

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 31, 2012

Advice Letter 3315-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: Report on the Adequacy of PG&E Company's Backbone
Transmission Capacity Holdings and Capacity Utilization
in Compliance with D.06-09-039**

Dear Mr. Cherry:

Advice Letter 3315-G is effective August 1, 2012.

Sincerely,

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

Edward F. Randolph, Director
Energy Division

July 2, 2012

Advice 3315-G

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

**Subject: Report on the Adequacy of Pacific Gas and Electric Company's
Backbone Transmission Capacity Holdings and Capacity
Utilization in Compliance With Decision 06-09-039**

Pacific Gas and Electric Company ("PG&E") hereby submits for filing a compliance report on the adequacy of PG&E's backbone transmission capacity holdings and slack capacity consistent with PG&E's proposals in Phase II of the Gas Capacity OIR, Decision ("D.") 06-09-039.

Purpose

The purpose of this advice letter and the attached report is to comply with Ordering Paragraph 3 in D.06-09-039 and to provide the California Public Utilities Commission ("Commission") with an update on PG&E's backbone transmission capacity utilization outlook. Ordering Paragraph 3 states:

3. The Pacific Gas and Electric Company and the Southern California Gas Company shall demonstrate in biennial advice letter filings to the Commission's Energy Division starting in 2008 that they hold adequate backbone transmission capacity and have slack capacity consistent with their proposals presented herein. The first filing is due July 1, 2008.

Background

In 2004, the Commission issued Rulemaking R.04-01-025 to investigate the adequacy of natural gas supplies and infrastructure to meet the long-term needs of the gas consumers in California. In D.06-09-039, the Commission determined that it was "comfortable with the total amount of firm backbone transmission capacity on both the PG&E and SoCal Gas systems."¹ To ensure that the utilities monitor the adequacy of

¹ D.06-09-039, Finding of Fact 12.

their backbone capacity, the Commission required that the utility make biennial advice letter filings, starting in 2008, to demonstrate that they have adequate backbone capacity consistent with the showings made in Rulemaking 04-01-025. This advice letter is the third biennial filing.

Summary of Report

Based on the information contained in the attached report, PG&E has adequate backbone transmission capacity to ensure that both current and forecast demand can be met based on the criteria adopted in D.06-09-039 through 2022.²

The adequacy of PG&E's backbone transmission capacity holdings to serve core and electric customers has historically been addressed in the Gas Accord and Long-Term Procurement Plan or Bundled Procurement Plan proceedings. PG&E believes that these are the appropriate forums in which to address this issue and, therefore, will limit comments in both the advice letter and the report to addressing the adequacy of system capacity relative to current and forecast demand.

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 **July 23, 2012**, which is 21 days after the date of this filing.³ 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 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:

² In order to address the adequacy of PG&E's infrastructure to meet current and future demand, PG&E uses the demand forecasts based on the 2012 California Gas Report.

³ July 22, 2012 falls on a Sunday, therefore the protest period has been extended to 21 days.

Brian K. Cherry
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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 become effective on regular notice, **August 1, 2012**, which is 30 calendar days after the date of filing.

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 service list for R.04-01-025. 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>.



Vice President – Regulatory Relations

cc: Service List R.04-01-025

Attachments:

Attachment 1, Compliance Report on the Adequacy of Pacific Gas and Electric Company's Backbone Transmission Capacity Holdings and Capacity Utilization

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:

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) #: **3315-G**

Tier: **2**

Subject of AL: **Report on the Adequacy of Pacific Gas and Electric Company's Backbone Transmission Capacity Holdings and Capacity Utilization in Compliance With Decision 06-09-039**

Keywords (choose from CPUC listing): Compliance and Capacity

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.06-09-039

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: **August 1, 2012**

No. of tariff sheets: 0

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:

Service affected and changes proposed:

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, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

Attachment 1:
Compliance Report on the Adequacy of Pacific Gas and
Electric Company's Backbone Transmission Capacity
Holdings and Capacity Utilization

