

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 19, 2012

Advice Letter 3303-G

Brian K. Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

**Subject: Revisions to PG&E Gas Preliminary Statement Part L –
Balancing Charge Account**

Dear Mr. Cherry:

Advice Letter 3303-G is effective July 1, 2012.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director
Energy Division



May 25, 2012

Advice 3303-G

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject: Revision to PG&E Gas Preliminary Statement Part L – Balancing Charge Account

Pacific Gas and Electric Company (“PG&E”) hereby submits for filing a revision to gas tariff Preliminary Statement Part L – Balancing Charge Account. The affected tariff sheet is listed on the enclosed Attachment 1.

Purpose

The purpose of the Gas Preliminary Statement Part L - Balancing Charge Account (BCA) is to record the revenues and costs associated with providing balancing service, including penalties and credits, as described in Schedule G-BAL, Rule 14, or as otherwise authorized by the CPUC. Under Schedule G-BAL, customers may elect to self-balance¹ on PG&E’s system. In addition, noncore customers and California gas producers may use PG&E Gas Schedule G-ESISP² to obtain PG&E service through the storage facilities owned by an Independent Storage Provider (ISP). The service is through an exchange of gas with the ISP.³ For noncore customers using Schedule G-ESISP, a credit is provided equal to the Self Balancing Credit specified in Schedule G-BAL (since the balancing service is provided by an ISP). The credit is currently equal to \$0.0131 per Decatherm multiplied by the actual recorded monthly usage.

In this advice filing, PG&E is proposing to revise Gas Preliminary Statement Part L - Balancing Charge Account in order to account for the costs associated with customer use of Gas Schedule G-ESISP and G-BAL. Currently PG&E’s tariffs are silent on the treatment of the self-balancing credit. PG&E believes the BCA is the

¹ The Self Balancing option in G-BAL was implemented as part of Comprehensive Gas Oil Settlement Agreement, approved by the CPUC in D.00-05-049. To date, no customer has elected the Self Balancing option.

² In D.06-09-039, CPUC approved the Independent Storage Provider Interconnections Settlement Agreement as part of R.04-01-025.

³ To date, no customer has used Schedule G-ESISP; however, PG&E is currently planning to provide service to an end-use customer under the schedule by July 1, 2012.

appropriate account to record the self-balancing credit. The purpose of the BCA is to account for various costs and revenues associated with balancing services including any credits provided.

Tariff Revisions

PG&E is updating Sheet 1, Section 6, of Gas Preliminary Statement Part L – Balancing Charge Account to add a debit entry equal to the Self-Balancing Credit as described in Schedule G-BAL and Schedule G-ESISP.

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 **June 14, 2012**, which is 20 days from 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: EDTariffUnit@cpuc.ca.gov

Copies 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, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

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

Effective Date

PG&E requests that this Tier 2 advice filing, upon Energy Division approval, become effective **July 1, 2012**.

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 service list for A.09-09-013 and R.04-01-025. Address changes to the General Order 96-B service list and all electronic approvals 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. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs/>.

Handwritten signature of Brian Cherry / IG in cursive script.

Vice President – Regulation and Rates

cc: Service List A.09-09-013 and R.04-01-025

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 G)**

Utility type: Gas Crossover

ELC GAS

PLC HEAT WATER

Contact Person: Igor Grinberg

Phone #: (415) 973-8580

E-mail: ixg8@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) #: **3303-G**

Tier: **2**

Subject of AL: **Revision to PG&E Gas Preliminary Statement Part L – Balancing Charge Account**

Keywords (choose from CPUC listing): Balancing Account, Non-Core, Storage

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: _____

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 AL: _____

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: **July 1, 2012**

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: Gas Preliminary Statement Part L – Balancing Charge Account

Service affected and changes proposed: **Revision to PG&E Gas Preliminary Statement Part L – Balancing Charge Account**

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

E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian Cherry

Vice President, Regulation and Rates

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 3303-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
29768-G	GAS PRELIMINARY STATEMENT PART L BALANCING CHARGE ACCOUNT Sheet 1	23273-G
29769-G	GAS PRELIMINARY STATEMENT PART L BALANCING CHARGE ACCOUNT Sheet 2	23274-G
29770-G	GAS TABLE OF CONTENTS Sheet 1	29708-G
29771-G	GAS TABLE OF CONTENTS Sheet 4	29657-G



**GAS PRELIMINARY STATEMENT PART L
 BALANCING CHARGE ACCOUNT**

Sheet 1

L. BALANCING CHARGE ACCOUNT (BCA)

1. **PURPOSE:** The purpose of the BCA is to record the revenue and cost associated with providing balancing service, including penalties and credits, as described in Schedule G-BAL, Rule 14, or as otherwise authorized by the CPUC. The balance in this account will be incorporated into core and noncore transportation rates as determined in PG&E's Biennial Cost Allocation Proceeding Decision 01-11-001.

