

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



November 5, 2015

**Advice Letter 3640-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: Schedule G-CPX – Crossover Gas Procurement Service to  
Core End-Use Customers for Rates Effective October 10, 2015**

Dear Mr. Jacobson:

Advice Letter 3640-G is effective October 10, 2015.

Sincerely,

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

Edward Randolph  
Director, Energy Division



October 8, 2015

**Advice 3640-G**

(Pacific Gas and Electric Company ID U39 G)

Public Utilities Commission of the State of California

**Subject: Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective October 10, 2015**

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 1.

**Purpose**

The purpose of this filing is to revise monthly crossover rates under Schedule G-CPX--*Crossover Gas Procurement Service to Core End-Use Customers*, effective **October 10, 2015**. 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.<sup>1</sup>

For the period from **October 10, 2015, through November 9, 2015**, the following Schedule G-CPX rates will be in effect:

<b><u>Schedule G-CPX Rates</u></b>	<b><u>Per Therm</u></b>
Small Commercial Customers (Schedule G-NR1)	<b>\$0.35864</b>
Large Commercial Customers (Schedule G-NR2)	<b>\$0.33223</b>
Natural Gas Vehicle Customers (Schedule G-NGV1)	<b>\$0.33044</b>

Workpapers showing the calculation of these rates are included in this filing as Attachment 2.

### **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 28, 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.

---

<sup>1</sup> 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.

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  
c/o Megan Lawson  
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 October 10, 2015. 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>.

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

Erik Jacobson  
Director – 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: Jennifer Wirowek

Phone #: (415) 973-1419

E-mail: J6WS@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) #: **3640-G**

**Tier: 1**

Subject of AL: **Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective October 10, 2015**

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: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

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: **October 10, 2015**

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: **Gas 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., 4<sup>th</sup> Flr.**

**San Francisco, CA 94102**

**E-mail: EDTariffUnit@cpuc.ca.gov**

**Pacific Gas and Electric Company**

**Attn: Erik Jacobson**

**Director, Regulatory Relations**

**c/o Megan Lawson**

**77 Beale Street, Mail Code B10C**

**P.O. Box 770000**

**San Francisco, CA 94177**

**E-mail: PGETariffs@pge.com**

**ATTACHMENT 1  
Advice 3640-G**

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

**Title of Sheet**

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

---

32314-G	GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1	32266-G
32315-G	GAS TABLE OF CONTENTS Sheet 1	32308-G
32316-G	GAS TABLE OF CONTENTS Sheet 2	32301-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)	\$0.35864	(R)
Large Commercial Crossover Charge: (G-NR2)	\$0.33223	(R)
Natural Gas Vehicle Crossover Charge: (G-NGV1)	\$0.33044	(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 .....	32315-G	(T)
Rate Schedules .....	32316,32180-G	(T)
Preliminary Statements.....	31868,32309-G	
Rules .....	32310-G	
Maps, Contracts and Deviations.....	31544-G	
Sample Forms .....	30592,30323,30324,30325,32138,30439-G	

(Continued)

Advice Letter No: 3640-G  
 Decision No. 03-12-008

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

Date Filed October 8, 2015  
 Effective October 10, 2015  
 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 .....	32287,23487-G
G1-NGV	Residential Natural Gas Service for Compression on Customers' Premises .....	32291,23734-G
GL-1	Residential CARE Program Service .....	32292,29599-G
GL1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises .....	32293,23740-G
GM	Master-Metered Multifamily Service .....	32294,29602,23019-G
GML	Master-Metered Multifamily CARE Program Service .....	32295,29604,23027-G
GS	Multifamily Service .....	32296,29606,23215-G
GSL	Multifamily CARE Program Service .....	32297,29608,23216-G
GT	Mobilehome Park Service .....	32298,29610,26568-G
GTL	Mobilehome Park CARE Program Service .....	32299,29612,23502,26569-G
G-10	Service to Company Employees .....	11318-G
G-EFLIC	Energy Financing Line Item Charge (EFLIC) Pilot .....	31618,31619,31620,31621,31622-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge .....	22034-G

**Rate Schedules Non-Residential**

G-NR1	Gas Service to Small Commercial Customers .....	32289,23035-G
G-NR2	Gas Service to Large Commercial Customers .....	32290,23037-G
G-CP	Gas Procurement Service to Core End-Use Customers .....	32286-G
G-CPX	Crossover Gas Procurement Service To Core End-Use Customers .....	<b>32314-G</b>
G-NT	Gas Transportation Service to Noncore End-Use Customers .....	31808,31809,22037,22038-G
G-EG	Gas Transportation Service to Electric Generation .....	31801,27879,25038,25039-G
G-ESISP	Exchange Service Through ISP Facilities .....	24364,24365-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers .....	31813,28920,22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers .....	24456,24457, 22135,31799,22048-22048,24458-24460,26610,24461,20042,24462,24463,27708-G
G-SFS	Standard Firm Storage Service .....	31811,22140,22141,22300-G
G-NFS	Negotiated Firm Storage Service .....	31805,29472-G
G-NAS	Negotiated As-Available Storage Service .....	31804-G
G-CFS	Core Firm Storage .....	31800,22147,22148,22149-G
G-AFT	Annual Firm Transportation On-System .....	24465,31797,22903-G

(T)

(Continued)

Advice Letter No: 3640-G  
 Decision No. 03-12-008

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

Date Filed October 8, 2015  
 Effective October 10, 2015  
 Resolution No. \_\_\_\_\_

