

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



November 2, 2015

**Advice Letter 3630-G**

Erik Jacobson  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**Subject: Revision to Gas Rule 21 (Transportation of Natural Gas) to  
Update In-Kind Shrinkage Allowance Adjustments for  
Backbone Transmission and Distribution Service**

Dear Mr. Jacobson:

Advice Letter 3630-G is effective November 1 , 2015.

Sincerely,

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

Edward Randolph  
Director, Energy Division



**Erik Jacobson**  
Director  
Regulatory Relations

Pacific Gas and Electric Company  
77 Beale St., Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415-973-7226

September 11, 2015

**Advice 3630-G**

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

**Subject: Revision to Gas Rule 21 (Transportation of Natural Gas) to update In-Kind Shrinkage Allowance Adjustments for Backbone Transmission and Distribution Service**

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to PG&E's gas Rule 21 – *Transportation of Natural Gas* to update the natural gas in-kind shrinkage allowances for backbone transmission and distribution service pursuant to Decision (D.) 03-12-061. The affected tariff sheets are listed on the enclosed Attachment I.

**Purpose**

In-kind shrinkage allowances represent the unaccounted-for gas and the utility fuel use attributable to the volume of natural gas received by PG&E for transmission, distribution and storage service. In D.03-12-061, the California Public Utilities Commission (Commission or CPUC) authorized PG&E to update the in-kind shrinkage allowances (shrinkage allowances) annually or as necessary at other times of the year to match the actual shrinkage experienced on PG&E's system. This is reflected in Gas Preliminary Statement Part C—*Gas Accounting Terms and Definitions*, Part C.12.c. and Gas Rule 21, which state that PG&E may adjust distribution, transmission and storage shrinkage annually through an advice letter compliance filing, or as necessary at other times of the year through a separate advice letter filing.

PG&E proposes revisions to its existing backbone transmission and distribution in-kind shrinkage allowances to be effective November 1, 2015. These tariff revisions update the shrinkage allowances to reflect the current shrinkage forecast for 2016 and recover a shrinkage under-collection from prior years.

**Background**

In Advice 3513-G, the Commission adopted PG&E's proposed transmission and distribution shrinkage base allowances effective November 1, 2014, to better match the 2015 shrinkage forecast. Based on the latest actual shrinkage data and to better match

the actual shrinkage expected on PG&E's system for 2016, PG&E proposes an adjustment to the existing transmission and core seasonal distribution shrinkage allowances to be effective November 1, 2015, as described herein. The proposed shrinkage allowances are designed to recover PG&E's current shrinkage forecast for 2016 and eliminate an existing under-collection of the in-kind shrinkage volumes.

### **Annual Shrinkage Allowance Forecast Update**

The proposed shrinkage allowances are calculated using PG&E's latest forecast of shrinkage on its system and PG&E's 2016 customer demand forecast from the 2014 California Gas Report filed on July 1, 2014. In addition, the core distribution in-kind shrinkage allowance, with separate seasonal allowances for winter season (November-March) and summer season (April-October), as adopted pursuant to D.11-04-031, will be adjusted accordingly. The proposed total in-kind shrinkage allowance, and individual components of the shrinkage base allowance and shrinkage adjustment allowance in this filing are shown in the following table:

#### **Proposed Total In-kind Shrinkage Allowance**

	<b>Current Effective In-Kind Shrinkage Allowance</b>	<b>Proposed In-Kind Shrinkage Base Allowance</b>	<b>Proposed In-Kind Shrinkage Adjustment Allowance (Adder)</b>	<b>Proposed Total In-Kind Shrinkage Allowance (Base + Adder)</b>	<b>Proposed Total Change</b>
Transmission – Redwood to Off-System	0.9%	0.9%	--	0.9%	--
Transmission – Mission to On/Off-System	0.0%	0.0%	--	0.0%	--
Transmission – All other backbone paths	1.1%	1.1%	0.1%	1.2%	+0.1%
Distribution – Noncore	0.1%	0.1%	--	0.1%	--
Distribution -Core Summer Season (Apr - Oct)	1.6%	2.0%	0.4%	2.4%	+0.8%
Distribution – Core Winter Season (Nov- Mar)	3.0%	2.8%	0.4%	3.2%	+0.2%
Distribution – Core (Annual) <sup>1</sup> (for reference only)	2.5%	2.5%	0.4%	2.9%	+0.4%

<sup>1</sup> Gas Accord V (GAV) (D.11-04-031) adopted a seasonal core distribution shrinkage allowance structure. The annual core distribution in-kind shrinkage allowance percentage is provided here as a reference only.

