



January 8, 2013

Advice 3355-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 January 10, 2013

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 **January 10, 2013**. 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 **January 10, 2013, through February 9, 2013**, 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) | \$0.49109 |
| Large Commercial Customers (Schedule G-NR2) | \$0.45756 |
| Natural Gas Vehicle Customers (Schedule G-NGV1) | \$0.44763 |

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, facsimile or E-mail, no later than **January 28, 2013**, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@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 shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

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

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Rule 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Rule 3.11).

Effective Date

In accordance with D.03-12-008, PG&E requests that this advice filing become effective on **January 10, 2013**. 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>.



Vice President – Regulatory Relations

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:

ELC GAS
 PLC HEAT WATER

Contact Person: Kimberly Chang

Phone #: (415) 972-5472

E-mail: kwcc@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) #: **3355-G**

Tier: 1

Subject of AL: **Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective January 10, 2013**

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

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 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: **January 10, 2013**

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 proposed: 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:

California Public Utilities Commission

Energy Division

EDTariffUnit

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian K. 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
Advice 3355-G**

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

Title of Sheet

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

| | | |
|---------|---|---------|
| 30198-G | GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1 | 30116-G |
| 30199-G | GAS TABLE OF CONTENTS Sheet 1 | 30194-G |
| 30200-G | GAS TABLE OF CONTENTS Sheet 2 | 30195-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) | \$0.49109 | (R) |
| Large Commercial Crossover Charge: (G-NR2) | \$0.45756 | (R) |
| Natural Gas Vehicle Crossover Charge: (G-NGV1) | \$0.44763 | (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

| TITLE OF SHEET | CAL P.U.C. SHEET NO. | |
|-------------------------------------|----------------------------|-----|
| Title Page | 30199-G | (T) |
| Rate Schedules | 30200,30196-G | (T) |
| Preliminary Statements..... | 3019729619-G | |
| Rules | 29737-G | |
| Maps, Contracts and Deviations..... | 29288-G | |
| Sample Forms | 30046-33049,29290*,30050-G | |

(Continued)

Advice Letter No: 3355-G
 Decision No. 03-12-008

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed January 8, 2013
 Effective January 10, 2013
 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 | 30142,23487-G |
| G1-NGV | Residential Natural Gas Service for Compression on Customers' Premises | 30148,23734-G |
| GM | Master-Metered Multifamily Service | 30151,29602,23019-G |
| GS | Multifamily Service | 30153,29606,23215-G |
| GT | Mobilehome Park Service | 30155,29610,26568-G |
| G-10 | Service to Company Employees | 11318-G |
| GL-1 | Residential CARE Program Service | 30149,29599-G |
| GL1-NGV | Residential CARE Program Natural Gas Service for Compression on Customers' Premises | 30150,23740-G |
| GML | Master-Metered Multifamily CARE Program Service | 30152,29604,23027-G |
| GSL | Multifamily CARE Program Service | 30154,29608,23216-G |
| GTL | Mobilehome Park CARE Program Service | 30156,29612,23502,26569-G |
| G-MHPS | Master-Metered Mobilehome Park Safety Surcharge | 22034-G |
| Rate Schedules Non-Residential | | |
| G-NR1 | Gas Service to Small Commercial Customers | 30146,23035-G |
| G-NR2 | Gas Service to Large Commercial Customers | 30147,23037-G |
| G-CP | Gas Procurement Service to Core End-Use Customers | 30143-G |
| G-CPX | Crossover Gas Procurement Service To Core End-Use Customers | 30198-G (T) |
| G-NT | Gas Transportation Service to Noncore End-Use Customers | 30186, 30187,22037,22038-G |
| G-EG | Gas Transportation Service to Electric Generation | 30179,27879,25038,25039-G |
| G-ESISP | Exchange Service Through ISP Facilities | 24364,24365-G |
| G-WSL | Gas Transportation Service to Wholesale/Resale Customers | 30191, 28920,22045-G |
| G-BAL | Gas Balancing Service for Intrastate Transportation Customers | 24456,24457, 22135, 30177, 22048-22048,24458-24460,26610,24461,20042,24462,24463,27708-G |
| G-SFS | Standard Firm Storage Service | 30189,22140,22141,22300-G |
| G-NFS | Negotiated Firm Storage Service | 30183,29472-G |
| G-NAS | Negotiated As-Available Storage Service | 30182-G |
| G-CFS | Core Firm Storage | 30178,22147,22148,22149-G |
| G-AFT | Annual Firm Transportation On-System | 24465,30175,22903-G |