PACIFIC GAS AND ELECTRIC COMPANY

**COMPLIANCE REPORT ON THE ADEQUACY OF PACIFIC GAS
AND ELECTRIC COMPANY'S BACKBONE TRANSMISSION
CAPACITY HOLDINGS AND CAPACITY UTILIZATION**

SUBMITTED JULY 2, 2012



PACIFIC GAS AND ELECTRIC COMPANY
ADEQUACY OF BACKBONE TRANSMISSION CAPACITY HOLDINGS AND
CAPACITY UTILIZATION

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1 **PACIFIC GAS AND ELECTRIC COMPANY**
2 **ADEQUACY OF BACKBONE TRANSMISSION CAPACITY**
3 **HOLDINGS AND CAPACITY UTILIZATION**

4 **A. Introduction**

5 In Decision 06-09-039, the California Public Utilities Commission
6 (Commission) adopted a natural gas transportation backbone capacity utilization
7 guideline for Pacific Gas and Electric Company (PG&E) and Southern California
8 Gas Company (SoCal Gas). This guideline states that if utilization of intrastate
9 backbone transmission capacity exceeds 80-90 percent on a forecast basis, an
10 expansion of capacity may be needed. This guideline is set as a range in order
11 to provide the utilities with flexibility to manage how and when to make new
12 infrastructure investments.

13 Decision 06-09-039 required that “the Pacific Gas and Electric Company
14 and the Southern California Gas Company shall demonstrate in biennial advice
15 letter filings to the Commission’s Energy Division starting 2008 that they hold
16 adequate backbone transmission capacity and have slack capacity consistent
17 with their proposals presented herein. The first filing is due July 1, 2008.”¹

18 In compliance with the Commission’s direction, this filing updates the
19 analysis PG&E made in Phase II of Gas Capacity OIR (R.04-01-025) and in the
20 previous compliance filings. This updated assessment contains PG&E’s
21 analysis of backbone transmission capacity covering the period 2013-2022.

22 **B. Adequacy of PG&E’s Backbone Transmission Capacity**
23 **Holdings**

24 Since 1996, PG&E’s intrastate backbone transmission capacity holdings to
25 serve core customers have been determined through PG&E’s Gas Transmission
26 and Storage Rate Case Applications, hereafter referred to as PG&E’s Gas
27 Accord. The Gas Accord has provided stability in gas transmission and storage
28 services, while providing, among other things, the opportunity for all participating
29 parties to evaluate and update PG&E’s core backbone transmission and storage
30 holdings. PG&E is also compliant with the Commission’s Opinion Regarding the
31 Proposal for Incremental Core Gas Storage, which adopted PG&E’s core

1 See D.06-09-039 at p. 26.

1 planning standard of a 1-day-in-10-year peak day and authorized acquisition of
2 incremental storage capacity, firm intrastate and interstate pipeline capacity,
3 and/or firm peaking supply arrangements to meet the standard.² PG&E
4 successfully acquired incremental storage capacity to meet the standard
5 through the 2012-2013 winter periods and will evaluate alternatives for
6 subsequent winter periods.

7 For bundled electric customers, PG&E arranges intrastate backbone
8 transmission capacity according to its Electric Portfolio Gas Supply Plan (GSP).
9 This GSP was approved in PG&E's Bundled Procurement Plan (BPP) by the
10 Commission in Decision (D.) 12-01-033 on January 12, 2012.³ In
11 Rulemaking 08-02-007, the Commission consolidated "the vast body of
12 procurement-related policies and procedures into one, single, comprehensive,
13 and authoritative document—the 2006 Long-Term Procurement Plans."
14 PG&E's Bundled Procurement Plan supersedes all previous long-term
15 procurement plans.

16 PG&E believes that the Gas Accord rate proceedings and the Bundled
17 Procurement Plan are the appropriate forums in which to address the adequacy
18 of PG&E's intrastate contractual holdings for the core and bundled electric
19 portfolios, respectively.

