

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



July 21, 2016

Advice Letter: 3727-G

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

SUBJECT: August 1, 2016 Noncore Gas Transportation Rate and Tariff Changes and Illustrative Core Gas Transportation Rate Changes Resulting from the 2015 Gas Transmission and Storage D.16-06-056

Dear Mr. Jacobson:

Advice Letter 3727-G is effective as of August 1, 2016.

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

July 1, 2016

Advice 3727-G

(Pacific Gas and Electric Company ID U 39G)

Public Utilities Commission of the State of California

Subject August 1, 2016 Noncore Gas Transportation Rate and Tariff Changes and Illustrative Core Gas Transportation Rate Changes Resulting from the 2015 Gas Transmission and Storage Decision 16-06-056

Pacific Gas and Electric Company (PG&E) submits for filing revisions to its gas tariffs. The affected tariff sheets are listed on the enclosed Attachment 6.

Purpose

This advice letter implements the revenue requirements approved in PG&E's 2015 Gas Transmission and Storage (GT&S) Decision (D.) 16-06-056 and the related noncore gas transportation rate changes effective August 1, 2016. This advice letter also provides illustrative core transportation rates resulting from this decision. A separate advice letter for core transportation rate changes will be submitted on July 25, 2016 to consolidate the core transportation rates approved in D.16-06-056 with core procurement rates in PG&E's monthly gas pricing advice letter.¹

PG&E requests approval of this Tier 2 advice letter by July 21, 2016 with an August 1, 2016 effective date for tariff changes associated with rates, in accordance with Ordering Paragraph (OP) 5 of D.16-06-056. Approval by this date will enable PG&E to incorporate core transportation rates included in this advice letter with core procurement rates in PG&E's monthly gas pricing advice letter.²

Background

On December 19, 2013, PG&E filed its 2015 GT&S Application (A.) 13-12-012, proposing approval of revenue requirements, cost allocation and rate design for its gas

¹ Final core transportation rates for residential and commercial customers on CARE also reflect the resulting monthly CARE Discount, which is updated with monthly pricing.

² Ordering Paragraph 2 of Decision 98-07-025 requires PG&E to file its monthly pricing advice letter "at least five days before the effective date." As a result, if PG&E does not have approval of this advice letter by July 21, 2016, it will be unable to implement rates by August 1.

transmission and storage services for the 2015-2017 rate case cycle. On June 23, 2016, the CPUC approved D.16-06-056 (2015 GT&S Decision), which adopted interim revenue requirements and resulting rates³ for each of the gas transmission and storage functions for 2015-2018.⁴ OP 1 of D.16-06-056 authorizes PG&E “to collect, through rates and authorized ratemaking accounting mechanisms, over the remainder of this gas transmission and storage rate case cycle through December 31, 2018 the (i) test year revenue requirement set forth in Appendix C of this decision, less (ii) the amount collected by PG&E base rates since January 1, 2015, and prior to the implementation of the revenue requirement authorized by this decision, plus (iii) interest on the difference between (i) and (ii), with said interest based on the rate for prime, three-month commercial paper reported in Federal Reserve Statistical Release H-15. This difference⁵ shall be amortized over 36 months.” Ordering Paragraph 5 requires PG&E to “file a Tier 2 advice letter in compliance with General Order 96-B within 10 days of the effective date of this decision to revise its tariffs to implement the interim rates adopted in this order. The protest period for the Advice Letter shall be reduced, with protests due 10 days after the Advice Letter filing. The revised tariff sheets will become effective on August 1, 2016, subject to the Commission’s Energy Division determining they are in compliance with this order. No additional customer notice need be provided pursuant to General Rule 4.2 of General Order 96-B for this advice letter filing.”

In Advice Letter 3496-G, PG&E established the GT&S Memorandum Account (GTSMA) to record and track necessary core and noncore GT&S activity in the event a final decision in PG&E’s 2015 GT&S Application (A.) 13-12-012 was issued after January 1, 2015.⁶ Accordingly, PG&E has been recording noncore revenues and placeholder GT&S revenue requirements incorporated into rates in the GTSMA since January 1, 2015. This noncore activity, and core backbone usage activity, was previously recorded to the Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM), which ended December 31, 2014. As discussed in more detail below, in D.16-06-056, the Commission is continuing the GTSRSM.

For both core and noncore revenues, the GTSMA includes activity related to the difference between the placeholder revenue requirements currently in rates and final GT&S revenue requirements. Therefore, implementing the 2015 GT&S revenue requirements, including the 2015 GT&S undercollection, requires transferring activity from the GTSMA to the accounts/mechanisms where the revenue requirements are

³ Ordering Paragraph 6 provides that “The interim rates adopted in this decision shall be subject to true-up upon the adoption of a final revenue requirement for Application 13-12-012.”

⁴ Ordering Paragraph 2 approved an additional attrition year, 2018.

⁵ See OP 64: “Amortization of the undercollection in the Gas Transmission and Storage Memorandum Account (GTSMA) shall be over a 36 month period. Recovery of the GTSMA undercollection shall be through end use rates.”

⁶ Advice 3496-G was approved effective August 16, 2014.

recovered. As discussed in more detail below, core activity⁷ will be transferred to the Core Fixed Cost Account and noncore activity will be transferred to the GTSRSM.

2016 Revenue Requirements

Decision 16-06-056 authorizes 2015-2018 GT&S revenue requirements. The total 2016 GT&S revenue requirement is \$1,112 million.⁸ As discussed above, the decision authorizes PG&E to collect the difference between the final GT&S revenue requirements authorized by the decision and the placeholder revenue requirement in rates prior to the implementation of the final authorized amounts over 36 months. This “undercollection” is \$694 million.⁹ Attachment 1 of this advice letter shows the total change in the GT&S revenue compared to the amount currently recovered in gas rates. Attachments 2 through 4 show illustrative gas rate changes resulting from the 2016 revenue requirements authorized by D.16-06-056 and the amortization of the undercollection. Attachment 5 includes the following tables: Core and Noncore GT&S revenue responsibility, 2015 GT&S Undercollection, and PG&E’s backbone transmission rates, local transmission rates, storage rates, customer access charges, and the self-balancing credit, consistent with Appendix J of D.16-06-056.

Revenue Sharing Mechanism

OP 20 of D.16-06-056 continues the GTSRSM, “The GTSRSM negotiated as part of the Gas Accord V Settlement Agreement and adopted in Decision 11-04-031 remains in place.” As a result, the amounts previously recorded in the noncore subaccounts of the Gas Transmission & Storage Memorandum Account (GTSMA) will be transferred to the respective subaccounts of the GTSRSM (Backbone, Local Transmission, and Storage), using the sharing percentages applicable to the various subaccounts.¹⁰

Tariff Revisions

- **Gas Transmission & Storage Memorandum Account (GTSMA), Gas Preliminary Statement Part DD**, has been modified to indicate that disposition of the balances in the core subaccounts will be through the Core Fixed Cost Account (CFCA) – Core Cost Subaccount to allow for the amortization of the undercollection through end use rates.¹¹

⁷ Core backbone usage revenues will be transferred to the GTSRSM, consistent with the operation of that mechanism.

⁸ See D.16-06-056, Appendix J, Table 1.

⁹ See Appendix J, Table 1.

¹⁰ Overcollections or undercollections between authorized revenue requirements and recorded revenues are shared as follows: Backbone 50% to customers and 50% to shareholders; Local Transmission 75% to customers and 25% to shareholders; and Storage 75% to customers and 25% to shareholders if overcollected and 100% to shareholders if undercollected.

¹¹ Ordering Paragraph 64 states, “Recovery of the GTSMA undercollection shall be through end use rates.”

- **Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM), Gas Preliminary Statement Part CP**, has been updated to reflect the continuation of this mechanism. Additionally, the accounting procedures have been updated to record noncore revenues related to the new 2015 GT&S Late Implementation Amortization rate components¹² and to reflect monthly amortization of the undercollection recorded in the noncore subaccounts of the GTSMA into this account.¹³ Other minor edits are being made to the GTSRSM preliminary statement to delete language that is no longer applicable and to make minor clarifications.¹⁴
- **Core Fixed Cost Account (CFCA), Gas Preliminary Statement Part F**, accounting procedures have been updated to record revenues from the new 2015 GT&S Late Implementation Amortization rate components.¹⁵

All other rate schedules reflecting noncore transportation rate changes and preliminary statement changes typically included in PG&E's Annual Gas True-Up, some of which are described below, are also attached.

Default Tariff Rate Components, Gas Preliminary Statement Part B, has been updated for noncore customer class schedules to reflect the changes to noncore transportation rates submitted herein.

Gas Accounting Terms & Definitions, Gas Preliminary Statement Part C, has been updated to reflect the changes in revenue requirements authorized by this decision. The resulting core transportation rates included in this advice letter will be incorporated into PG&E's separate advice letter filing on July 25, 2016, which is PG&E's core procurement monthly pricing filing and includes all tariff changes to core rates effective August 1, 2016.

¹² See Finding of Fact 237, "If the GTSMA undercollection is recovered through end-use rates, the amount of the undercollection is a separate rate component – 2015 GT&S Late Implementation Amortization."

¹³ Accounting entries associated with the seed value will be recorded upon implementation of a Phase 2 Decision in the 2015 GT&S Rate Case (A.13-12-012).

¹⁴ The description of the Backbone Subaccount in Section 5 of Preliminary Statement CP is being modified: (1) to delete the reference to "Local Transmission bill credits" which were previously recovered through a surcharge on backbone rates applicable during the Gas Accord V period (see Section 9.5 of the Gas Accord V Settlement Agreement approved by D.11-04-031), and (2) to clarify that the Customer Access Charge is not subject to the sharing mechanism, in accordance with Section 10.1.1.4 of the Gas Accord V Settlement Agreement.

¹⁵ Ordering Paragraph 64 states, "Recovery of the GTSMA undercollection shall be through end use rates."

Protests

In accordance with OP 5, anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than July 11, 2016, which is 10 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

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:

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, 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

PG&E requests that this Tier 2 filing be approved no later than July 21 for rate changes effective August 1, 2016.