PG&E estimates that the proposed in-kind shrinkage base allowance in concert with the proposed in-kind shrinkage adjustment allowance (adder)<sup>2</sup> will recover the existing under-collection over an 18-month period and better match the actual shrinkage experience on PG&E's system based on the 2016 shrinkage forecast. At that time, the adder would be removed. However, the actual time required to recover the under-collection will depend on the future system throughput. Therefore, PG&E will continue to monitor the cumulative shrinkage under-collection and will adjust the shrinkage allowances through advice letter filings in the future, as necessary.

This filing will not affect any other rate or charge, cause the withdrawal of service, or conflict with any other rate schedule or rule. Workpapers supporting the proposed changes are included in Attachment 2 to this filing.

### **Tariff Revisions**

The revised in-kind shrinkage allowances will be revised in Gas Rule 21, section B. (Quantities).

- The above revised backbone transmission shrinkage allowance percentages will be reflected in gas Rule 21 Section B.1.a.
- The above revised distribution shrinkage allowance percentages will be reflected in Gas Rule 21 B.1.b.

### **Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than October 1, 2015, 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, 4<sup>th</sup> Floor  
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.

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<sup>2</sup> PG&E's proposal to recover the existing under-collection through the Shrinkage Adjustment Allowance is consistent with the methodology previously approved by the Commission in Advice 2959-G and Advice 3049-G. The Shrinkage Adjustment Allowance (adder) is designed to collect approximately 2.0 MMDth per year. The current in-kind shrinkage under-collection is -3.0 MMDth.

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:

Erik Jacobson  
Director, 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, Section 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, Section 3.11).

### **Effective Date**

In order to provide gas transportation customers notice of the shrinkage change, PG&E requests that this Tier 2 Advice filing be approved by October 11, 2015, which is 30 calendar days after the date of filing, with the tariffs effective on November 1, 2015. PG&E will inform gas transportation customers of the new shrinkage allowances on its Pipe Ranger Web site: <http://www.pge.com/pipeline/> once this filing is approved.

### **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 parties on the service lists for A.09-09-013 and A.13-12-012. Address changes to the General Order 96-B service list should be directed to PG&E at email address 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/>.

\_\_\_\_\_  
/S/

Erik Jacobson  
Director, Regulatory Relations

Attachments

cc: Service Lists A.09-09-013 and A.13-12-012

# 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: Kingsley Cheng

Phone #: (415) 973-5265

E-mail: k2c0@pge.com and PGETariffs@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) #: **3630-G**

Tier: **2**

Subject of AL: **Revision to Gas Rule 21 (Transportation of Natural Gas) to Update In-Kind Shrinkage Allowance Adjustments for Backbone Transmission and Distribution Service**

Keywords (choose from CPUC listing): Compliance, Rules

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other **Annually or as necessary**

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.03-12-061

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: 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: **November 1, 2015**

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 Rule 21**

Service affected and changes proposed: **See Attachment 1**

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., 4<sup>th</sup> Flr.**  
**San Francisco, CA 94102**  
**E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)**

**Pacific Gas and Electric Company**  
**Attn: Erik Jacobson**  
**Director, Regulatory Relations**  
**77 Beale Street, Mail Code B10C**  
**P.O. Box 770000**  
**San Francisco, CA 94177**  
**E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)**

**ATTACHMENT 1  
Advice 3630-G**

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

**Title of Sheet**

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

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32269-G	GAS RULE NO. 21 TRANSPORTATION OF NATURAL GAS Sheet 2	31478-G
32270-G	GAS RULE NO. 21 TRANSPORTATION OF NATURAL GAS Sheet 3	31479-G
32271-G	GAS TABLE OF CONTENTS Sheet 1	32267-G
32272-G	GAS TABLE OF CONTENTS Sheet 6	32137-G