20 **C. Backbone Capacity Utilization**

21 Available capacity provides significant value to customers even in years
22 without outages, supply disruptions or increased demand. Additional pipeline
23 capacity allows the market flexibility to move purchases between receipt points,
24 which results in more gas-on-gas competition at the PG&E Citygate. Additional
25 pipeline capacity, when combined with storage, also provides significant
26 flexibility for customers to time their gas purchases throughout the year.

27 PG&E's California Gas Transmission reduced pressure on its pipeline as
28 part of the process of ensuring safe and reliable operation of its natural gas
29 transmission system. Pressure reductions were taken on the Baja Path in May
30 2011, July 2011, and September 2011, which lowered available capacity on the
31 pipeline through 2011. Redwood Path capacity was lowered by a pressure

2 See D. 06-07-010, Ordering Paragraph 1, at p. 36.

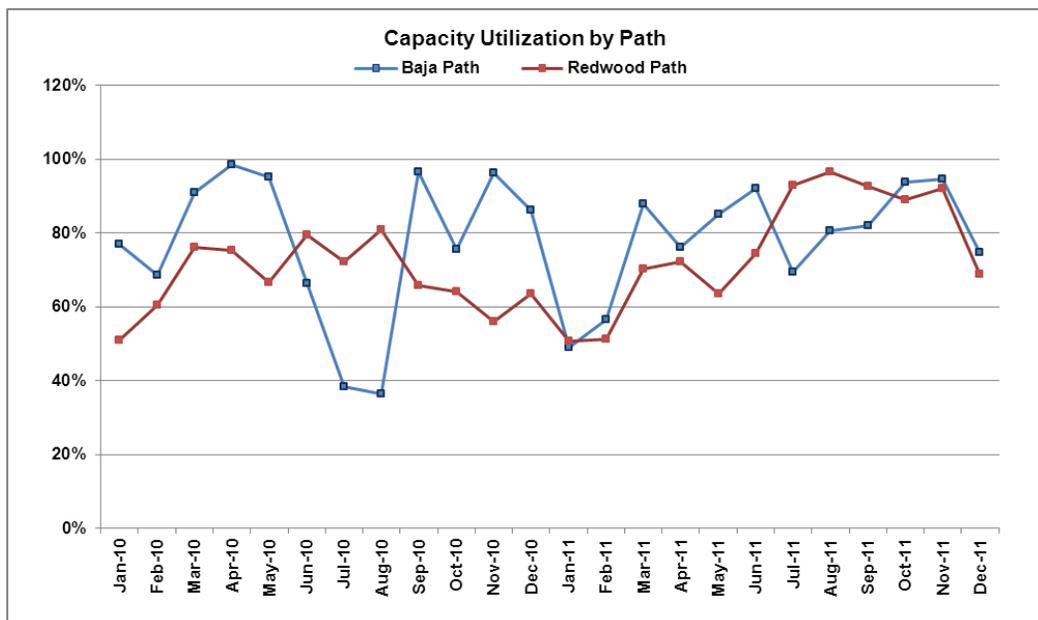
3 PG&E filed its Conformed BPP in Advice Letter 4026-E on April 11, 2012.

1 reduction in July 2011. System-wide Operational Flow Orders (OFOs) with
 2 simultaneous high and low inventory tolerance bands also began in July 2011.
 3 The simultaneous High/Low OFO tolerance bands were widened from +/-10% to
 4 +/-15% in August 2011. Effective December 1, 2011, the need to impose
 5 simultaneous High/Low OFOs ended because pressure was restored on several
 6 critical backbone segments, which increased the pipeline inventory available to
 7 absorb daily fluctuations in supply and demand.