(Continued)

Crossover Rate Calculation

Jan-13

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

Jan-13

| | |
|---|-----------------|
| Combined GTN/Foothills fuel rate | 0.9784 |
| Foothills Fuel | 0.70% |
| GTN Fuel | 1.47% |
| | |
| AECO Monthly Index (C\$/GJ, source CGPR) | 2.9612 |
| Exchange Rate (US\$/C\$) | 1.0143 |
| | |
| AECO "C" monthly commodity index (US\$/Dth) | 3.1689 |
| Foothills + GTN combined in-kind fuel rate | 0.0216 |
| Foothills + GTN in-kind fuel charge | 0.0700 |
| Foothills volumetric rate | 0.0000 |
| GTN volumetric rate | 0.0116 |
| AECO "C" Net Forward Price (14+16+17+18) | \$3.2505 |

| <u>Gas Price Index</u> | <u>Price, CA Border</u> | <u>Intrastate Transport</u> | <u>Total</u> |
|--|-------------------------|-----------------------------|-----------------|
| AECO (CGPR) | \$3.2505 | \$0.0729 | \$3.3234 |
| Southern Border-PG&E (NGI) | \$3.5300 | \$0.0729 | \$3.6029 |
| Core WACOG | \$2.9420 | \$0.0729 | \$3.0149 |
| Crossover Price at PG&E Citygate (\$/Dth) | | | \$3.6029 |

Calculation of the G-CPX Crossover Core Procurement Rate

| Gas Prices | |
|--------------------------|-----------------------|
| | Border Price (\$/Dth) |
| AECO C | \$3.2505 |
| PG&E Topock (Source NGI) | \$3.5300 |
| Core WACOG | \$2.9420 |

| | \$/Decatherm | \$/Therm | Components \$/Therm | Calculation |
|---|--------------|------------|---------------------|-----------------------------|
| G-CPX CROSSOVER CORE PROCUREMENT RATE | | | | |
| CROSSOVER COMMODITY CHARGE | | | | |
| Weighted Average Cost of Gas (WACOG) | | | | (a) |
| WACOG at the Border | \$3.5300 | | | (b) |
| Intrastate Backbone Volumetric Transport Charge | \$0.0729 | | | (c)=(a)+(b) |
| Total WACOG | 3.6029 | \$36029 | | |
| Franchise Fee | 0.009886 | | | |
| Uncollectible Fee | 0.003145 | | | |
| Subt F & U | 0.013031 | | | |
| WACOG with Franchise and Uncollectible | | \$3.6489 | | (d)=(a)*F&U Factor |
| PGA Adjustment: Core Sales | | (\$0.0492) | \$36489 | (e)=(c)+(d) |
| PGA Adjustment: Hedging | | \$0.1538 | (\$00492) | (f) |
| Cycled Carrying Cost of Gas in Storage | | \$0.0062 | \$01538 | (g) |
| Total Core Commodity Charge | | | | |
| Small Commercial | | | \$0.0062 | |
| Large Commercial | | | \$0.0062 | |
| Natural Gas Vehicle | | | \$0.0062 | (k)=(e)+(f)+(g)+(h) |
| | | | \$0.0062 | (l)=(e)+(f)+(g)+(i) |
| | | | \$0.0062 | (m)=(e)+(f)+(g)+(j) |
| CORE FIRM STORAGE COSTS (Including F&U) | | | | |
| CFSA Adjustment: Core Firm Storage Account | (\$0.0076) | | (\$0.00076) | (n) |
| Small Commercial | \$0.1653 | | \$0.01577 | (o) |
| Large Commercial | \$0.1125 | | \$0.01049 | (p) |
| Natural Gas Vehicle | \$0.1051 | | \$0.00975 | (q) |
| | | | | (r)=(n)+(o) |
| | | | | (s)=(n)+(p) |
| | | | | (t)=(n)+(q) |
| INTERSTATE & INTRASTATE CAPACITY CHARGES (Incl. F&U) | | | | |
| CPDCA Adjustment (Incl. F&U) | (\$0.0298) | | (\$0.00298) | (u) |
| BC System and NOVA Costs (Incl. F&U) | | | | |
| Small Commercial | \$0.1156 | | \$0.01156 | (h) |
| Large Commercial | \$0.0729 | | \$0.00729 | (i) |
| Natural Gas Vehicle | \$0.0703 | | \$0.00703 | (j) |
| Interstate Capacity Charges | | | | |
| Small Commercial | \$0.4857 | | \$0.04857 | (v) |
| Large Commercial | \$0.3061 | | \$0.03061 | (w) |
| Natural Gas Vehicle | \$0.2955 | | \$0.02955 | (x) |
| Intrastate Backbone Capacity Charges | | | | |
| Small Commercial | \$0.1859 | | \$0.01859 | (y) |
| Large Commercial | \$0.1172 | | \$0.01172 | (z) |
| Natural Gas Vehicle | \$0.1131 | | \$0.01131 | (aa) |
| | | | | (ab)=(u)+(v)+y) |
| | | | | (ac)=(u)+(w)+(z) |
| | | | | (ad)=(u)+(x)+(aa) |
| WGSP - PROCUREMENT (Small and Large Comm'l) | | | | |
| Small Commercial | 0.06610 | | \$0.00661 | |
| Large Commercial | 0.07460 | | \$0.00746 | |
| CORE BROKERAGE FEE | | | | |
| | \$0.0250 | | \$0.00250 | (ae) |
| SHRINKAGE RATE | | | | |
| Shrinkage (Incl. F&U) | \$0.1423 | | \$0.01423 | (af) |
| Based on Core Shrinkage: 3.90% | | | | |
| Changes in BCAP | | | | |
| PGA Adjustment: Core Shrinkage (Incl. F&U) | \$0.0027 | | \$0.00027 | (ag) |
| Total Shrinkage Rate | | | \$0.01450 | (ah)=(af)+(ag) |
| TOTAL G-CPX CORE PROCUREMENT CHARGE | | | | |
| Small Commercial | | | \$0.49109 | (ai)=(k)+(r)+(ab)+(ae)+(ah) |
| Large Commercial | | | \$0.45756 | (aj)=(l)+(s)+(ac)+(ae)+(ah) |
| Natural Gas Vehicle | | | \$0.44763 | (ak)=(m)+(t)+(ad)+(ae)+(ah) |