**GAS RULE NO. 21**  
 TRANSPORTATION OF NATURAL GAS

Sheet 2

B. QUANTITIES OF GAS (Cont'd.)

1. IN-KIND SHRINKAGE ALLOWANCE (Cont'd.)

a. Backbone Transmission Shrinkage

A Customer transporting gas over PG&E's Backbone Transmission System shall deliver each day at the Receipt Point to PG&E an additional in-kind quantity of natural gas supply equal to a percent of total volume of natural gas to be delivered at the Receipt Point. Thus, the quantity to be nominated at the Receipt Point equals the quantity desired at the Delivery Point divided by (1 - x) where x is the decimal equivalent of the Backbone Transmission System In-Kind Shrinkage Allowance percentage, based on the transmission path utilized as follows:

Path	Percentage of In-Kind Shrinkage Base Allowance	Percentage of In-Kind Shrinkage Adjustment	Percentage of Effective In-Kind Shrinkage Allowance
Redwood to Off-System	0.9	—	0.9
Mission to On-System	0	—	0
Mission to Off-System	0	—	0
All other transmission	1.1	0.1 (I)	1.2 (I)

Provided, however, that PG&E and the Customer shall not be prohibited under this Rule, where shrinkage requirements support a different shrinkage allowance, from mutually agreeing to a different shrinkage allowance for transportation over PG&E's Backbone Transmission System.

(Continued)



**GAS RULE NO. 21**  
 TRANSPORTATION OF NATURAL GAS

Sheet 3

**B. QUANTITIES OF GAS (Cont'd.)**

**1. IN-KIND SHRINKAGE ALLOWANCE (Cont'd.)**

**b. Distribution Shrinkage**

For transportation on PG&E's Distribution System, an additional In-Kind Shrinkage Allowance shall apply, which is separate from backbone transmission and storage shrinkage. The Customer shall deliver each day to PG&E at the Citygate an additional in-kind quantity of natural gas supply equal to a percent of the total volume of natural gas flowing through the End-Use Customer's meter. Thus, the quantity to be nominated at the Citygate equals the quantity to be flowed through the meter multiplied by  $(1 + y)$  where  $y$  is the decimal equivalent of the Distribution System In-Kind Shrinkage Allowance percentage, as follows:

End-Use Customer	Percentage of In-Kind Shrinkage Base Allowance	Percentage of In-Kind Shrinkage Adjustment	Percentage of Effective In-Kind Shrinkage Allowance
Core – Summer Season (April - October)	2.0 (I)	0.4 (I)	2.4 (I)
Core – Winter Season (November – March)	2.8 (R)	0.4 (I)	3.2 (I)
Noncore Distribution	0.1	–	0.1
Noncore Transmission*	–	–	–

As an example, for a Core End-Use Customer being served via the Redwood Path, the amount to be nominated at Malin is calculated as:

$$\text{Receipt Point Quantity} = \frac{\text{Est. Metered Usage} \times (1 + y)}{(1 - x)}$$

Where:  $x$  = decimal equivalent of the Backbone Shrinkage percentage, and

$y$  = decimal equivalent of the Distribution Shrinkage percentage

\* Noncore Transmission Level End-Use Customers or Agents require no Distribution System In-Kind Shrinkage Allowance.

(Continued)



**GAS TABLE OF CONTENTS**

Sheet 1

<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>	
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Rate Schedules .....	32268,32180-G	
Preliminary Statements.....	31868,32239-G	
Rules .....	32272-G	(T)
Maps, Contracts and Deviations.....	31544-G	
Sample Forms .....	30592,30323,30324,30325,32138,30439-G	

(Continued)

Advice Letter No: 3630-G  
 Decision No. 03-12-061

Issued by  
**Steven Malnight**  
 Senior Vice President  
 Regulatory Affairs

Date Filed September 11, 2015  
 Effective \_\_\_\_\_  
 Resolution No. \_\_\_\_\_