8 In Figure 1, the data shows that the Baja Path had fairly high utilization
 9 during the time with the capacity reduction but that the seasonal swings on Baja
 10 were smaller in 2011 compared to 2010. Figure 2 shows the reduced Baja Path
 11 capacity in 2011 and the resulting flow reductions. Ruby Pipeline went into
 12 service in July 2011 and both Figure 1 and Figure 2 show the trend of increased
 13 utilization on the Redwood Path in 2011 as shippers brought gas from the
 14 Rockies to California on the Ruby and PG&E pipelines.

15 Increased maintenance work on both paths in 2011 added periodic
 16 constraints to the available capacity.

**FIGURE 1
 PACIFIC GAS AND ELECTRIC COMPANY
 CAPACITY UTILIZATION BY PATH**



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**FIGURE 2
PACIFIC GAS AND ELECTRIC COMPANY
CAPACITY AND FLOW BY PATH**

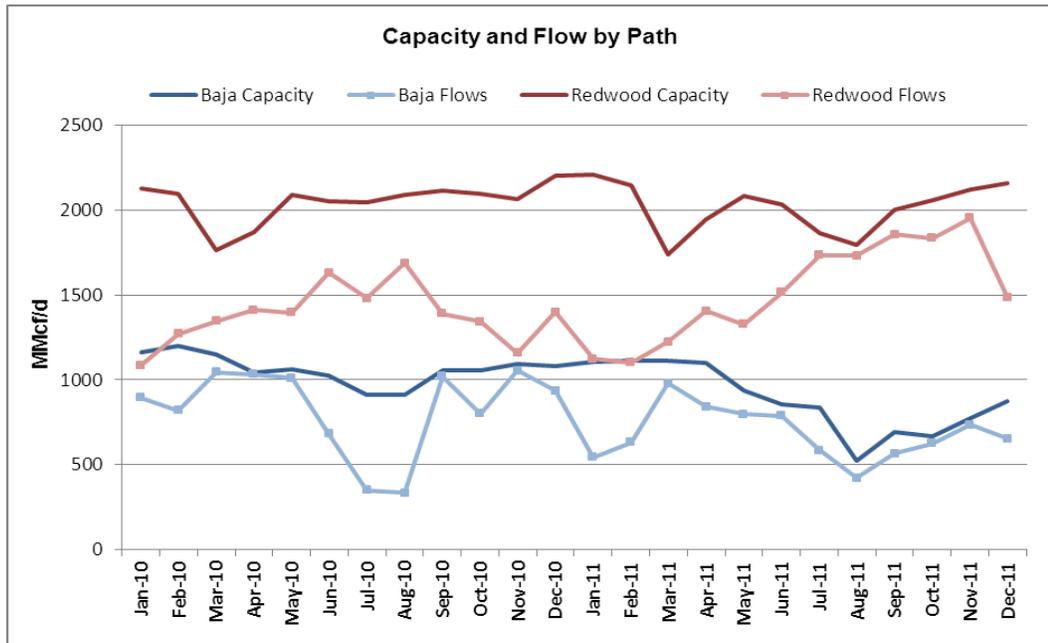
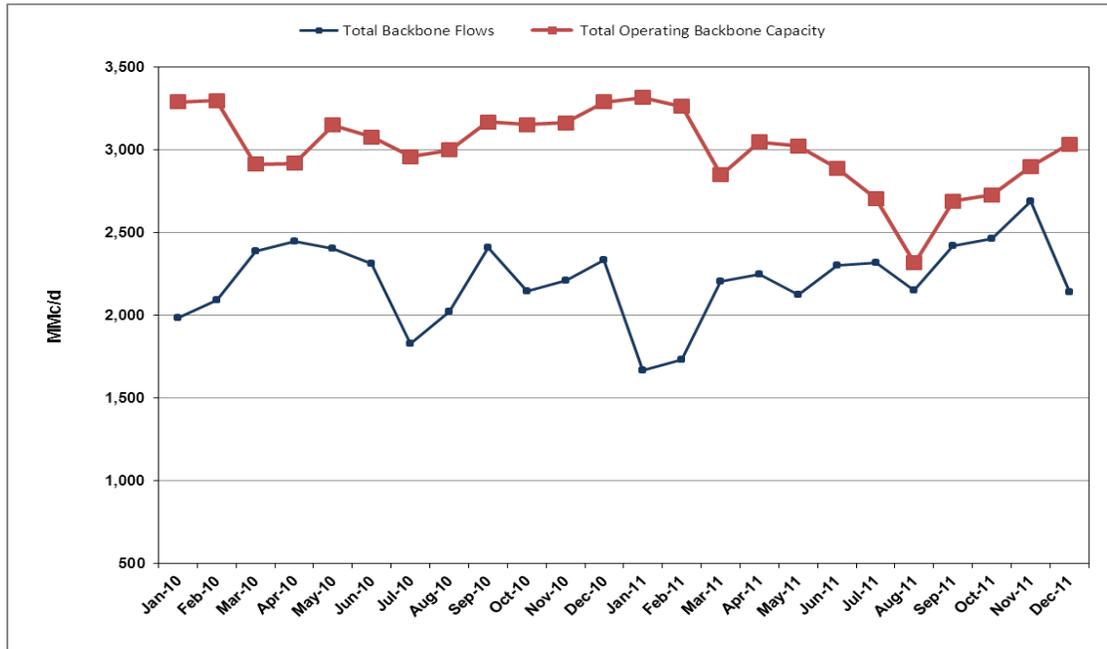