**Attachment 2**

**Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for  
Rates Effective October 10, 2015**

**Work Papers**

## Crossover Rate Calculation

Oct-15

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

Oct-15

Combined GTN/Foothills fuel rate	0.9755
Foothills Fuel	0.99%
GTN Fuel	1.47%
AECO Monthly Index (C\$/GJ, source CGPR)	2.6994
Exchange Rate (US\$/C\$)	0.7552
AECO "C" monthly commodity index (US\$/Dth)	2.1508
Foothills + GTN combined in-kind fuel rate	0.0245
Foothills + GTN in-kind fuel charge	0.0539
Foothills volumetric rate	0.0000
GTN volumetric rate	0.0112
<b>AECO "C" Net Forward Price (14+16+17+18)</b>	<b>\$2.2159</b>

<u>Gas Price Index</u>	<u>Price, CA Border</u>	<u>Intrastate Transport</u>	<u>Total</u>
AECO (CGPR)	\$2.2159	\$0.0758	\$2.2917
Southern Border-PG&E (NGI)	\$2.6200	\$0.0758	\$2.6958
Core WACOG	\$2.1634	\$0.0758	\$2.2392
<b>Crossover Price at PG&amp;E Citygate (\$/Dth)</b>			<b>\$2.6958</b>

10/1/15

## Calculation of the G-CPX Crossover Core Procurement Rate

Gas Prices	
Border Price (\$/Dth)	
AEEO C	\$2.2159
PG&E Topock (Source NGI)	\$2.6200
Core WACOG	\$2.1634

	\$/Decatherm	\$/Therm	Components \$/Therm	Calculation
<b>G-CPX CROSSOVER CORE PROCUREMENT RATE</b>				
<b>CROSSOVER COMMODITY CHARGE</b>				
Weighted Average Cost of Gas (WACOG)				
WACOG at the Border	\$2.6200			(a)
Intrastate Backbone Volumetric Transport Charge	\$0.0758			(b)
Total WACOG	2.6958	\$26958		(c)=(a)+(b)
Franchise Fee	0.014071			
Uncollectible Fee	0.003383			
Subt F & U	0.017454			
WACOG at the Border	\$0.0457			(d)=(a)*F&U Factor
WACOG with Franchise and Uncollectible	\$2.7415	\$27415		(e)=(c)+(d)
PGA Adjustment: Core Sales	(\$0.3357)	(\$03357)		(f)
PGA Adjustment: Hedging	\$0.0569	\$00569		(g)
Cycled Carrying Cost of Gas in Storage	\$0.0054	\$00054		(h)
Total Core Commodity Charge				
Small Commercial			\$24681	(i)
Large Commercial			\$24681	(j)
Natural Gas Vehicle			\$24681	(k)
				(l)=(e)+(f)+(g)+(h)
				(m)=(e)+(f)+(g)+(h)
				(n)=(e)+(f)+(g)+(h)
<b>CORE FIRM STORAGE COSTS (Including F&amp;U)</b>				
CFSA Adjustment: Core Firm Storage Account	\$0.0430	\$00430		(o)
Small Commercial	\$0.1457	\$01457	\$01887	(p)=(l)+(m)
Large Commercial	\$0.1010	\$01010	\$01440	(q)=(l)+(n)
Natural Gas Vehicle	\$0.0946	\$00946	\$01376	(r)=(l)+(o)
<b>INTERSTATE &amp; INTRASTATE CAPACITY CHARGES (Incl. F&amp;U)</b>				
CPDCA Adjustment (Incl. F&U)	\$0.2121	\$02121		(s)
<b>BC System and NOVA Costs (Incl. F&amp;U)</b>				
Small Commercial	\$0.0757	\$00757		(t)
Large Commercial	\$0.0486	\$00486		(u)
Natural Gas Vehicle	\$0.0471	\$00471		(v)
<b>Interstate Capacity Charges</b>				
Small Commercial	\$0.3391	\$03391		(w)
Large Commercial	\$0.2163	\$02163		(x)
Natural Gas Vehicle	\$0.2102	\$02102		(y)
<b>Intrastate Backbone Capacity Charges</b>				
Small Commercial	\$0.1944	\$01944	\$08213	(z)
Large Commercial	\$0.1249	\$01249	\$06019	(aa)
Natural Gas Vehicle	\$0.1210	\$01210	\$05904	(ab)
				(ac)=(s)+(t)+(w)+(z)
				(ad)=(s)+(u)+(x)+(aa)
				(ae)=(s)+(v)+(y)+(ab)
<b>CORE BROKERAGE FEE</b>				
	\$0.0250		\$00250	(af)
<b>SHRINKAGE RATE</b>				
Shrinkage (Incl. F&U)	\$0.0741	\$00741		(ag)
Based on Core Shrinkage: 2.70%				
Changes in BCAP				
PGA Adjustment: Core Shrinkage (Incl. F&U)	\$0.0092	\$00092		(ah)
Total Shrinkage Rate			\$00833	(ai)=(ag)+(ah)
<b>TOTAL G-CPX CORE PROCUREMENT CHARGE</b>				
Small Commercial			\$0.35864	(aj)=(l)+(p)+(ac)+(af)+(ai)
Large Commercial			\$0.33223	(ak)=(j)+(q)+(ad)+(af)+(ai)
Natural Gas Vehicle			\$0.33044	(al)=(k)+(r)+(ae)+(af)+(ai)

**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
Anderson & Poole	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
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
Division of Ratepayer Advocates	Office of Ratepayer Advocates	