**GAS TABLE OF CONTENTS**

Sheet 6

RULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
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Rule 02	Description of Service.....	23062-23066,26825-G
Rule 03	Application for Service.....	27248,27249-G
Rule 04	Contracts.....	17051-G
Rule 05	Special Information Required on Forms.....	30088,13348-13349-G
Rule 06	Establishment and Reestablishment of Credit.....	22126,30687,31329-G
Rule 07	Deposits.....	31330,28655-G
Rule 08	Notices.....	31331,17580,30688,30689,15728-G
Rule 09	Rendering and Payment of Bills.....	24128,24129,27941,23518,31332, 27345,27346,28562-G
Rule 10	Disputed Bills.....	18214-18216-G
Rule 11	Discontinuance and Restoration of Service.....	31699,31333*,18219,18220,27251,23520, 18223,18224,18225,18226,18227,27252,31334,19710-G
Rule 12	Rates and Optional Rates.....	18229,27253,24132,21981-21982,24474-G
Rule 13	Temporary Service.....	22832-G
Rule 14	Capacity Allocation and Constraint of Natural Gas Service.....	18231-18235,30690-30698,28283, 30699-30702, 29787, 28289,28290,30703,28292-G
Rule 15	Gas Main Extensions.....	21543,18802-18803,31117,20350,29271,29272,26827,21544, 21545,22376,22377-22379,26828,26829,18814-G
Rule 16	Gas Service Extensions.....	21546,18816,17728,17161,18817,18818,18819,18820,18821, 18822,29273,18824,18825,17737,18826,18827-G
Rule 17	Meter Tests and Adjustment of Bills for Meter Error.....	14450,28656,28764,28770,28771, 28772,28773,28774-G
Rule 17.1	Adjustment of Bills for Billing Error.....	22936,28657,29274-G
Rule 17.2	Adjustment of Bills for Unauthorized Use.....	22937,14460,14461-G
Rule 18	Supply to Separate Premises and Submetering of Gas.....	22790,17796,13401-G
Rule 19	Medical Baseline Quantities.....	21119,21120,21121-G
Rule 19.1	California Alternate Rates for Energy for Individual Customers and Submetered Tenants of Master-Metered Customers.....	31214,31215,30445,28210-G
Rule 19.2	California Alternate Rates for Energy for Nonprofit Group-Living Facilities.....	24609,31216,17035,31217,30448-G
Rule 19.3	California Alternate Rates for Energy for Qualified Agricultural Employee Housing Facilities.....	24138,31218,31219,27256-G
Rule 21	Transportation of Natural Gas.....	27591, <b>32269,32270</b> ,31872,23194,23195,21845,23196, (T) 23197,23198,23199,29228,29229,31955,29231, 31956-31958,31567,31568-31965,31575-31578-G
Rule 21.1	Use of Pacific Gas and Electric Company's Firm Interstate Rights.....	20461,18260,18261-G
Rule 23	Gas Aggregation Service for Core Transport Customers.....	29275,18263,26664,18265, 26665-26666,24825,24826,24827,24828,29276,29277,26667,24832-24833, 24849,29278,-29279,18272-G,29248,29249,29250,29251,29252,29253,29254, 29255,29256-G
Rule 25	Gas Services-Customer Creditworthiness and Payment Terms.....	28816-28828-G
Rule 26	Standards of Conduct and Procedures Related to Transactions with Intracompany Departments, Reports of Negotiated Transactions, and Complaint Procedures ...	18284,18285,18633,30704-G
Rule 27.1	Access to Energy Usage and Usage-Related Data While Protecting Privacy of Personal Data.....	31387-31391-G
Rule 28	Mobilehome Park Utility Upgrade Program.....	31772*-31777,32133,32134-G

(Continued)

Advice 3630-G  
September 11, 2015

## **Attachment 2**

**Workpapers**

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Workpaper for In-Kind Shrinkage Allowance Update**  
**Advice 3630-G (effective November 1, 2015)**  
**Shrinkage Base Allowance**