Figure 3 shows the average total backbone throughput by month compared to total operating backbone capacity. Combined path throughput of the Redwood and Baja paths in 2010 and 2011 was similar to recent historical levels indicating that PG&E’s pipeline combined capacity continued to meet demand. Slack operating backbone capacity was limited from July 2011 through November 2011 due to the backbone pressure reductions discussed above.

**FIGURE 3
PACIFIC GAS AND ELECTRIC COMPANY
TOTAL BACKBONE FLOWS AND TOTAL OPERATING BACKBONE CAPACITY**



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Sufficient backbone capacity ensures that the marginal supply source at the California border is available to compete against any other supply source that might attempt to charge a commodity price higher than the otherwise available marginal supply. A margin of capacity also facilitates the injection of gas into storage. That storage injection comes in addition to end-use demand for gas on the backbone system, resulting in high pipeline utilization at certain times of the year. The recent addition of new storage capacity in Northern California increases the pipeline capacity needs if that storage is to be fully cycled.

The market takes advantage of the extra backbone capacity to time the injection and withdrawal of gas to and from the storage fields. Gas is typically bought for injection at times when its current price is lower than its future value, when it will be withdrawn. Without the additional backbone capacity on PG&E’s system, customers would be constrained significantly in their ability to time the injection of gas into these storage fields. The price of natural gas can vary substantially from month-to-month and the lowest prices are usually seen in the spring and fall months. It is important to maintain sufficient backbone capacity in order for the market to make large injections in months when natural gas prices are low.

1 With the reduced pipeline capacity in 201, that margin began to shrink
2 causing the PG&E Citygate price to increase during the injection season. The
3 price increase was most noticeable in the day-ahead cash market and the
4 prompt forward month. Those prices were often greater than the next month's
5 price which delayed injections until late in the season. The late injection demand
6 and the pipeline capacity reductions resulted in pipeline utilizations greater than
7 80% during August through November.

8 At the same time the supply was hindered by reduced pipeline capacity,
9 Northern California experienced an increase in injection season demand by the
10 addition of 31 Bcf of storage capacity. These two factors lead to higher pipeline
11 utilization than was experienced in previous years.
12

13 **D. Demand Forecasts**

14 In order to address the adequacy of PG&E's infrastructure to meet current
15 and future demand, PG&E uses the demand forecasts based on the 2012
16 California Gas Report (CGR), which was produced on June 29, 2012. The CGR
17 provides a comprehensive, long-term outlook for natural gas requirements for
18 both core and non-core markets. Evaluating PG&E's infrastructure using the
19 CGR forecasts provides a valid assessment of the adequacy of PG&E's
20 infrastructure to meet current and future demand through 2022.