Changes to core gas transportation rates will be incorporated into the monthly core procurement advice filing for rates effective August 1, 2016.

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 list for 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

cc: 2015 Gas Transmission and Storage Proceeding (A.13-12-012)

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 M)**

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) #: **3727-G**

Tier: **2**

Subject of AL: **August 1, 2016 Noncore Gas Transportation Rate and Tariff Changes and Illustrative Core Gas Transportation Rate Changes Resulting from the 2015 Gas Transmission and Storage Decision 16-06-056**

Keywords (choose from CPUC listing): Compliance, Noncore, Core, Storage

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D. 16-06-056

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: **August 1, 2016**

No. of tariff sheets: 50

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: See Attachment 6

Service affected and changes proposed: See Attachment 6

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 10 days after the date of this filing in accordance with OP 5 of D.16-06-056, 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: 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

PACIFIC GAS AND ELECTRIC COMPANY
AUGUST 1, 2016 RATE CHANGE2016 ANNUAL END-USE TRANSPORTATION, GAS TRANSMISSION AND STORAGE REVENUE REQUIREMENTS,
AND PUBLIC PURPOSE PROGRAMS AUTHORIZED FUNDING
(\$ THOUSANDS)

| Line No. | | A Present in Rates as of 1/1/16 | B Proposed as of 8/1/2016 | C Total Change | D Core | E Noncore / Unbundled | Line No. |
|----------|---|---------------------------------------|---------------------------------|-------------------|----------------|-----------------------------|----------|
| | END-USE GAS TRANSPORTATION | | | | | | |
| 1 | Gas Transportation Balancing Accounts | 588,616 | 588,616 | - | - | - | 1 |
| 2 | GRC Distribution Base Revenues (includes distribution portion of Cost of Capital) | 1,746,376 | 1,746,376 | - | - | - | 2 |
| 3 | Pension | 54,701 | 54,701 | - | - | - | 3 |
| 4 | Self Generation Incentive Program Revenue Requirement | 6,505 | 6,505 | - | - | - | 4 |
| 5 | CPUC Fee | 4,390 | 4,390 | - | - | - | 5 |
| 6 | Core Brokerage Fee Credit | (6,583) | (6,583) | - | - | - | 6 |
| 7 | Greenhouse Compliance Operational Cost (excluding FF&U) | - | - | - | - | - | 7 |
| 8 | Greenhouse Compliance Cost (excluding FF&U) | - | - | - | - | - | 8 |
| 9 | Greenhouse Compliance Revenue Return (excluding FF&U) | - | - | - | - | - | 9 |
| 10 | Less CARE discount recovered in PPP surcharge from non-CARE customers | (111,590) | (111,590) | - | - | - | 10 |
| 11 | FF&U | 10,477 | 10,477 | - | - | - | 11 |
| 12 | Total Transportation RRQ with Adjustments and Credits | 2,292,892 | 2,292,892 | - | - | - | 12 |
| 13 | Procurement-Related G-10 Total | (787) | (811) | (24) | (24) | - | 13 |
| 14 | Procurement-Related G-10 Total Allocated | 787 | 811 | 24 | 9 | 15 | 14 |
| 15 | Total Transportation Revenue Requirements Reallocated | 2,292,892 | 2,292,892 | - | (15) | 15 | 15 |
| | Gas Transmission & Storage (GT&S) Transportation Revenue | | | | | | |
| 16 | Local Transmission | 216,444 | 707,281 | 490,837 | 340,226 | 150,611 | 16 |
| 17 | Customer Access | 5,127 | 2,770 | (2,357) | - | (2,357) | 17 |
| 18 | Total GT&S Transportation RRQ | 221,571 | 710,051 | 488,480 | 340,226 | 148,254 | 18 |
| 19 | 2015 GT&S Late Implementation Amortization | | | | | | 19 |
| 20 | Local Transmission | - | 90,073 | 90,073 | 61,812 | 28,261 | 20 |
| 21 | Backbone | - | 8,027 | 8,027 | 1,877 | 6,150 | 21 |
| 22 | Storage | - | (1,728) | (1,728) | 3,130 | (4,858) | 22 |
| 23 | Total 2015 GT&S Late Implementation Amortization ⁽¹⁾ | - | 96,372 | 96,372 | 66,819 | 29,553 | 23 |
| 24 | Total End Use Gas Transportation RRQ | 2,514,463 | 3,099,315 | 584,852 | 407,030 | 177,822 | 24 |
| | PUBLIC PURPOSE PROGRAMS (PPP) FUNDING | | | | | | |
| 25 | Energy Efficiency | 77,417 | 77,417 | - | - | - | 25 |
| 26 | Energy Savings Assistance | 68,858 | 68,858 | - | - | - | 26 |
| 27 | Research and Development and BOE/CPUC Admin Fees | 11,133 | 11,133 | - | - | - | 27 |
| 28 | CARE Administrative Expense | 3,001 | 3,001 | - | - | - | 28 |
| 29 | Statewide Marketing, Education & Outreach | 1,394 | 1,394 | - | - | - | 29 |
| 30 | Total Authorized PPP Funding | 161,803 | 161,803 | - | - | - | 30 |
| 31 | PPP Surcharge Balancing Accounts | 1,687 | 1,687 | - | - | - | 31 |
| 32 | CARE discount recovered from non-CARE customers | 111,590 | 111,590 | - | - | - | 32 |
| 33 | Total PPP Required Funding | 275,080 | 275,080 | - | - | - | 33 |
| | GT&S UNBUNDLED COSTS | | | | | | |
| 34 | Backbone Transmission | 137,996 | 197,574 | 59,578 | - | 59,578 | 34 |
| 35 | Storage (includes carrying cost on working gas) | 35,679 | 14,563 | (21,116) | - | (21,116) | 35 |
| 36 | Total GT&S Unbundled | 173,675 | 212,137 | 38,462 | - | 38,462 | 36 |
| 37 | TOTAL REVENUE REQUIREMENTS | 2,963,218 | 3,586,532 | 623,314 | 407,030 | 216,284 | 37 |

Footnote

- The 2015 GT&S Late Implementation Amortization amounts shown are 5 months of the total 36-months amortization authorized in Ordering Paragraph 1 of D.16-06-056.

Notes:

A positive balance represents an under-collection. A negative balance represents an over-collection.

ATTACHMENT 2
PACIFIC GAS AND ELECTRIC COMPANY
2015 Gas Transmission and Storage Phase 1 Final Decision Effective August 1, 2016
AVERAGE END-USER GAS TRANSPORTATION RATES AND PUBLIC PURPOSE PROGRAM SURCHARGES
(\$/ft³, Annual Class Averages)⁽³⁾

| Line No. | Customer Class | Jan 1, 2016 AGT - Dec Final Filing | | | August 1, 2016 - 2016 GT&S Phase I Implementation | | | Percentage Change From January 1, 2016 | | |
|---|--|------------------------------------|-----------------------|----------|---|---------|----------|--|--------|--------|
| | | Transportation ⁽¹⁾ | G-PPPS ⁽²⁾ | Total | Transportation | G-PPPS | Total | Transportation | G-PPPS | Total |
| RETAIL CORE | | | | | | | | | | |
| 1 | Residential Non-CARE ⁽⁴⁾ | \$.988 | \$.102 | \$ 1.090 | \$ 1.172 | \$.102 | \$ 1.274 | 18.6% | 0.0% | 16.9% |
| 2 | Small Commercial Non-CARE ⁽⁴⁾ | \$.552 | \$.044 | \$.596 | \$.736 | \$.044 | \$.780 | 33.3% | 0.0% | 30.8% |
| 3 | Large Commercial | \$.251 | \$.103 | \$.354 | \$.435 | \$.103 | \$.538 | 73.1% | 0.0% | 51.9% |
| 4 | NGV1 - (uncompressed service) | \$.163 | \$.024 | \$.188 | \$.347 | \$.024 | \$.371 | 112.5% | 0.0% | 97.9% |
| 5 | NGV2 - (compressed service) | \$ 1.741 | \$.024 | \$ 1.765 | \$ 1.925 | \$.024 | \$ 1.949 | 10.6% | 0.0% | 10.4% |
| RETAIL NONCORE | | | | | | | | | | |
| 6 | Industrial - Distribution | \$.195 | \$.044 | \$.239 | \$.270 | \$.044 | \$.314 | 38.6% | 0.0% | 31.5% |
| 7 | Industrial - Transmission | \$.047 | \$.032 | \$.079 | \$.121 | \$.032 | \$.153 | 159.4% | 0.0% | 94.2% |
| 8 | Industrial - Backbone | \$.013 | \$.032 | \$.046 | \$.013 | \$.032 | \$.046 | (0.4%) | 0.0% | (0.1%) |
| 9 | Electric Generation - Transmission (G-EG-D/LT) | \$.037 | | \$.037 | \$.111 | | \$.111 | 204.2% | | 204.2% |
| 10 | Electric Generation - Backbone (G-EG-BB) | \$.012 | | \$.012 | \$.013 | | \$.013 | 5.9% | | 5.9% |
| 11 | NGV 4 - Distribution (uncompressed service) | \$.195 | \$.024 | \$.219 | \$.270 | \$.024 | \$.294 | 38.6% | 0.0% | 34.3% |
| 12 | NGV 4 - Transmission (uncompressed service) | \$.037 | \$.024 | \$.061 | \$.111 | \$.024 | \$.136 | 200.8% | 0.0% | 121.1% |
| WHOLESALE CORE AND NONCORE (G-WSL) (1) | | | | | | | | | | |
| 13 | Alpine Natural Gas | \$.036 | | \$.036 | \$.109 | | \$.109 | 199.8% | | 199.8% |
| 14 | Coalinga | \$.037 | | \$.037 | \$.109 | | \$.109 | 193.8% | | 193.8% |
| 15 | Island Energy | \$.057 | | \$.057 | \$.122 | | \$.122 | 114.2% | | 114.2% |
| 16 | Palo Alto | \$.032 | | \$.032 | \$.107 | | \$.107 | 230.4% | | 230.4% |
| 17 | West Coast Gas - Castile | \$.240 | | \$.240 | \$.308 | | \$.308 | 28.4% | | 28.4% |
| 18 | West Coast Gas - Mather Distribution | \$.296 | | \$.296 | \$.367 | | \$.367 | 23.8% | | 23.8% |
| 19 | West Coast Gas - Mather Transmission | \$.040 | | \$.040 | \$.111 | | \$.111 | 175.4% | | 175.4% |

(1) Transportation Only rates include: i) a transportation component that recovers customer class charges, customer access charges, CPUC fees, local transmission (where applicable), distribution costs (where applicable), and AB32 Cost of Implementation Fee (wholesale and certain large customers are directly billed by the Air-Resource board, and are exempt from PG&E's AB32 COI rate component of \$0.00108 per therm). Transport only customers must arrange for their own gas purchases and transportation to PG&E's citygate/local transmission system.