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1.

2. **APPLICABILITY:** The BCA balance applies to all gas rate schedules and contracts subject to the jurisdiction of the CPUC, except for those schedules and contracts specifically excluded by the CPUC.

3. **REVISION DATE:** Disposition of the balance in this account shall be determined in the Annual Gas True-up of Balancing Accounts advice filling, or as otherwise authorized by the Commission.

4. **FORECAST PERIOD:** The forecast test period will be as specified in the Cost Allocation Proceeding.

5. **BCA RATES:** This account does not currently have a rate component.

6. **ACCOUNTING PROCEDURE:** PG&E shall maintain the BCA by making entries as follows:

- a. a debit entry equal to the cost of gas purchased under Schedule G-BAL as a result of over-deliveries;
- b. a debit entry equal to the cost of gas purchased under a California Production Balancing Agreement (CPBA) as a result of overdeliveries;
- c. a debit entry equal to the cost of gas purchased by the transmission system to provide balancing service;
- d. a debit entry equal to the involuntary diversion credits to suppliers;
- e. a debit entry equal to the Self Balancing Credit as described in Schedule G-BAL and Schedule G-ESISP; (N)
(N)
- f. a credit entry equal to revenues from the sale of gas commodity as a result of under-deliveries under Schedule G-BAL during the month, excluding the allowance for Franchise Fees and Uncollectible Accounts Expense (F&U); (T)
- g. a credit entry equal to the revenue from the sale of gas commodity as a result of underdeliveries under a CPBA, excluding the allowances for F&U; (T)

(Continued)



GAS PRELIMINARY STATEMENT PART L
BALANCING CHARGE ACCOUNT

Sheet 2

L. BALANCING CHARGE ACCOUNT (BCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

- h. a credit entry equal to EFO and OFO noncompliance charges, excluding the allowance for F&U, as described in Gas Rule 14; (T)
- i. a credit entry equal to Self-Balancing noncompliance charges, as described in Schedule G-BAL; (T)
- j. a credit entry equal to the involuntary diversion usage charges excluding the allowance for F&U; (T)
- k. a credit entry equal to local curtailment noncompliance charges, excluding the allowance for F&U, as described in Gas Rule 14; (T)
- l. a debit or credit entry, as appropriate, to transfer to another regulatory account for rate recovery, upon approval by the Commission; and (T)
- l. an entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the entries L.6.a through L.6.k, above, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (T)



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Sheet 1

TITLE OF SHEET	CAL P.U.C. SHEET NO.	
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Rules	29577-G	
Maps, Contracts and Deviations.....	29288-G	
Sample Forms	29289, 28995, 27262, 28662, 29290*, 28503-G	

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Sheet 4

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
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Part B	Default Tariff Rate Components	29632-29638, 29588, 29589, 29590, 23229,29448-29455,29620, 29342,29036-G
Part C	Gas Accounting Terms and Definitions	28876, 29457-29459-G 28880-28883,28110,28884,28885,23351,29141-G
Part D	Purchased Gas Account.....	27761,25095,25096,27762-G
Part F	Core Fixed Cost Account.....	27763,24623,28886-G
Part J	Noncore Customer Class Charge Account.....	28552, 28887, 25108-25109-G
Part L	Balancing Charge Account	29768-29769-G (T)
Part O	CPUC Reimbursement Fee	29460-G
Part P	Income Tax Component of Contributions Provision.....	28729,13501-G
Part Q	Affiliate Transfer Fees Account	23275-G
Part S	Interest	12773-G
Part T	Tax Reform Act of 1986.....	12775-G
Part U	Core Brokerage Fee Balancing Account	23276-G
Part V	California Alternate Rates For Energy Account	23358,28778-G
Part X	Liquefied Natural Gas Balancing Account	27454-G
Part Y	Customer Energy Efficiency Adjustment.....	28301,28302,28663,28664-G

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

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