21 The off-system demand forecast in the 2012 CGR is higher than what is
22 used in this analysis because the CGR off-system forecast included an outlook
23 of short-term arrangements paying less than the full-tariff rate. In the analysis
24 included in this report, PG&E used an off-system forecast based on the current
25 volumes under long-term, full-price contracts. Short-term off-system contracts
26 are excluded from this analysis because PG&E would not increase backbone
27 capacity to serve the off-system market except for customers paying the full tariff
28 rate under a long-term contract, such as PG&E's G-XF customers. This is
29 consistent with the approach that PG&E used in its Phase II testimony in the Gas
30 Capacity OIR (R. 04-01-025).

31 PG&E developed the 1-in-10 Cold and Dry Forecast using the same
32 "Weather Vintage" methodology described in PG&E's analysis of backbone
33 capacity adequacy in Phase II of R.04-01-025. This same methodology was also
34 used in the CGR for the adverse year forecasts, although PG&E's adverse year

1 forecast in that report represents a 1-in-35-year Cold and Dry forecast and not a
2 1-in-10-year event.

3 The “Weather Vintage” forecast approach was used because of the need to
4 develop a representative year with both Cold and Dry conditions. Cold and Dry
5 conditions are not closely correlated, making it difficult to estimate the probability
6 of weather that is simultaneously a 1-in-10-year cold year and a 1-in-10-year dry
7 year. Adding the results of a 1-in-10-year cold scenario for core demand to a
8 1-in-10-year dry scenario for Electric Generation (EG) demand would produce an
9 unrealistically high forecast of natural gas demand in PG&E’s service area, and
10 the combined scenario is much less likely to occur than a 1-in-10-year event.
11 Using the Weather Vintage approach to developing the core and EG forecasts
12 allows for a better measure of the effect on demand from simultaneous Cold and
13 Dry conditions.

14 **E. Adequacy of PG&E’s Backbone Transmission Capacity**

15 Table 1 delineates the inputs used for transmission capacities of the PG&E
16 backbone system. Table 2 compares the amount of backbone capacity to
17 forecast demand on the PG&E system between 2013 and 2022. Based on this
18 demand forecast, PG&E expects to have an annual capacity utilization rate less
19 than 80 percent through 2022, well within the utilization criteria established in
20 Decision 06-09-039. While there is uncertainty in this longer-term forecast, there
21 is also lead-time for system enhancements to meet longer-term growth as it
22 develops, should the forecast of system use change over time.

**TABLE 1
PACIFIC GAS AND ELECTRIC COMPANY
TRANSMISSION CAPACITY INPUTS**

<u>Line No.</u>	<u>Transmission Path</u>	<u>Firm Receipt Capacity (MMcf/d)</u>
1	Silverado Path	100
2	Baja Path	1,009
3	Redwood Path	1,989
4	Total	3,098

**TABLE 2
PACIFIC GAS AND ELECTRIC COMPANY
PG&E BACKBONE CAPACITY UTILIZATION 2013-2022**

Line No.	Year	Average Demand (MMcf/d)	1-in-10 Cold and Dry Year Demand (MMcf/d)	Backbone Receipt Capacity (MMcf/d)	Capacity Utilization Cold and Dry Year Demand
1	2013	2,132	2,266	3,098	73%
2	2014	2,113	2,230	3,098	72%
3	2015	2,097	2,232	3,098	72%
4	2016	2,114	2,265	3,098	73%
5	2017	2,128	2,287	3,098	74%
6	2018	2,131	2,289	3,098	74%
7	2019	2,138	2,303	3,098	74%
8	2020	2,139	2,309	3,098	75%
9	2021	2,148	2,315	3,098	75%
10	2022	2,146	2,316	3,098	75%

1 The capacity utilization of PG&E’s backbone system through 2022 is
2 estimated to grow at less than one percent per year, which should allow for
3 sufficient storage injections over this period. As previously stated, there has
4 been 31 Bcf of new storage capacity constructed in the last two years. Central
5 Valley Storage Gas project will add 9 Bcf in 2012 and another 2 Bcf by the end
6 of 2014. The Sacramento Natural Gas Storage project (8 Bcf inventory) is in the
7 planning process. The addition of more natural gas storage capacity may lead
8 to increased usage of backbone capacity to facilitate storage injections. Such
9 usage may lead to a need to modify the capacity utilization criteria to account for
10 seasonal demands, rather than annual average demands.