(2) D. 04-08-010 authorized PG&E to remove the gas public purpose program surcharge that recovers the costs of low income California Alternate Rates for Energy (CARE), low income energy efficiency, energy efficiency, Research Development and Demonstration program and BOE/CPUC Administration costs from transportation rates and into its own separate surcharge tariff. Certain customers are exempt from paying the PPP surcharge; see tariff G-PPPS for details. G-PPPS rates are determined annually in PG&E's PPP Filing.

(3) Rates are rounded to 3 decimals for viewing ease. Percentage rate changes are calculated on a 5-digit basis.

(4) CARE Customers receive a 20% discount off of PG&E's total bundled rate and are exempt from the CARE portion of PG&E's Public Purpose Program Surcharge (G-PPPS) rates and cost recovery of the California Solar Initiative Thermal Program.

Advice 3727-G
July 1, 2016

Attachment 5

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Rate Case
Workpapers Supporting Chapter 17: Cost Allocation and Rate Design
PACIFIC GAS AND ELECTRIC COMPANY
2015 Gas Transmission & Storage Rate Case Phase I
D.16-06-056

Table A-1

GT&S Revenue Requirement
Including Core and Noncore Revenue Responsibility
(\$ Thousand)

| Line No. | GA V + PSEP | 2015 Gas Transmission & Storage Rate Case | | | | |
|---|---|---|-----------|-------------|-------------|-------------|
| | | 2014 | 2015 | 2016 | 2017 | 2018 |
| Core Revenue Requirements | | | | | | |
| 1 | Backbone Transmission Base | 98,132 | 92,129 | 116,302 | 129,518 | 139,361 |
| 2 | Backbone Transmission Adders | - | - | - | - | - |
| 3 | Subtotal Backbone Transmission | 98,132 | 92,129 | 116,302 | 129,518 | 139,361 |
| 4 | Local Transmission Base | 133,307 | 384,626 | 478,272 | 532,258 | 585,892 |
| 5 | Local Transmission Adder | 4,739 | - | - | - | - |
| 6 | Subtotal Local Transmission | 138,046 | 384,626 | 478,272 | 532,258 | 585,892 |
| 7 | Storage | 51,615 | 61,615 | 73,108 | 75,109 | 77,237 |
| 8 | Customer Access Charge | - | - | - | - | - |
| 9 | Total Core Gas Accord V | 287,793 | \$538,369 | \$667,683 | \$736,886 | \$802,490 |
| 10 | Pipeline Safety Enhancement Plan Decision | 69,501 | - | - | - | - |
| 11 | Total Core | 357,294 | \$538,369 | \$667,683 | \$736,886 | \$802,490 |
| 12 | Core Share of Revenue Requirement | 52.8% | 59.3% | 60.1% | 60.2% | 60.5% |
| Noncore / Unbundled Revenue Requirements | | | | | | |
| 13 | Backbone Trans. Base w/o G-XF Contracts | 132,165 | 155,324 | 191,557 | 210,522 | 223,670 |
| 14 | Backbone Transmission Adders | - | - | - | - | - |
| 15 | Subtotal Backbone Transmission | 132,165 | 155,324 | 191,557 | 210,522 | 223,670 |
| 16 | G-XF Contracts | 5,831 | 5,237 | 6,016 | 5,959 | 6,029 |
| 17 | G-XF Contract Adders | - | - | - | - | - |
| 18 | G-XF Contracts Subtotal | 5,831 | 5,237 | 6,016 | 5,959 | 6,029 |
| 19 | Subtotal Backbone Transmission | 137,996 | 160,561 | 197,574 | 216,481 | 229,698 |
| 20 | Local Transmission Base | 75,707 | 194,023 | 229,009 | 253,150 | 278,659 |
| 21 | Local Transmission Adder | 2,691 | - | - | - | - |
| 22 | Subtotal Local Transmission | 78,398 | 194,023 | 229,009 | 253,150 | 278,659 |
| 23 | Storage | 35,679 | 13,018 | 14,563 | 14,111 | 13,822 |
| 24 | Customer Access Charge | 5,127 | 2,384 | 2,770 | 2,630 | 2,507 |
| 25 | Total Noncore / Unbundled | \$257,200 | \$369,986 | \$443,915 | \$486,372 | \$524,686 |
| 26 | Pipeline Safety Enhancement Plan Decision | 45,842 | - | - | - | - |
| 27 | Total Noncore/Unbundled | 303,043 | \$369,986 | \$443,915 | \$486,372 | \$524,686 |
| 28 | Noncore Share of Revenue Requirement | 47.2% | 40.7% | 39.9% | 39.8% | 39.5% |
| Total | | | | | | |
| 29 | Backbone Transmission Base w/o G-XF Contracts | 230,297 | 247,453 | 307,860 | 340,041 | 363,030 |
| 30 | Backbone Transmission Adders | - | - | - | - | - |
| 31 | Subtotal Backbone Trans. w/o G-XF Contracts | \$230,297 | 247,453 | 307,860 | 340,041 | 363,030 |
| 32 | G-XF Contracts | 5,831 | 5,237 | 6,016 | 5,959 | 6,029 |
| 33 | G-XF Contract Adders | - | - | - | - | - |
| 34 | G-XF Contracts Subtotal | 5,831 | 5,237 | 6,016 | 5,959 | 6,029 |
| 35 | Subtotal Backbone Base Transmission | 236,128 | 252,689 | 313,876 | 346,000 | 369,059 |
| 36 | Local Transmission Base | 209,014 | 578,649 | 707,281 | 785,408 | 864,550 |
| 37 | Local Transmission Adder | 7,430 | - | - | - | - |
| 38 | Subtotal Local Transmission | 216,444 | 578,649 | 707,281 | 785,408 | 864,550 |
| 39 | Storage | 87,295 | 74,633 | 87,672 | 89,221 | 91,060 |
| 40 | Customer Access Charge | 5,127 | 2,384 | 2,770 | 2,630 | 2,507 |
| 41 | Total GT&S | 544,993 | \$908,355 | \$1,111,598 | \$1,223,257 | \$1,327,176 |
| 42 | Pipeline Safety Enhancement Plan Decision | 115,343 | - | - | - | - |
| 43 | Total Gas Transmission and Storage System | 660,336 | \$908,355 | \$1,111,598 | \$1,223,257 | \$1,327,176 |
| 44 | Total Revenue Requirement Share | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Attachment 5

**Appendix J: Table 1 UPDATED
PACIFIC GAS AND ELECTRIC COMPANY
2015 GT&S Undercollection**

Based on 2015 GT&S Revenue Requirement Effective August 1, 2016 **(\$000)**
36-Month Amortization of January 2015 thru July 2016 Undercollection of 2015 GT&S Authorized Revenue Requirement Beginning August 2016

| Line | Core | Interim ¹ | 2015 ² | 2015 | Interim ³ | 2016 ² | 2016 | 7 months of | Total | August 2016 | 2017 | 2018 | 2019 |
|------|---|----------------------|-------------------|-----------------|----------------------|-------------------|-----------------|----------------|-----------------|------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
| | | 2015 | Authorized | Undercollection | 2016 | Authorized | Undercollection | 2016 | Undercollection | Undercollection Amount | (5 months) Undercollection Recovery | (12 months) Undercollection Recovery | (12 months) Undercollection Recovery |
| | | A | B | C | D | E | F | G | H | I | J | K | L |
| 1 | Local Transmission | 138,046 | 384,626 | 246,580 | 138,046 | 478,272 | 340,226 | 198,465.18 | 445,045 | 61,812 | 148,348 | 148,348 | 86,537 |
| 2 | Storage (Includes Carrying Cost on Working Gas) | 51,615 | 61,615 | 10,000 | 51,615 | 73,108 | 21,493 | 12,538 | 22,537 | 3,130 | 7,512 | 7,512 | 4,382 |
| 3 | Backbone | 67,294 | 68,256 | 962 | 67,294 | 88,814 | 21,520 | 12,553 | 13,515 | 1,877 | 4,505 | 4,505 | 2,628 |
| 4 | Subtotal | 256,955 | 514,497 | 257,542 | 256,955 | 640,194 | 383,239 | 223,556 | 481,098 | 66,819 | 160,366 | 160,366 | 93,547 |
| | Noncore | | | | | | | | | | | | |
| 5 | Local Transmission | 78,398 | 194,023 | 115,625 | 78,398 | 229,009 | 150,611 | 87,856 | 203,481 | 28,261 | 67,827 | 67,827 | 39,566 |
| 6 | Storage (Includes Carrying Cost on Working Gas) | 35,679 | 13,018 | (22,661) | 35,679 | 14,563 | (21,116) | (12,318) | (34,979) | (4,858) | (11,660) | (11,660) | (6,801) |
| 7 | Backbone (Excludes G-XF) | 163,003 | 179,197 | 16,194 | 163,003 | 219,046 | 56,043 | 32,692 | 48,885 | 6,790 | 16,295 | 16,295 | 9,505 |
| 8 | Subtotal | 277,081 | 386,238 | 109,158 | 277,081 | 462,618 | 185,537 | 108,230 | 217,388 | 30,193 | 72,463 | 72,463 | 42,270 |
| 9 | Line 401 G-XF Contracts | 5,831 | 5,237 | (594) | 5,831 | 6,016 | 186 | 108 | (486) | (68) | (162) | (162) | (95) |
| 10 | Customer Access Charge - Transmission | 5,127 | 2,384 | (2,743) | 5,127 | 2,770 | (2,357) | (1,375) | (4,118) | (572) | (1,373) | (1,373) | (801) |
| 11 | Total 2015 GT&S Undercollection RRQ | 544,993 | 908,355 | 363,362 | 544,993 | 1,111,598 | 566,605 | 330,520 | 693,882 | 96,372 | 231,294 | 231,294 | 134,921 |