	(A)	(B)	(C)	(D)	(E)	(F)	
<i>Forecast Customer Demand is based on data in the 2014 California Gas Report filed July 1, 2014. Forecast Off-system Demand is based on the three-year actual off-system deliveries through July 2015. LUAF and GDU forecasts are based on the three-year average monthly percentage profile of actual LUAF and GDU (through May 2015 -- latest data available as of August 26, 2015.)</i>							
Line No.		<b>12 Month Forecast</b>	<b>% Served from Distr.</b>	<b>% Served from Trans.</b>	<b>Throughput Served from Trans.</b>	<b>Throughput Served from Distr.</b>	Line No.
1	<b>Noncore Transmission/Distribution Split</b>	<b>Mdth</b>	<b>Survey Results</b>		<b>Mdth</b>	<b>Mdth</b>	1
2	Industrial	185,551	13.5774%	86.4226%	160,358	25,193	2
3	EG	224,447	0.0000%	100.0000%	224,447	0	3
4	Cogeneration	65,715	6.2620%	93.7380%	61,600	4,115	4
5	Wholesale	3,574	0.0000%	100.0000%	3,574	0	5
6	NGV4	399	0.0000%	100.0000%	399	0	6
7	Total Noncore (excludes EOR and SEGDA)	479,687			450,379	29,308	7
8	% of Noncore served from Trans. and Distr.				93.89%	6.11%	8
<b>LUAF per Study</b> (from the Gas Accord I Workpapers, 17-2 & 17-3) Splits LUAF noncore volumes between distribution and transmission based on LUAF Study							
9		<b>NCTotal</b>			<b>NC Trans.</b>	<b>NC Distr.</b>	9
10	LUAF (Mcf) - volumes from 1995 BCAP	3,054,276			2,268,089	786,187	10
11	LUAF % (NC Distr Vol/NC Total)				74.26%	25.74%	11
12	Throughput Vol. % - Data from Rate Dept Survey				79.00%	21.00%	12
13	Ratios set for Accord period:						13
14	Calculated as Line 11/Line 12				0.94	1.23	14
15	Calculated as (F) line 14/(E) line 14					1.30	15
16	Noncore % of System LUAF (adopted in 95 BCAP)	22.00%					16
<b>LUAF &amp; GDU Allocations to Transmission and Distribution</b>							
		<b>System Forecast</b>	<b>Core</b>	<b>Noncore</b>	<b>Off-system</b>	<b>NC Trans.</b>	<b>NC Distr.</b>
17	LUAF allocated volumes (less off-sys LUAF; core/noncore 78%/22%)	11,404	8,598	2,425	380		
18	Throughput per forecast (Mdth)	883,420	288,525	479,687	115,209		
19	Less: SEGDA	0		0			
20	Totals for Calculation of allocation	883,420	288,525	479,687	115,209		
21	LUAF as % of throughput (Lines 17/20)	1.291%	2.980%	0.506%	0.330%		
22	Noncore Trans. LUAF% ((D) line 21 - wtd. per surveys above)					0.496%	
23	Noncore Distr. LUAF% (D) line 21 - wtd. per surveys above)						0.647%
24	Off-System LUAF (per D.94-02-042)	0.33%					
<b>GDU Calculations:</b>							
25	GDU per forecast(Mdth) - Pipeline (Total Plus balancing service storage GDU)	5,166					
26	GDU % = (B) line 24/(B) line 20	0.585%					
<b>Shrinkage (LUAF+GDU)</b>							
27	Noncore Transmission = (B) line 26 + (E) line 22	1.081%					
28	Noncore Distribution = (B) line 26 + (F) line 23	1.232%					
29	Core Total = (B) line 26 + (C) line 21	3.565%					
30	Core Distribution = (B) line 29 - (B) line 27	2.484%					
31	Off-System Transmission = (B) line 26 + (B) line 24	0.915%					
32	<b>Proposed Pipeline Shrinkage Allowances - Base Allowance Update</b>		<b>Core</b>	<b>NC Trans.</b>	<b>NC Dist.</b>	<b>Off-Sys.</b>	
33	Transmission (assumes same % for core and noncore)		1.1%	1.1%	1.1%	0.9%	
34	Distribution		2.5%	N/A	0.1%	N/A	
35	Total		3.6%	1.1%	1.2%	0.9%	

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Workpaper for In-Kind Shrinkage Allowance Update**  
**Advice 3630-G (effective November 1, 2015)**  
**Shrinkage Adjustment Allowance**