11 While these data show that PG&E has adequate backbone capacity in
12 aggregate, the Commission should recognize that there may be instances in
13 which an expansion of one of PG&E’s transportation paths will be beneficial to
14 PG&E’s customers, even when total backbone system flows are within the
15 guidelines established by the Commission. For example, PG&E’s shippers may
16 have an interest in the future to bring additional supplies into northern California
17 on PG&E’s Redwood path. Should that occur, an expansion of PG&E’s
18 Redwood path may be warranted, even at a time when PG&E’s total backbone
19 flows are within the 1-in-10-year guideline, in order to allow PG&E’s customers
20 to gain the benefit of access to new gas supplies.

21

1 **F. Adequacy of Local Transmission Capacity and Design Criteria**

2 All of PG&E’s local gas transmission systems are designed to provide
3 adequate capacity under all weather conditions including extreme cold weather
4 design criteria. The cold weather design criteria are Cold Winter Day (CWD)
5 and Abnormal Peak Day (APD). PG&E is not proposing to make any changes
6 to these standards. The CWD design criterion ensures adequate capacity to
7 meet estimated non-core customer demands. The APD design criterion
8 ensures adequate capacity to meet estimated core customer demands.

9 The CWD design criterion is based on a very cold event, although not as
10 extreme as an APD. CWD has a recurrence interval of 1-in-2 years. Each local
11 planning area has its own specific CWD temperature. Across the PG&E gas
12 system, the average daily mean CWD temperature is approximately 38 degrees
13 Fahrenheit. When analyzing each local transmission system for adequate
14 capacity, all core customers are assumed to be at their CWD load, while non-
15 core customers are assumed to be at a reasonable, sustainable maximum load.

16 The APD design criterion is based on an extremely cold weather event
17 having a recurrence interval of 1-in-90 years. This corresponds to a calculated
18 system-weighted mean temperature of 27 degrees Fahrenheit across the PG&E
19 gas system. Each local planning area has its own specific APD temperature.
20 When analyzing each local transmission system for adequate capacity, all non-
21 core customers are assumed to be curtailed.

22 When core supplies are insufficient to meet core demand, PG&E can divert
23 gas from noncore customers, including EG customers to meet core demand.
24 Diversion and Emergency Flow Order noncompliance charges are expected to
25 be sufficient to cause the noncore market to either reduce or cease its use of
26 gas, if required. PG&E projects that in the near term, total noncore demand on
27 an APD would be 1.8 Bfc/d, which PG&E would serve during the APD to the
28 extent such service is compatible with uninterrupted service to the core. With
29 the recent expansions of the Wild Goose and Lodi gas storage facilities, the
30 addition of the Gill Ranch storage facility in 2010, and the planned addition of
31 Central Valley storage in 2012, it is possible that more noncore demand could
32 be satisfied during an APD.

33 All of PG&E’s local transmission systems fully meet the APD and CWD
34 design criterion – that is, they all support peak core demand on an APD. Most

1 local transmission systems are also constrained by the APD design criterion
 2 because they are sized to serve only core demand on an APD. All of PG&E's
 3 local transmission systems fully meet the CWD design criterion. On systems
 4 where noncore customers are predominant, CWD is the constraining design
 5 criterion rather than APD.