Notes

- 1) 2015 Gas Accord Revenue Requirement as approved in AL 3547-G, effective January 1, 2015 (See Preliminary Statement, Part C, Table 2)
- 2) Costs are assigned between core and noncore functions using the standard methodologies utilized to assign the respective costs shown in Preliminary Statement, Part C, Table 2.
- 3) 2015 Gas Accord Revenue Requirement as approved in AL 3664-G, effective January 1, 2016 (See Preliminary Statement, Part C, Table 2)

| | |
|--------------------------------|----------------|
| 2015 Undercollection | 363,362 |
| 7/12th of 2016 Undercollection | 330,520 |
| Total Undercollections | <u>693,882</u> |

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Updated Appendix J - Table 10
Firm Backbone Transportation
Annual Rates (AFT) -- SFV Rate Design
On-System Transportation Service (a)

| | | Interim 2015 & 2016 | 2015 | 2015 GT&S Rates | | |
|---|--------------------------|------------------------|---------|-----------------|---------|---------|
| | | | | 2016 | 2017 | 2018 |
| <u>Redwood Path - Core (a)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 7.0192 | 8.4803 | 10.8027 | 12.0737 | 13.0199 |
| Usage Charge | (\$/dth) | 0.0074 | 0.0008 | 0.0010 | 0.0010 | 0.0011 |
| Total (b) | (\$/dth @ Full Contract) | 0.2382 | 0.2796 | 0.3561 | 0.3980 | 0.4291 |
| <u>Baja Path - Core (a)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 8.2215 | 9.6934 | 12.0160 | 13.2872 | 14.2335 |
| Usage Charge | (\$/dth) | 0.0087 | 0.0009 | 0.0011 | 0.0011 | 0.0012 |
| Total (b) | (\$/dth @ Full Contract) | 0.2790 | 0.3196 | 0.3961 | 0.4380 | 0.4691 |
| <u>Redwood Path - Noncore</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 8.6209 | 10.0235 | 12.6549 | 14.0801 | 15.0219 |
| Usage Charge | (\$/dth) | 0.0061 | 0.0008 | 0.0009 | 0.0010 | 0.0010 |
| Total (b) | (\$/dth @ Full Contract) | 0.2896 | 0.3303 | 0.4170 | 0.4639 | 0.4949 |
| <u>Baja Path - Noncore</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 9.8356 | 11.2373 | 13.8689 | 15.2942 | 16.2360 |
| Usage Charge | (\$/dth) | 0.0070 | 0.0009 | 0.0010 | 0.0011 | 0.0011 |
| Total (b) | (\$/dth @ Full Contract) | 0.3304 | 0.3703 | 0.4570 | 0.5039 | 0.5349 |
| <u>Silverado and Mission Paths</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 4.8477 | 6.2183 | 7.8971 | 8.8043 | 9.4552 |
| Usage Charge | (\$/dth) | 0.0063 | 0.0006 | 0.0008 | 0.0008 | 0.0008 |
| Total (b) | (\$/dth @ Full Contract) | 0.1657 | 0.2051 | 0.2604 | 0.2903 | 0.3117 |

Notes:

a) Rates are only the backbone transmission charge component of the transmission service. They exclude local transmission charges, mandated customer programs and other charges, customer access charges, distribution charges, storage charges, and shrinkage charges.

b) The "Total" rows represent the average backbone transmission charge incurred by a firm shipper that uses 100 percent of its firm contract quantity.

Customers delivering gas to storage pay the applicable backbone transmission on-system rate from Redwood, Baja and Silverado.

Rates do not include the revenue sharing seed value allocated between Local Transmission and Backbone Rates (excluding G-XF).

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Updated Appendix J - Table 11
Firm Backbone Transportation
Annual Rates (AFT) -- MFV Rate Design (a)
On-System Transportation Service

| | | Interim 2015 & 2016 | 2015 | 2015 GT&S Rates | | 2018 |
|---|--------------------------|------------------------|--------|-----------------|---------|---------|
| | | | | 2016 | 2017 | |
| <u>Redwood Path - Core (a)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 4.9663 | 6.3000 | 8.2708 | 9.2187 | 9.7565 |
| Usage Charge | (\$/dth) | 0.0749 | 0.0725 | 0.0842 | 0.0949 | 0.1084 |
| Total (b) | (\$/dth @ Full Contract) | 0.2382 | 0.2796 | 0.3561 | 0.3980 | 0.4291 |
| <u>Baja Path - Core (a)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 5.8170 | 7.2013 | 9.1998 | 10.1452 | 10.6659 |
| Usage Charge | (\$/dth) | 0.0878 | 0.0829 | 0.0937 | 0.1044 | 0.1185 |
| Total | (\$/dth @ Full Contract) | 0.2790 | 0.3196 | 0.3961 | 0.4380 | 0.4691 |
| <u>Redwood Path - Noncore</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 5.7105 | 6.8601 | 9.1594 | 10.2839 | 10.8413 |
| Usage Charge | (\$/dth) | 0.1018 | 0.1048 | 0.1159 | 0.1258 | 0.1385 |
| Total | (\$/dth @ Full Contract) | 0.2896 | 0.3303 | 0.4170 | 0.4639 | 0.4949 |
| <u>Baja Path - Noncore</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 6.5151 | 7.6909 | 10.0380 | 11.1706 | 11.7175 |
| Usage Charge | (\$/dth) | 0.1162 | 0.1175 | 0.1270 | 0.1366 | 0.1497 |
| Total | (\$/dth @ Full Contract) | 0.3304 | 0.3703 | 0.4570 | 0.5039 | 0.5349 |
| <u>Silverado and Mission Paths</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 3.4544 | 4.3566 | 5.7987 | 6.4798 | 6.8472 |
| Usage Charge | (\$/dth) | 0.0522 | 0.0618 | 0.0697 | 0.0772 | 0.0866 |
| Total | (\$/dth @ Full Contract) | 0.1657 | 0.2051 | 0.2604 | 0.2903 | 0.3117 |

Notes:

- a) Rates are only the backbone transmission charge component of the transmission service. They exclude local transmission charges, mandated customer programs and other charges, customer access charges, distribution charges, storage charges, and shrinkage charges.
- b) The "Total" rows represent the average backbone transmission charge incurred by a firm shipper that uses 100 percent of its firm contract quantity.

Customers delivering gas to storage pay the applicable backbone transmission on-system rate from Redwood, Baja and Silverado.

Rates do not include the revenue sharing seed value allocated between Local Transmission and Backbone Rates (excluding G-XF).

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Updated Appendix J - Table 12
Firm Backbone Transportation
Seasonal Rates (SFT) -- SFV Rate Design (a) (b)
On-System Transportation Service

| | | Interim | 2015 GT&S Rates | | | |
|---|--------------------------|-------------|-----------------|---------|---------|---------|
| | | 2015 & 2016 | 2015 | 2016 | 2017 | 2018 |
| <u>Redwood Path</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 10.3450 | 12.0282 | 15.1859 | 16.8961 | 18.0263 |
| Usage Charge | (\$/dth) | 0.0074 | 0.0009 | 0.0011 | 0.0012 | 0.0012 |
| Total (c) | (\$/dth @ Full Contract) | 0.3475 | 0.3964 | 0.5004 | 0.5567 | 0.5939 |
| <u>Baja Path - Core (a)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 9.8658 | 11.6321 | 14.4192 | 15.9447 | 17.0802 |
| Usage Charge | (\$/dth) | 0.0104 | 0.0011 | 0.0013 | 0.0014 | 0.0014 |
| Total | (\$/dth @ Full Contract) | 0.3348 | 0.3835 | 0.4754 | 0.5256 | 0.5630 |
| <u>Baja Path - Noncore</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 11.8027 | 13.4848 | 16.6426 | 18.3530 | 19.4832 |
| Usage Charge | (\$/dth) | 0.0084 | 0.0011 | 0.0012 | 0.0013 | 0.0013 |
| Total | (\$/dth @ Full Contract) | 0.3964 | 0.4444 | 0.5484 | 0.6047 | 0.6419 |
| <u>Silverado and Mission Paths</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 5.8173 | 7.4619 | 9.4765 | 10.5651 | 11.3463 |
| Usage Charge | (\$/dth) | 0.0076 | 0.0008 | 0.0009 | 0.0010 | 0.0010 |
| Total | (\$/dth @ Full Contract) | 0.1989 | 0.2461 | 0.3125 | 0.3483 | 0.3740 |

Notes:

- a) Firm Seasonal rates are 120 percent of Firm Annual rates.
- b) Rates are only the backbone transmission charge component of the transmission service. They include exclude local transmission charges, mandated customer programs and other charges, customer access charges, distribution charges, storage charges, and shrinkage charges.
- c) The "Total" rows represent the average backbone transmission charge incurred by a firm shipper that uses 100 percent of its firm contract quantity.

Customers delivering gas to storage pay the applicable backbone transmission on-system rate from Redwood, Baja and Silverado.

Firm seasonal service is available to on-system paths for a minimum term of three consecutive months in one season. Winter season is November through March. Summer season is April through October.

Rates do not include the revenue sharing seed value allocated between Local Transmission and Backbone Rates (excluding G-XF).