	(A)	(B)	(C)	(D)	(E)	(F)	
<i>Forecast Customer Demand is based on data in the 2014 California Gas Report filed July 1, 2014. Current under-collection of 3.0 MMDth (as of May 2015--most current data available) is amortized over 18 months; resulting in forecast annual recovery quantity of approximately 2.0 MMDth. The under collection is allocated in the same methodology as LUAF.</i>							
Line No.		<b>12 Month Forecast Throughput</b>	<b>% Served from Distr.</b>	<b>% Served from Trans.</b>	<b>Throughput Served from Trans.</b>	<b>Throughput Served from Distr.</b>	Line No.
1	<b>Noncore Transmission/Distribution Split</b>	<b>Mdth</b>	<b>Survey Results</b>		<b>Mdth</b>	<b>Mdth</b>	1
2	Industrial	185,551	13.5774%	86.4226%	160,358	25,193	2
3	EG	224,447	0.0000%	100.0000%	224,447	0	3
4	Cogeneration	65,715	6.2620%	93.7380%	61,600	4,115	4
5	Wholesale	3,574	0.0000%	100.0000%	3,574	0	5
6	NGV4	399	0.0000%	100.0000%	399	0	6
7	Total Noncore (excludes EOR and SEGDA)	479,687			450,379	29,308	7
8	% of Noncore served from Trans. and Distr.				93.89%	6.11%	8
<b>LUAF per Study</b> (from the Gas Accord I Workpapers, 17-2 & 17-3) Splits LUAF noncore volumes between distribution and transmission based on LUAF Study							
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10	LUAF (Mcf) - volumes from 1995 BCAP	3,054,276			2,268,089	786,187	10
11	LUAF % (NC Distr Vol/NC Total)				74.26%	25.74%	11
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15	Calculated as (F) line 14/(E) line 14					1.30	15
16	Noncore % of System LUAF (adopted in 95 BCAP)	22.00%					16
<b>LUAF &amp; GDU Allocations to Transmission and Distribution</b>							
		<b>System Forecast</b>	<b>Core</b>	<b>Noncore</b>	<b>Off-system</b>	<b>NC Trans.</b>	<b>NC Distr.</b>
17	LUAF allocated volumes (less off-sys LUAF; core/noncore 78%/22%)	1,997	1,558	439	-		
18	Throughput per forecast (Mdth)	883,420	288,525	479,687	115,209		
19	Less: SEGDA	0		0			
20	Totals for Calculation of allocation	883,420	288,525	479,687	115,209		
21	LUAF as % of throughput (Lines 17/20)	0.226%	0.540%	0.092%	0.000%		
22	Noncore Trans. LUAF% ((D) line 21 - wtd. per surveys above)					0.090%	
23	Noncore Distr. LUAF% (D) line 21 - wtd. per surveys above)						0.117%
24	Off-System LUAF (per D.94-02-042)	0.00%					
<b>GDU Calculations:</b>							
25	GDU per forecast(Mdth) - Pipeline (Total Plus balancing service storage GDU)	-					
26	GDU % = (B) line 24/(B) line 20	0.000%					
Shrinkage (LUAF+GDU)							
27	Noncore Transmission = (B) line 26 + (E) line 22	0.090%					
28	Noncore Distribution = (B) line 26 + (F) line 23	0.117%					
29	Core Total = (B) line 26 + (C) line 21	0.540%					
30	Core Distribution = (B) line 29 - (B) line 27	0.450%					
31	Off-System Transmission = (B) line 26 + (B) line 24	0.000%					
32	<b>Proposed Pipeline Shrinkage Allowances - Shrinkage Adjustment (Adder)</b>		<b>Core</b>	<b>NC Trans.</b>	<b>NC Dist.</b>	<b>Off-Sys.</b>	
33	Transmission (assumes same % for core and noncore)		0.1%	0.1%	0.1%	0.0%	
34	Distribution		0.4%	N/A	0.0%	N/A	
35	Total		0.5%	0.1%	0.1%	0.0%	

PACIFIC GAS AND ELECTRIC COMPANY  
 Workpaper for Seasonal Core Distribution Shrinkage Allowance  
 Advice 3630-G (effective November 1, 2015)  
 Seasonal Core Distribution Shrinkage Allowance

