential		
G-NR1	Gas Service to Small Commercial Customers	28531,23035-G
G-NR2	Gas Service to Large Commercial Customers	28532,23037-G
G-CP	Gas Procurement Service to Core End-Use Customers	28528-G
G-CPX	Crossover Gas Procurement Service To Core End-Use Customers	28556-G
G-NT	Gas Transportation Service to Noncore End-Use Customers	24583,28416,22037,22038-G
G-EG	Gas Transportation Service to Electric Generation	28417,27879,25038,25039-G
G-ESISP	Exchange Service Through ISP Facilities	24364,24365-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers	29418,26781,22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers	24456,24457, 22135,22047-22048,24458-24460,26610,24461,20042,24462,24463,27708-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)

Crossover Rate Calculation

Oct-10

AECO Net Forward Calculation (\$/Dth)

Oct-10

Combined GTN/Foothills fuel rate	0.9769
Foothills Fuel	1.10%
GTN Fuel	1.22%
AECO Monthly Index (C\$/GJ, source CGPR)	3.3770
Exchange Rate (US\$/C\$)	0.9790
AECO "C" monthly commodity index (US\$/Dth)	\$ 3.488
Foothills + GTN combined in-kind fuel rate	0.023
Foothills + GTN in-kind fuel charge	0.083
Foothills volumetric rate	0.0000
GTN volumetric rate	0.0117
AECO "C" Net Forward Price (14+16+17+18)	\$3.5825

<u>Gas Price Index</u>	<u>Price, CA Border</u>	<u>Intrastate Transport</u>	<u>Total</u>
AECO (CGPR)	\$3.5825	\$0.0523	\$3.6348
Southern Border-PG&E (NGI)	\$3.7800	\$0.0523	\$3.8323
Core WACOG	\$3.5983	\$0.0523	\$3.6506
Crossover Price at PG&E Citygate (\$/Dth)			\$3.8323

10/1/2010

Effective: 10/10/2010

Advice Letter No. 3156-G

Calculation of the G-CPX Crossover Core Procurement Rate

Gas Prices	
	Border Price (\$/Dth)
AECO C	\$3.5825
PG&E Topock (Source NGI)	\$3.7800
Core WACOG	\$3.5983

G-CPX CROSSOVER CORE PROCUREMENT RATE		\$/Decatherm	\$/Therm	Components \$/Therm	Calculation
CROSSOVER COMMODITY CHARGE					
Weighed Average Cost of Gas (WACOG)					
WACOG at the Border		\$3.7800			(a)
Intrastate Backbone Volumetric Transport Charge		\$0.523			(b)
Total WACOG		3.8323	\$3.8323		(c)=(a)+(b)
Franchise Fee		0.009596	Changes in GRC		
Uncollectible Fee		0.002555	Changes in GRC		
Subt F & U		0.012151	X WACOG at the Border	\$0.459	(d)=(a)*F&U Factor
WACOG with Franchise and Uncollectible		\$3.8782	\$3.8782		(e)=(c)+(d)
PGA Adjustment: Core Sales		\$0.0000	\$0.0000		(f)
PGA Adjustment: Hedging		\$0.0429	\$0.00429		
Cycled Carrying Cost of Gas in Storage		\$0.0081	\$0.00081		(g)
Total Core Commodity Charge					
Small Commercial				\$3.9292	(k)=(e)+(f)+(g)+(h)
Large Commercial				\$3.9292	(l)=(e)+(f)+(g)+(i)
Natural Gas Vehicle				\$3.9292	(m)=(e)+(f)+(g)+(j)
CORE FIRM STORAGE COSTS (Including F&U)					
CFSA Adjustment: Core Firm Storage Account		\$0.0000	\$0.00000		(n)
Small Commercial		\$1.790	\$0.01790	\$0.01790	(o) (r)=(n)+(a)
Large Commercial		\$0.0819	\$0.00819	\$0.00819	(p) (s)=(n)+(p)
Natural Gas Vehicle		\$0.0898	\$0.00898	\$0.00898	(q) (t)=(n)+(q)
INTERSTATE & INTRASTATE CAPACITY CHARGES (Incl. F&U)					
CPDCA Adjustment (Incl. F&U)		\$0.0000	\$0.00000		(u)
BC System and NOVA Costs (Incl. F&U)					
Small Commercial		\$0.2721	\$0.02721		(h)
Large Commercial		\$0.1152	\$0.01152		(i)
Natural Gas Vehicle		\$0.1304	\$0.01304		(j)
Interstate Capacity Charges					
Small Commercial		\$0.4966	\$0.04966		(v)
Large Commercial		\$0.2101	\$0.02101		(w)
Natural Gas Vehicle		\$0.2379	\$0.02379		(x)
Intrastate Backbone Capacity Charges					
Small Commercial		\$0.2210	\$0.02210	\$0.09897	(y) (ab)=(u)+(v)+y
Large Commercial		\$0.0935	\$0.00935	\$0.04188	(z) (ac)=(u)+(w)+(z)
Natural Gas Vehicle		\$0.1059	\$0.01059	\$0.04742	(aa) (ad)=(u)+(x)+(aa)
WGSP - PROCUREMENT (Small and Large Comm'l)					
Small Commercial		0.15270	\$0.01527	\$0.01527	
Large Commercial		0.08780	\$0.00878	\$0.00878	
CORE BROKERAGE FEE		\$0.0320		\$0.00320	(ae)
SHRINKAGE RATE					
Shrinkage (Incl. F&U)		\$0.1707	\$0.01707		(af)
Based on Core Shrinkage: 4.40%					
Changes in BCAP					
PGA Adjustment: Core Shrinkage (Incl. F&U)		\$0.0000	\$0.00000		(ag)
Total Shrinkage Rate				\$0.01707	(ah)=(af)+(ag)
TOTAL G-CPX CORE PROCUREMENT CHARGE					
Small Commercial				\$0.54533	(ai)=(k)+(r)+(ab)+(ae)+(ah)
Large Commercial				\$0.47204	(aj)=(l)+(s)+(ac)+(ae)+(ah)
Natural Gas Vehicle				\$0.46959	(ak)=(m)+(t)+(ad)+(ae)+(ah)

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

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