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Updated Appendix J - Table 13

Firm Backbone Transportation
Seasonal Rates (SFT) -- MFV Rate Design (a) (b)
On-System Transportation Service

| | | Interim 2015 & 2016 | 2015 | 2015 GT&S Rates | | 2018 |
|---|--------------------------|------------------------|--------|-----------------|---------|---------|
| | | | | 2016 | 2017 | |
| <u>Redwood Path</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 6.8526 | 8.2322 | 10.9913 | 12.3407 | 13.0095 |
| Usage Charge | (\$/dth) | 0.1222 | 0.1257 | 0.1390 | 0.1510 | 0.1662 |
| Total (c) | (\$/dth @ Full Contract) | 0.3475 | 0.3964 | 0.5004 | 0.5567 | 0.5939 |
| <u>Baja Path - Core (a)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 6.9804 | 8.6415 | 11.0397 | 12.1743 | 12.7991 |
| Usage Charge | (\$/dth) | 0.1053 | 0.0994 | 0.1124 | 0.1253 | 0.1422 |
| Total | (\$/dth @ Full Contract) | 0.3348 | 0.3835 | 0.4754 | 0.5256 | 0.5630 |
| <u>Baja Path - Noncore</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 7.8182 | 9.2290 | 12.0456 | 13.4048 | 14.0610 |
| Usage Charge | (\$/dth) | 0.1394 | 0.1410 | 0.1524 | 0.1640 | 0.1796 |
| Total | (\$/dth @ Full Contract) | 0.3964 | 0.4444 | 0.5484 | 0.6047 | 0.6419 |
| <u>Silverado and Mission Paths</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | 4.1453 | 5.2279 | 6.9585 | 7.7757 | 8.2166 |
| Usage Charge | (\$/dth) | 0.0626 | 0.0742 | 0.0837 | 0.0927 | 0.1039 |
| Total | (\$/dth @ Full Contract) | 0.1989 | 0.2461 | 0.3125 | 0.3483 | 0.3740 |

Notes:

- a) Firm Seasonal rates are 120 percent of Firm Annual rates.
- b) Rates are only the backbone transmission charge component of the transmission service. They exclude local transmission charges, mandated customer programs and other charges, customer access charges, distribution charges, storage charges, and shrinkage charges.
- c) The "Total" rows represent the average backbone transmission charge incurred by a firm shipper that uses 100 percent of its firm contract quantity.

Customers delivering gas to storage pay the applicable backbone transmission on-system rate from Redwood, Baja and Silverado.

Firm seasonal service is available to on-system paths for a minimum term of three consecutive months in one season. Winter season is November through March. Summer season is April through October.

Rates do not include the revenue sharing seed value allocated between Local Transmission and Backbone Rates (excluding G-XF).

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Updated Appendix J - Table 14

As-Available Backbone Transportation (a) (b)
On-System Transportation Service

| | | Interim 2015 & 2016 | | 2015 | 2015 GT&S Rates | | 2018 |
|--------------------------------|----------|------------------------|--|--------|-----------------|--------|--------|
| | | | | | 2016 | 2017 | |
| <u>Redwood Path</u> | | | | | | | |
| Usage Charge | (\$/dth) | 0.3475 | | 0.3964 | 0.5004 | 0.5567 | 0.5939 |
| <u>Baja Path</u> | | | | | | | |
| Usage Charge | (\$/dth) | 0.3964 | | 0.4444 | 0.5484 | 0.6047 | 0.6419 |
| <u>Silverado Path</u> | | | | | | | |
| Usage Charge | (\$/dth) | 0.1989 | | 0.2461 | 0.3125 | 0.3483 | 0.3740 |
| <u>Mission Path (c)</u> | | | | | | | |
| Usage Charge | (\$/dth) | 0.0000 | | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

Notes:

- a) As-Available rates are 120 percent of Firm Annual rates.
- b) Rates are only the backbone transmission charge component of the transmission service. They exclude local transmission charges, mandated customer programs and other charges, customer access charges, distribution charges, storage charges, and shrinkage charges.
- c) Mission path service represents on-system storage to on-system transportation. Customers delivering gas to storage facilities pay the applicable backbone transmission on-system rate from Redwood, Baja or Silverado.

Rates do not include the revenue sharing seed value allocated between Local Transmission and Backbone Rates (excluding G-XF).

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Updated Appendix J - Table 14
Backbone Transportation
Annual Rates (AFT-Off) (a)
Off-System Deliveries

| | | Interim 2015 & 2016 | 2015 | 2015 GT&S Rates | | |
|--|--------------------------|------------------------|---------|-----------------|---------|---------|
| <u>SFV Rate Design</u> | | | | | | |
| Redwood, Silverado and Mission Paths Off-System | | | | | | |
| Reservation Charge | (\$/dth/mo) | 8.6209 | 10.0235 | 12.6549 | 14.0801 | 15.0219 |
| Usage Charge | (\$/dth) | 0.0061 | 0.0008 | 0.0009 | 0.0010 | 0.0010 |
| Total (b) | (\$/dth @ Full Contract) | 0.2896 | 0.3303 | 0.4170 | 0.4639 | 0.4949 |
| Baja Path Off-System | | | | | | |
| Reservation Charge | (\$/dth/mo) | 9.8356 | 11.2373 | 13.8689 | 15.2942 | 16.2360 |
| Usage Charge | (\$/dth) | 0.0070 | 0.0009 | 0.0010 | 0.0011 | 0.0011 |
| Total | (\$/dth @ Full Contract) | 0.3304 | 0.3703 | 0.4570 | 0.5039 | 0.5349 |
| <u>MFV Rate Design</u> | | | | | | |
| Redwood, Silverado and Mission Paths Off-System | | | | | | |
| Reservation Charge | (\$/dth/mo) | 5.7105 | 6.8601 | 9.1594 | 10.2839 | 10.8413 |
| Usage Charge | (\$/dth) | 0.1018 | 0.1048 | 0.1159 | 0.1258 | 0.1385 |
| Total | (\$/dth @ Full Contract) | 0.2896 | 0.3303 | 0.4170 | 0.4639 | 0.4949 |
| Baja Path Off-System | | | | | | |
| Reservation Charge | (\$/dth/mo) | 6.5151 | 7.6909 | 10.0380 | 11.1706 | 11.7175 |
| Usage Charge | (\$/dth) | 0.1162 | 0.1175 | 0.1270 | 0.1366 | 0.1497 |
| Total | (\$/dth @ Full Contract) | 0.3304 | 0.3703 | 0.4570 | 0.5039 | 0.5349 |
| <u>As-Available Service</u> | | | | | | |
| Redwood, Silverado, and Mission Paths, (From Citygate) Off-System - Noncore | | | | | | |
| Usage Charge | (\$/dth) | 0.3475 | 0.3964 | 0.5004 | 0.5567 | 0.5939 |
| Mission Paths (From on-system storage) Off-System (c) | | | | | | |
| Usage Charge | (\$/dth) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Baja Path Off-System - Noncore | | | | | | |
| Usage Charge | (\$/dth) | 0.3964 | 0.4444 | 0.5484 | 0.6047 | 0.6419 |

Notes:

- a) Rates are only the backbone transmission charge component of the transmission service. They exclude local transmission charges, mandated customer programs and other charges, customer access charges, distribution charges, storage charges, and shrinkage charges.
- b) The "Total" rows represent the average backbone transmission charge incurred by a firm shipper that uses 100 percent of its firm contract quantity.
- c) California gas and storage to off-system are assumed to flow on Redwood path and are priced at the Redwood path rate.

Rates do not include the revenue sharing seed value allocated between Local Transmission and Backbone Rates (excluding G-XF).

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Appendix J - Table 16

Firm Transportation

Expansion Shippers -- Annual Rates (G-XF) (a) (c)
SFV Rate Design

| | | <u>Interim</u> | | <u>2015 GT&S Rates</u> | | | <u>2018</u> |
|-------------------------------|--------------------------|------------------------|-------------|----------------------------|-------------|--------|-------------|
| | | <u>2015 & 2016</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | | |
| <u>SFV Rate Design</u> | | | | | | | |
| Reservation Charge | (\$/dth/mo) | 5.5594 | | 5.0817 | 5.8386 | 5.7825 | 5.8504 |
| Usage Charge | (\$/dth) | 0.0035 | | 0.0001 | 0.0001 | 0.0001 | 0.0001 |
| Total (b) | (\$/dth @ Full Contract) | 0.1863 | | 0.1672 | 0.1920 | 0.1902 | 0.1924 |

Notes:

- a) Rates are only the backbone transmission charge component of the transmission service. They exclude local transmission charges, mandated customer programs and other charges, customer access charges, distribution charges, storage charges, and shrinkage charges.
 - b) The "Total" rows represent the average backbone transmission charge incurred by a firm shipper that uses 100 percent of its firm contract quantity.
 - c) G-XF charges are based on the embedded cost of Line 401 and a 95 percent load factor.
- Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Appendix J - Table 17
Storage Service Rates (a)

| | | Interim 2015 & 2016 | 2015 | 2015 GT&S Rates | | 2018 |
|--|-------------|------------------------|-----------|-----------------|-----------|-----------|
| | | | | 2016 | 2017 | |
| <u>Core Firm Storage (G-CFS) (b)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | \$0.1285 | \$0.1534 | \$0.1820 | \$0.1870 | \$0.1923 |
| <u>Standard Firm Storage (G-SFS)</u> | | | | | | |
| Reservation Charge | (\$/dth/mo) | \$0.2447 | \$0.2797 | \$0.3129 | \$0.3032 | \$0.2970 |
| <u>Negotiated Firm Storage (G-NFS) (c) (e)</u> | | | | | | |
| Injection | (\$/dth/d) | \$6.1457 | \$5.4060 | \$6.0474 | \$5.8598 | \$5.7397 |
| Inventory | (\$/dth) | \$2.9366 | \$3.3569 | \$3.7552 | \$3.6387 | \$3.5641 |
| Withdrawal | (\$/dth/d) | \$21.2779 | \$24.7111 | \$27.6433 | \$26.7856 | \$26.2368 |
| <u>Negotiated As-Available Storage (G-NAS) - Maximum Rate (d) (e) (f)</u> | | | | | | |
| Injection | (\$/dth/d) | \$6.1457 | \$5.4060 | \$6.0474 | \$5.8598 | \$5.7397 |
| Withdrawal | (\$/dth/d) | \$21.2779 | \$24.7111 | \$27.6433 | \$26.7856 | \$26.2368 |
| <u>Market Center Services (Parking and Lending Services) (g)</u> | | | | | | |
| Maximum Daily Charge (\$/Dth/d) | | \$1.1206 | \$1.1073 | \$1.2351 | \$1.1971 | \$1.1681 |
| Minimum Rate (per transaction) | | \$57.0000 | \$57.00 | \$57.00 | \$57.00 | \$57.00 |

Notes:

- a) Rates for storage services are based on the costs of storage injection, inventory and withdrawal.
- b) Core Firm Storage (G-CFS) and Standard Firm Storage (G-SFS) rates are a monthly reservation charge designed to recover one twelfth of the annual revenue requirement of injection, inventory and withdrawal storage.
- c) Negotiated Firm rates may be one-part rates (volumetric) or two-part rates (reservation and volumetric), as negotiated between parties. The volumetric equivalent is shown above.
- d) Negotiated As-Available Storage Injection and Withdrawal rates are recovered through a volumetric charge only.
- e) Negotiated rates (NFS and NAS) are capped at the price which will collect 100 percent of PG&E's total revenue requirement for the unbundled storage program under all three subfunctions (e.g. inventory, injection, or withdrawal). The maximum rates are based on a rate design assuming an average injection period of 30 days and an average withdrawal period of 7 days.
- f) Negotiated Firm and As-available services are negotiable above a price floor representing PG&E's marginal costs of providing the service.
- g) The maximum charge for parking and lending is based on the annual cost of cycling one Dth of Firm Storage Gas assuming the full 214 day injection season and 151 day withdrawal season.