6 The APD core forecast is developed using the observed relationship
 7 between historical daily weather and core usage data. This relationship is then
 8 used to forecast the core load under APD conditions. A three year forecast of
 9 APD demands is shown in Table 3:

10

**TABLE 3
 PACIFIC GAS AND ELECTRIC COMPANY
 FORECAST OF CORE GAS DEMAND AND SUPPLY ON AN APD
 (MMcf/DAY)**

Line No.		2012-13	2013-14	2014-15
1	APD Core Demand	3,077	3,074	3,071
2	Firm Storage Withdrawal	1,101	1,077	1,049
3	Required Flowing Supply	1,977	1,997	2,022
4	Total APD Resources (to meet demands)	3,077	3,074	3,071

Notes:

- (1) Includes PG&E's Core Gas Supply Department's and other Core Aggregator's core customer demands. APD core demand forecast is calculated for 27 degrees Fahrenheit system composite temperature, corresponding to 1-in-90 year cold temperature event. PG&E now uses a system composite temperature based on six weather sites. This results in a 27 degree Fahrenheit APD temperature that is roughly equivalent to the 29 degree Fahrenheit APD temperature used previously.
- (2) Includes supplies flowing under firm and as-available capacity, and capacity made available pursuant to supply diversion arrangements.
- (3) Core Firm Storage Withdrawal capacity includes 98 MMcf/d contracted with an on-system independent storage provider.

11 **G. Conclusion**

12 In accordance with the requirements set forth by Decision 06-09-039, PG&E
 13 has adequate backbone capacity to accommodate current and forecast demand
 14 on the PG&E system. While PG&E has adequate backbone capacity in
 15 aggregate, there may be instances in which an expansion of one of PG&E's

1 transportation paths will be beneficial to some or all of PG&E's customers, even
2 when total backbone system flows are within the guidelines established by the
3 Commission. Lastly, as more storage capacity is developed in northern
4 California, there may be a need to modify the capacity utilization guideline to
5 account for seasonal, rather than annual, gas demands.

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

AT&T	Defense Energy Support Center	Norris & Wong Associates
Alcantar & Kahl LLP	Department of Water Resources	North America Power Partners
Ameresco	Dept of General Services	North Coast SolarResources
Anderson & Poole	Douglass & Liddell	Occidental Energy Marketing, Inc.
BART	Downey & Brand	OnGrid Solar
Barkovich & Yap, Inc.	Duke Energy	Praxair
Bartle Wells Associates	Economic Sciences Corporation	R. W. Beck & Associates
Bloomberg	Ellison Schneider & Harris LLP	RCS, Inc.
Bloomberg New Energy Finance	Foster Farms	Recurrent Energy
Boston Properties	G. A. Krause & Assoc.	SCD Energy Solutions
Braun Blaising McLaughlin, P.C.	GLJ Publications	SCE
Brookfield Renewable Power	GenOn Energy, Inc.	SMUD
CA Bldg Industry Association	Goodin, MacBride, Squeri, Schlotz & Ritchie	SPURR
CLECA Law Office	Green Power Institute	San Francisco Public Utilities Commission
CSC Energy Services	Hanna & Morton	Seattle City Light
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California Energy Commission	In House Energy	Sierra Pacific Power Company
California League of Food Processors	International Power Technology	Silicon Valley Power
California Public Utilities Commission	Intestate Gas Services, Inc.	Silo Energy LLC
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Cenergy Power	Luce, Forward, Hamilton & Scripps LLP	Sun Light & Power
Center for Biological Diversity	MAC Lighting Consulting	Sunrun Inc.
Chris, King	MBMC, Inc.	Sunshine Design
City of Palo Alto	MRW & Associates	Sutherland, Asbill & Brennan
City of Palo Alto Utilities	Manatt Phelps Phillips	Tecogen, Inc.
City of San Jose	Marin Energy Authority	Tiger Natural Gas, Inc.
City of Santa Rosa	McKenzie & Associates	TransCanada
Clean Energy Fuels	Merced Irrigation District	Turlock Irrigation District
Clean Power	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