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

| | | |
|--|---|--|
| 1st Light Energy | Department of General Services | Norris & Wong Associates |
| AT&T | Department of Water Resources | North America Power Partners |
| Alcantar & Kahl LLP | Dept of General Services | North Coast SolarResources |
| Ameresco | Douglass & Liddell | Occidental Energy Marketing, Inc. |
| Anderson & Poole | Downey & Brand | OnGrid Solar |
| BART | Duke Energy | PG&E |
| Barkovich & Yap, Inc. | Economic Sciences Corporation | Praxair |
| Bartle Wells Associates | Ellison Schneider & Harris LLP | R. W. Beck & Associates |
| Bloomberg | Foster Farms | RCS, Inc. |
| Bloomberg New Energy Finance | G. A. Krause & Assoc. | SCD Energy Solutions |
| Boston Properties | GLJ Publications | SCE |
| Braun Blaising McLaughlin, P.C. | GenOn Energy Inc. | SMUD |
| Brookfield Renewable Power | GenOn Energy, Inc. | SPURR |
| CA Bldg Industry Association | Goodin, MacBride, Squeri, Schlotz & Ritchie | San Francisco Public Utilities Commission |
| CLECA Law Office | Green Power Institute | Seattle City Light |
| California Cotton Ginners & Growers Assn | Hanna & Morton | Sempra Utilities |
| California Energy Commission | Hitachi | Sierra Pacific Power Company |
| California League of Food Processors | In House Energy | Silicon Valley Power |
| California Public Utilities Commission | International Power Technology | Silo Energy LLC |
| Calpine | Intestate Gas Services, Inc. | Southern California Edison Company |
| Casner, Steve | Lawrence Berkeley National Lab | Spark Energy, L.P. |
| Cenergy Power | Los Angeles County Office of Education | Sun Light & Power |
| Center for Biological Diversity | Los Angeles Dept of Water & Power | Sunrun Inc. |
| Chris, King | MAC Lighting Consulting | 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 | McKenna Long & Aldridge LLP | TransCanada |
| Clean Energy Fuels | McKenzie & Associates | Turlock Irrigation District |
| Clean Power | Merced Irrigation District | United Cogen |
| Coast Economic Consulting | Modesto Irrigation District | Utility Cost Management |
| Commercial Energy | Morgan Stanley | Utility Specialists |
| Consumer Federation of California | Morrison & Foerster | Verizon |
| Crossborder Energy | Morrison & Foerster LLP | Wellhead Electric Company |
| Davis Wright Tremaine LLP | NLine Energy, Inc. | Western Manufactured Housing Communities Association (WMA) |
| Day Carter Murphy | NRG West | eMeter Corporation |
| Defense Energy Support Center | NaturEner | |