Gas Storage shrinkage will be applied in-kind on storage injections.

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Updated Appendix J - Table 18
Local Transmission Rates
\$/dth

| <u>Customer Groups</u> | <u>Interim 2015 & 2016</u> | <u>2015</u> | <u>2015 GT&S Rates</u> | | <u>2018</u> |
|--------------------------------|------------------------------------|-------------|----------------------------|-------------|-------------|
| | | | <u>2016</u> | <u>2017</u> | |
| Core Retail Local Transmission | 0.4749 | 1.3908 | 1.7316 | 1.9337 | 2.1286 |
| Noncore Retail and Wholesale | 0.2325 | 0.6207 | 0.7534 | 0.8433 | 0.9280 |

Notes:

Allocation Method between core and noncore: Cold-Year Coincident Peak Month

Rates do not include the revenue sharing seed value allocated between Local Transmission and Backbone Rates (excluding G-XF).

Dollar difference are due to rounding.

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision
Appendix J - Table 19
Customer Access Charge Rates (a)
(\$ per Month)

| | | Interim 2015 & 2016 | 2015 | 2015 GT&S Rates | | 2018 |
|--------------------------------------|-------------------------|------------------------|------------|-----------------|------------|------------|
| | | | | 2016 | 2017 | |
| <u>G-EG / G-NT (\$/month)</u> | | | | | | |
| | (Therms/Month) | | | | | |
| Tier 1 | 0 to 5,000 | \$62.12 | \$32.07 | \$37.26 | \$35.37 | \$33.73 |
| Tier 2 | 5,001 to 10,000 | \$185.04 | \$95.52 | \$110.99 | \$105.37 | \$100.46 |
| Tier 3 | 10,001 to 50,000 | \$344.40 | \$177.78 | \$206.58 | \$196.11 | \$186.98 |
| Tier 4 | 50,001 to 200,000 | \$451.98 | \$233.31 | \$271.11 | \$257.37 | \$245.39 |
| Tier 5 | 200,001 to 1,000,000 | \$655.79 | \$338.51 | \$393.35 | \$373.42 | \$356.04 |
| Tier 6 | 1,000,001 and above | \$5,562.75 | \$2,871.47 | \$3,336.65 | \$3,167.58 | \$3,020.14 |
| <u>Wholesale (\$/month)</u> | | | | | | |
| | Alpine | \$330.27 | \$153.56 | \$178.44 | \$169.40 | \$161.51 |
| | Coalinga | \$1,460.63 | \$679.15 | \$789.17 | \$749.18 | \$714.31 |
| | Island Energy | \$989.63 | \$460.15 | \$534.70 | \$507.61 | \$483.98 |
| | Palo Alto | \$4,870.05 | \$2,264.45 | \$2,631.30 | \$2,497.97 | \$2,381.70 |
| | West Coast Gas - Castle | \$848.48 | \$394.52 | \$458.43 | \$435.20 | \$414.94 |
| | West Coast Gas - Mather | \$775.38 | \$360.53 | \$418.94 | \$397.71 | \$379.20 |

Notes:

- a) The CAC revenue requirements are established in this GT&S Rate Case proceeding. The rate design for the customer access charge may be addressed in PG&E's Biennial Cost Allocation Proceedings (BCAP).

Pacific Gas and Electric Company
2015 Gas Transmission and Storage Ratecase
Phase 1 Decision

Appendix J - Table 20

Self Balancing Credit (a)

| | <u>Interim 2015 & 2016</u> | | <u>2015</u> | <u>2015 GT&S Rates 2016</u> | <u>2017</u> | <u>2018</u> |
|------------------------------|------------------------------------|--|-------------|-------------------------------------|-------------|-------------|
| Self Balancing Credit | (\$0.0135) | | (\$0.0163) | (\$0.0192) | (\$0.0196) | (\$0.0201) |

Notes:

- a) Storage balancing costs are bundled in backbone rates. Customers or Balancing agents who elect self balancing on a daily basis can opt out of PG&E's monthly balancing program and receive a self-balancing credit.

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

Title of Sheet

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

| | | |
|---------|---|---------|
| 32738-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 12 | 32411-G |
| 32739-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 13 | 32412-G |
| 32740-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 14 | 32413-G |
| 32741-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 15 | 32414-G |
| 32742-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 16 | 32415-G |
| 32743-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 17 | 32416-G |
| 32744-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 18 | 32417-G |
| 32745-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 19 | 32418-G |
| 32746-G | GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 20 | 32419-G |
| 32747-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 1 | 28876-G |
| 32748-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 2 | 32420-G |
| 32749-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 3 | 32421-G |

**ATTACHMENT 6
Advice 3727-G**

| Cal P.U.C. Sheet No. | Title of Sheet | Cancelling Cal P.U.C. Sheet No. |
|---------------------------------|---|--|
| 32750-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 4 | 32422-G |
| 32751-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 6 | 28880-G |
| 32752-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 8 | 28882-G |
| 32753-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 10 | 28110-G |
| 32754-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 11 | 28884-G |
| 32755-G | GAS PRELIMINARY STATEMENT PART C GAS ACCOUNTING TERMS & DEFINITIONS Sheet 14 | 29141-G |
| 32756-G | GAS PRELIMINARY STATEMENT PART F CORE FIXED COST ACCOUNT Sheet 2 | 24623-G |
| 32757-G | GAS PRELIMINARY STATEMENT PART F CORE FIXED COST ACCOUNT Sheet 3 | 32232-G |
| 32758-G | GAS PRELIMINARY STATEMENT PART CP GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM Sheet 1 | 28898-G |
| 32759-G | GAS PRELIMINARY STATEMENT PART CP GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM Sheet 2 | 30647-G |
| 32760-G | GAS PRELIMINARY STATEMENT PART CP GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM Sheet 3 | 30648-G |

**ATTACHMENT 6
Advice 3727-G**

| Cal P.U.C. Sheet No. | Title of Sheet | Cancelling Cal P.U.C. Sheet No. |
|---------------------------------|---|--|
| 32761-G | GAS PRELIMINARY STATEMENT PART DD GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT (GTSM) Sheet 1 | 31340-G |
| 32762-G | GAS SCHEDULE G-AA AS AVAILABLE TRANSPORTATION ON-SYSTEM Sheet 2 | 31795-G |
| 32763-G | GAS SCHEDULE G-AAOFF AS-AVAILABLE TRANSPORTATION OFF- SYSTEM Sheet 2 | 31796-G |
| 32764-G | GAS SCHEDULE G-AFT ANNUAL FIRM TRANSPORTATION ON-SYSTEM Sheet 2 | 31797-G |
| 32765-G | GAS SCHEDULE G-AFTOFF ANNUAL FIRM TRANSPORTATION OFF- SYSTEM Sheet 2 | 31798-G |
| 32766-G | GAS SCHEDULE G-BAL GAS BALANCING SERVICE FOR INTRASTATE TRANSPORTATION CUSTOMERS Sheet 4 | 31799-G |
| 32767-G | GAS SCHEDULE G-CFS CORE FIRM STORAGE Sheet 1 | 31800-G |
| 32768-G | GAS SCHEDULE G-EG GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION Sheet 1 | 32424-G |
| 32769-G | GAS SCHEDULE G-LEND MARKET CENTER LENDING SERVICES Sheet 1 | 31802-G |
| 32770-G | GAS SCHEDULE G-LNG EXPERIMENTAL LIQUEFIED NATURAL GAS SERVICE Sheet 1 | 32425-G |

**ATTACHMENT 6
Advice 3727-G**

| Cal P.U.C. Sheet No. | Title of Sheet | Cancelling Cal P.U.C. Sheet No. |
|---------------------------------|--|--|
| 32771-G | GAS SCHEDULE G-NAS NEGOTIATED AS-AVAILABLE STORAGE SERVICE Sheet 1 | 31804-G |
| 32772-G | GAS SCHEDULE G-NFS NEGOTIATED FIRM STORAGE SERVICE Sheet 1 | 31805-G |
| 32773-G | GAS SCHEDULE G-NGV4 NONCORE NATURAL GAS SERVICE FOR COMPRESSION ON CUSTOMERS' PREMISES Sheet 1 | 31806-G |
| 32774-G | GAS SCHEDULE G-NGV4 NONCORE NATURAL GAS SERVICE FOR COMPRESSION ON CUSTOMERS' PREMISES Sheet 2 | 32426-G |
| 32775-G | GAS SCHEDULE G-NT GAS TRANSPORTATION SERVICE TO NONCORE END-USE CUSTOMERS Sheet 1 | 31808-G |
| 32776-G | GAS SCHEDULE G-NT GAS TRANSPORTATION SERVICE TO NONCORE END-USE CUSTOMERS Sheet 2 | 32427-G |
| 32777-G | GAS SCHEDULE G-PARK MARKET CENTER PARKING SERVICES Sheet 1 | 31810-G |
| 32778-G | GAS SCHEDULE G-SFS STANDARD FIRM STORAGE SERVICE Sheet 1 | 31811-G |
| 32779-G | GAS SCHEDULE G-SFT SEASONAL FIRM TRANSPORTATION ON- SYSTEM ONLY Sheet 2 | 31812-G |

**ATTACHMENT 6
Advice 3727-G**

| Cal P.U.C. Sheet No. | Title of Sheet | Cancelling Cal P.U.C. Sheet No. |
|---------------------------------|--|--|
| 32780-G | GAS SCHEDULE G-WSL GAS TRANSPORTATION SERVICE TO WHOLESALE/RESALE CUSTOMERS Sheet 1 | 32428-G |
| 32781-G | GAS SCHEDULE G-XF PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE Sheet 1 | 31003-G |
| 32782-G | GAS SCHEDULE G-XF PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE Sheet 2 | 31004-G |
| 32783-G | GAS TABLE OF CONTENTS Sheet 1 | 32673-G |
| 32784-G | GAS TABLE OF CONTENTS Sheet 2 | 32698-G |
| 32785-G | GAS TABLE OF CONTENTS Sheet 3 | 32674-G |
| 32786-G | GAS TABLE OF CONTENTS Sheet 4 | 32700-G |
| 32787-G | GAS TABLE OF CONTENTS Sheet 5 | 32609-G |



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 12

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM)* (Cont'd.)