	(A)	(B)	(C)	
	<b>Seasonal Core Distribution Shrinkage Rate Derivation</b>			
	The Core distribution forecast is based on the customer demand forecast agreed-upon in the 2014 California Gas Report filed July 1, 2014. The Core Distribution Shrinkage Quantity is calculated by multiplying the Annual Core Distribution Demand Forecast by the Annual Core Distribution Shrinkage Percentage. The Core Distribution Shrinkage Quantity is allocated between the summer and winter seasons in the same percentage as the Total LUAF Forecast.			
Line No.				Line No.
	<b>Core Customer Demand Forecast</b>			
		Quantity (MDth)	Percentage	
1				1
2	Annual core distribution demand	288,525		2
3	Summer Season (April -- October) Core Distribution Demand	112,327	38.93%	3
4	Winter season (November -- March) Core Distribution Demand	176,198	61.07%	4
	<b>Total LUAF Forecast</b>			
5	Annual LUAF Forecast	11,404		5
6	Summer Season (April -- October) LUAF Forecast	3,574	31.34%	6
7	Winter Season (November -- March) LUAF Forecast	7,829	68.66%	7
	<b>Core Distribution Shrinkage Quantity</b>			
8	Annual Core Distribution Demand (MDth)	288,525		8
9	Annual Base Core Distribution Shrinkage Percentage	2.484%		9
10	Calculated Base Core Distribution Shrinkage Quantity (MDth)	7,166		10
11	Summer Season Core Distribution Shrinkage Quantity (MDth)	2,246		11
12	Winter Season Core Distribution Shrinkage Quantity (MDth)	4,920		12
	<b>Seasonal Core Distribution Shrinkage Percentages</b>			
13	Summer Season (April -- October)	2.000%		13
14	Winter Season (November -- March)	2.792%		14
	<b>Seasonal Core Distribution Shrinkage -- Tariff Percentages</b>			
15	Summer Season (April -- October)	2.0%		15
16	Winter Season (November -- March)	2.8%		16

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

AT&T	Don Pickett & Associates, Inc.	OnGrid Solar
Albion Power Company	Douglass & Liddell	Pacific Gas and Electric Company
Alcantar & Kahl LLP	Downey & Brand	Praxair
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BART	G. A. Krause & Assoc.	SCD Energy Solutions
Barkovich & Yap, Inc.	GenOn Energy Inc.	SCE
Bartle Wells Associates	GenOn Energy, Inc.	SDG&E and SoCalGas
Braun Blaising McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SPURR
CPUC	Green Power Institute	San Francisco Water Power and Sewer
California Cotton Ginners & Growers Assn	Hanna & Morton	Seattle City Light
California Energy Commission	In House Energy	Sempra Energy (Socal Gas)
California Public Utilities Commission	International Power Technology	Sempra Utilities
California State Association of Counties	Intestate Gas Services, Inc.	SoCalGas
Calpine	Kelly Group	Southern California Edison Company
Casner, Steve	Leviton Manufacturing Co., Inc.	Spark Energy
Cenergy Power	Linde	Sun Light & Power
Center for Biological Diversity	Los Angeles County Integrated Waste Management Task Force	Sunshine Design
City of Palo Alto	Los Angeles Dept of Water & Power	Tecogen, Inc.
City of San Jose	MRW & Associates	Tiger Natural Gas, Inc.
Clean Power	Manatt Phelps Phillips	TransCanada
Coast Economic Consulting	Marin Energy Authority	Troutman Sanders LLP
Commercial Energy	McKenna Long & Aldridge LLP	Utility Cost Management
Cool Earth Solar, Inc.	McKenzie & Associates	Utility Power Solutions
County of Tehama - Department of Public Works	Modesto Irrigation District	Utility Specialists
Crossborder Energy	Morgan Stanley	Verizon
Davis Wright Tremaine LLP	NLine Energy, Inc.	Water and Energy Consulting
Day Carter Murphy	NRG Solar	Wellhead Electric Company
Defense Energy Support Center	Nexant, Inc.	Western Manufactured Housing Communities Association (WMA)
Dept of General Services	ORA	YEP Energy
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