NONCORE p. 1

| THERMS: | G-NT TRANSMISSION | G-NT—DISTRIBUTION SUMMER | | | |
|--|----------------------|-----------------------------|--------------------------|---------------------------|-------------------------------|
| | | 0- <u>20,833</u> | 20,834- <u>49,999</u> | 50,000- <u>166,666</u> | 166,667- <u>249,999***</u> |
| NCA – NONCORE | 0.00810 | 0.00810 | 0.00810 | 0.00810 | 0.00810 |
| NCA – DISTRIBUTION SUBACCOUNT | 0.00960 (I) | 0.21473 (I) | 0.13786 (I) | 0.12215 (I) | 0.10987 (I) |
| CPUC FEE | 0.00095 | 0.00095 | 0.00095 | 0.00095 | 0.00095 |
| CSI- SOLAR THERMAL PROGRAM | 0.00171 | 0.00171 | 0.00171 | 0.00171 | 0.00171 |
| CEE INCENTIVE | 0.00000 | 0.00005 | 0.00005 | 0.00005 | 0.00005 |
| LOCAL TRANSMISSION OR SURCHARGE (AT RISK) (3) | 0.07534 (I) | 0.07534 (I) | 0.07534 (I) | 0.07534 (I) | 0.07534 (I) |
| NCA - ARB AB32 COI | 0.00108 | 0.00108 | 0.00108 | 0.00108 | 0.00108 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – LT | 0.02231 | 0.02231 | 0.02231 | 0.02231 | 0.02231 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – BB | 0.00339 | 0.00339 | 0.00339 | 0.00339 | 0.00339 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – Storage | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> |
| TOTAL RATE | 0.11980 (I) | 0.32498 (I) | 0.24811 (I) | 0.23240 (I) | 0.22012 (I) |

* All tariff rate components on the sheet include an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U)

** Refer to footnotes at end of Noncore Default Tariff Rate Components.

*** Rate components for G-NT Distribution over 249,999 therms are the same as G-NT Transmission.

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 13

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM)* (Cont'd.)

NONCORE p. 2

| THERMS: | G-NT BACKBONE | G-NT—DISTRIBUTION WINTER | | | |
|--|--------------------|-----------------------------|--------------------|--------------------|------------------------|
| | | 0- 20,833 | 20,834- 49,999 | 50,000- 166,666 | 166,667- 249,999*** |
| NCA – NONCORE | 0.00810 | 0.00810 | 0.00810 | 0.00810 | 0.00810 |
| NCA – DISTRIBUTION SUBACCOUNT | 0.00000 | 0.28895 (I) | 0.18518 (I) | 0.16397 (I) | 0.14740 (I) |
| CPUC FEE | 0.00095 | 0.00095 | 0.00095 | 0.00095 | 0.00095 |
| CSI- SOLAR THERMAL PROGRAM | 0.00171 | 0.00171 | 0.00171 | 0.00171 | 0.00171 |
| CEE INCENTIVE | 0.00000 | 0.00005 | 0.00005 | 0.00005 | 0.00005 |
| LOCAL TRANSMISSION OR SURCHARGE (AT RISK) (3) | 0.00000 | 0.07534 (I) | 0.07534 (I) | 0.07534 (I) | 0.07534 (I) |
| NCA - ARB AB32 COI | 0.00108 | 0.00108 | 0.00108 | 0.00108 | 0.00108 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – LT | 0.00000 | 0.02231 | 0.02231 | 0.02231 | 0.02231 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – BB | 0.00339 | 0.00339 | 0.00339 | 0.00339 | 0.00339 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – Storage | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> |
| TOTAL RATE | 0.01255 (I) | 0.39920 (I) | 0.29543 (I) | 0.27422 (I) | 0.25765 (I) |

* All tariff rate components on the sheet include an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U)

** Refer to footnotes at end of Noncore Default Tariff Rate Components.

*** Rate components for G-NT Distribution over 249,999 therms are the same as G-NT Transmission

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 14

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM)* (Cont'd.)

NONCORE p. 3

| | <u>G-EG (2)**</u> | | <u>G-EG BACKBONE</u> | |
|---|-------------------|-----|----------------------|-----|
| NCA – NONCORE | 0.00810 | | 0.00810 | |
| NCA – DISTRIBUTION SUBACCOUNT | 0.00302 | (I) | 0.00301 | |
| CPUC FEE | 0.00004 | | 0.00004 | |
| CSI- SOLAR THERMAL PROGRAM | 0.00000 | | 0.00000 | |
| CEE INCENTIVE | 0.00000 | | 0.00000 | |
| LOCAL TRANSMISSION OR SURCHARGE (AT RISK) (3) | 0.07534 | (I) | 0.00000 | |
| NCA - ARB AB32 COI | 0.00108 | | 0.00108 | |
| 2015 GT&S LATE IMPLEMENTATION AMORT – LT | 0.02231 | | 0.00000 | (T) |
| 2015 GT&S LATE IMPLEMENTATION AMORT – BB | 0.00339 | | 0.00339 | |
| 2015 GT&S LATE IMPLEMENTATION AMORT – Storage | <u>(0.00268)</u> | | <u>(0.00268)</u> | |
| TOTAL RATE | 0.11060 | (I) | 0.01294 | (I) |

* All tariff rate components on the sheet include an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U)

** Refer to footnotes at end of Noncore Default Tariff Rate Components.

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 15

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM)* (Cont'd.)

NONCORE p. 4

| | G-WSL | | | | | | | |
|---|----------------|-----|----------------|-----|-----------------|-----|----------------|-----|
| | Palo Alto-T | | Coalinga-T | | Island Energy-T | | Alpine-T | |
| NCA – NONCORE | 0.00717 | | 0.00717 | | 0.00717 | | 0.00717 | |
| NCA – DISTRIBUTION SUBACCOUNT | 0.00000 | | 0.00000 | | 0.00000 | | 0.00000 | |
| CPUC FEE** | 0.00000 | | 0.00000 | | 0.00000 | | 0.00000 | |
| CSI- SOLAR THERMAL PROGRAM | 0.00000 | | 0.00000 | | 0.00000 | | 0.00000 | |
| CEE INCENTIVE | 0.00000 | | 0.00000 | | 0.00000 | | 0.00000 | |
| LOCAL TRANSMISSION (AT RISK) | 0.07534 | (I) | 0.07534 | (I) | 0.07534 | (I) | 0.07534 | (I) |
| 2015 GT&S LATE IMPLEMENTATION AMORT – LT | 0.02231 | | 0.02231 | | 0.02231 | | 0.02231 | (T) |
| 2015 GT&S LATE IMPLEMENTATION AMORT – BB | 0.00339 | | 0.00339 | | 0.00339 | | 0.00339 | (T) |
| 2015 GT&S LATE IMPLEMENTATION AMORT – Storage | (0.00268) | | (0.00268) | | (0.00268) | | (0.00268) | (T) |
| TOTAL RATE | 0.10553 | (I) | 0.10553 | (I) | 0.10553 | (I) | 0.10553 | (I) |

* All tariff rate components on this sheet include an allowance for Franchise Fees only.

** The CPUC Fee does not apply to customers on Schedule G-WSL

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 18

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM) (Cont'd.)*

NONCORE p. 7

| THERMS: | G-NGV4 BACKBONE | G—NGV4-DISTRIBUTION WINTER | | | |
|---|--------------------|-------------------------------|--------------------------|---------------------------|----------------------------|
| | | 0- <u>20,833</u> | 20,834- <u>49,999</u> | 50,000- <u>166,666</u> | 166,667- <u>249,999</u> |
| NCA – NONCORE | 0.00810 | 0.00810 | 0.00810 | 0.00810 | 0.00810 |
| NCA – DISTRIBUTION SUBACCOUNT | 0.00000 | 0.28895 (I) | 0.18518 (I) | 0.16397 (I) | 0.14740 (I) |
| CPUC FEE | 0.00095 | 0.00095 | 0.00095 | 0.00095 | 0.00095 |
| CSI- SOLAR THERMAL PROGRAM | 0.00171 | 0.00171 | 0.00171 | 0.00171 | 0.00171 |
| CEE INCENTIVE | 0.00000 | 0.00005 | 0.00005 | 0.00005 | 0.00005 |
| LOCAL TRANSMISSION (AT RISK) | 0.00000 | 0.07534 (I) | 0.07534 (I) | 0.07534 (I) | 0.07534 (I) |
| NCA - ARB AB32 COI | 0.00108 | 0.00108 | 0.00108 | 0.00108 | 0.00108 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – LT | 0.00000 | 0.02231 | 0.02231 | 0.02231 | 0.02231 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – BB | 0.00339 | 0.00339 | 0.00339 | 0.00339 | 0.00339 |
| 2015 GT&S LATE IMPLEMENTATION AMORT – Storage | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> | <u>(0.00268)</u> |
| TOTAL RATE | 0.01255 (I) | 0.39920 (I) | 0.29543 (I) | 0.27422 (I) | 0.25765 (I) |

* All tariff rate components on the sheet include an allowance for Franchise Fees and Uncollectible Accounts.

** Refer to footnotes at end of Noncore Default Tariff Rate Components.

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 19

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM) (Cont'd.)*

NONCORE p. 8

| | <u>G-LNG (1)*</u> | |
|----------------------------------|-----------------------|------------|
| NCA – NONCORE | 0.00000 | |
| NCA – DISTRIBUTION SUBACCOUNT | 0.00000 | |
| CPUC Fee | 0.00095 | |
| CSI- SOLAR THERMAL PROGRAM | 0.00000 | |
| CEE INCENTIVE | 0.00000 | |
| LNG BALANCING ACCOUNT | 0.24732 | (I) |
| LOCAL TRANSMISSION (AT RISK) | 0.00000 | |
| TOTAL RATE | <u>0.24827</u> | (I) |

* All tariff rate components on the sheet include an allowance for Franchise Fees and Uncollectible Accounts.

** Refer to footnotes at end of Noncore Default Tariff Rate Components.

(Continued)



GAS PRELIMINARY STATEMENT PART B
DEFAULT TARIFF RATE COMPONENTS

Sheet 20

B. DEFAULT TARIFF RATE COMPONENTS (\$/THERM) (Cont'd.)

MAINLINE EXTENSION RATES (1)

| Core Schedules (2) | Mainline Extension Rate (Per Therm) (T) | Core Customer Charges (3) | |
|--------------------|---|-------------------------------------|-----------------|
| | | ADU (therms) (4) | Per Day |
| Schedule G-NR1 | \$0.31647 | 0 – 5.0 | \$0.27048 |
| | | 5.1 to 16.0 | \$0.52106 |
| | | 16.1 to 41.0 | \$0.95482 |
| | | 41.1 to 123.0 | \$1.66489 |
| | | 123.1 & Up | \$2.14936 |
| Schedule G-NR2 | \$0.13674 | All Usage Levels | \$4.95518 |
| Schedule G-NGV1 | \$0.07168 | All Usage Levels | \$0.44121 |
| Schedule G-NGV2 | N/A | All Usage Levels | N/A |
| Noncore Schedules | Mainline Extension Rate (Per Therm) (T) | Noncore Customer Access Charges (5) | |
| | | Average Monthly Use (Therms) | Per Day |
| Schedule G-NT | \$0.15216 (I) | 0 to 5,000 | \$1.22499 (R) |
| | | 5,001 to 10,000 | \$3.64899 (R) |
| | | 10,001 to 50,000 | \$6.79167 (R) |
| Schedule G-EG | \$0.00296 | 50,001 to 200,000 | \$8.91321 (R) |
| | | 200,001 to 1,000,000 | \$12.93205 (R) |
| | | 1,000,001 and above | \$109.69808 (R) |
| Schedule G-NGV4 | \$0.15216 (I) | Distribution | \$0.00296 |
| | | Local Transmission | \$0.00296 |
| | | Backbone | \$0.00296 |
| Schedule G-NGV4 | \$0.15216 (I) | Distribution | \$0.15216 (I) |
| | | Local Transmission | \$0.00000 |
| | | Backbone | \$0.00000 |

- (1) Mainline Extension Rates are required to support calculation of distribution-based revenues described in Rule 15.
- (2) For all residential schedules, see Rule 15 for extension allowances.
- (3) The Core Customer Charge is in addition to the core Mainline Extension Rates specified above.
- (4) The applicable Schedule G-NR1 Customer Charge is based on the customer's highest Average Daily Usage (ADU) determined from among the billing periods occurring within the last twelve (12) months, including the current billing period. PG&E calculates the ADU for each billing period by dividing the total usage by the number of days in the billing period.
- (5) The Noncore Customer Access Charge is in addition to the noncore Mainline Extension Rates specified above.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 1

C. GAS ACCOUNTING TERMS AND DEFINITIONS

These accounting terms and definitions are used in the authorized gas revenue requirements and surcharge funding as well as the accounting procedure descriptions that follow in this Preliminary Statement. They are consistent with and apply to PG&E's Gas Rate Schedules and Rules. Additional definitions can be found in Rule 1.

1. BALANCING ACCOUNT: In the context of this tariff, a balancing account is an account in which:
 - a. expenses are compared with revenues from rates designed to recover those expenses, or
 - b. forecast expenses are compared with recorded expenses, or
 - c. forecast revenues are compared with recorded revenues, or
 - d. authorized funding is compared to surcharge amounts.

The resulting under- or overcollection, plus interest, is recorded on PG&E's financial statements as an asset or liability, which is owed from or due to the ratepayers. Balances in balancing accounts, plus interest, are to be amortized in rates.

BASE REVENUE AND AUTHORIZED FUNDING AMOUNTS: The GRC Distribution Base Revenue Amount is the annual operating revenue, less other operating revenue adopted in the General Rate Case (GRC) or other proceedings.

Adjustments and credits to GRC Base Revenues were approved in various CPUC decisions. In Decision 05-06-029, the CPUC adopted specific levels of Enhanced Oil Recovery (EOR) revenue. In Decision 04-12-050, the CPUC revised the core brokerage fee authorized in Decision 97-08-055. Adjustments for G-10 employee discounts are revised when the CPUC authorizes revisions to illustrative residential core procurement rates in the BCAP or other proceedings. The currently effective GRC Distribution Base Revenue Amount (with adjustments and credits) is shown in Table C.2.

The Gas Transmission and Storage (GT&S) Base Revenues are comprised of Local Transmission, Backbone Transmission, Storage and transmission-level customer access adopted in GT&S Decision 16-06-056. The currently effective GT&S Revenue Requirement is shown in Table C.2. (T)

The Public Purpose Program (PPP) authorized funding includes amounts for Energy Efficiency (EE) and Low Income Energy Efficiency (LIEE) Programs, public interest Research, Development and Demonstration (RD&D), State Board of Equalization (BOE) and CPUC Surcharge Administration Fees, California Alternate Rates for Energy (CARE) Administrative Expenses and CARE shortfall. PPP-authorized funding and the subsidy for CARE customers are recovered through the gas PPP surcharge, as authorized by Public Utilities Code Sections 890-900, Resolution G-3303 and Decision 04-08-010.* The currently authorized PPP funding amounts are shown in Table C.2.

* Decision 04-08-010 determined that franchise fees and uncollectible accounts expense (FF&U) should not be included in the calculation of gas PPP surcharges.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 2

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

2. ANNUAL GAS REVENUE REQUIREMENT AND PPP FUNDING REQUIREMENTS: (Cont'd.)

Amount (\$000)

| Description | Core | Noncore | Unbundled | Core Procurement | Total |
|---|----------------------|--------------------|--------------------|------------------|--------------------------|
| BASE REVENUES (incl. F&U) : | | | | | |
| Authorized GRC Distribution Base Revenue (1) | | | | | 1,771,604 |
| Pension (2) | | | | | 54,701 |
| Less: Other Operating Revenue | | | | | (25,228) |
| Authorized Distribution Revenues | <u>1,738,379</u> | <u>62,698</u> | | | <u>1,801,077</u> |
| BCAP ALLOCATION ADJUSTMENTS AND CREDITS TO BASE: | | | | | |
| G-10 Procurement-Related Employee Discount | (811) (R) | | | | (811) (R) |
| G-10 Procurement Discount Allocation | 320 (I) | 491 (I) | | | 811 (I) |
| Core Brokerage Fee Credit | (6,583) | | | | (6,583) |
| Distribution Base Revenue with Adj. and Credits | <u>1,731,305</u> (R) | <u>63,189</u> (I) | | | <u>1,794,494</u> |
| TRANSPORTATION FORECAST PERIOD COSTS & BALANCING ACCOUNT BALANCES (3): | | | | | |
| Transportation Balancing Accounts | 551,532 | 37,084 | | | 588,616 |
| Self-Generation Incentive Program Revenue Requirement | 2,579 | 3,926 | | | 6,505 |
| CPUC Fee | 2,694 | 1,696 | | | 4,390 |
| Franchise Fees and Uncollectible Expense (F&U) (on items above) | 9,723 | 754 | | | 10,477 |
| CARE Discount included in PPP Funding Requirement | (111,590) | | | | (111,590) |
| CARE Discount not included in PPP Surcharge Rates | 0 | | | | 0 |
| Transportation Forecast Period Costs & Balancing Account Balances | <u>454,938</u> | <u>43,460</u> | | | <u>498,398</u> |
| GAS TRANSMISSION & STORAGE (GT&S) REVENUE REQUIREMENT (incl. F&U) (4): | | | | | |
| Local Transmission | 478,272 (I) | 229,009 (I) | | | 707,281 (I) |
| Customer Access Charge – Transmission | | 2,770 (R) | | | 2,770 (R) |
| Storage | 71,752 (I) | | 14,551 (R) | | 86,303 (I) |
| Carrying Cost on PG&E Working Gas in Storage | 1,356 (R) | | 13 (R) | | 1,369 (R) |
| Backbone Transmission/L-401 | <u>116,302</u> (I) | | <u>197,574</u> (I) | | <u>313,876</u> (I) |
| GT&S Revenue Requirement | <u>667,682</u> (I) | <u>231,779</u> (I) | <u>212,138</u> (I) | | <u>1,111,598</u> (I) (T) |

(1) The amount includes the authorized distribution base revenue approved in GRC D.14-08-032 and updated for the 2016 uncollectibles factor as determined in Advice 3612-G/4675-E.

(2) Pursuant to D.09-09-020, PG&E will maintain the annual contribution to the Company's retirement plan trust fund at the adopted 2013 amount. Section V (9) of the settlement agreement requires that the 2013 contribution level will apply in subsequent years until a new GRC or application is resolved.

(3) The SGIP revenue requirement was authorized in D.14-12-033.

(4) The interim 2015 Gas Transmission and Storage (GT&S) RRQ was adopted in D.16-06-056. Storage revenues allocated to load balancing are included in unbundled transmission rates. Some amounts include changes to PG&E's cost of capital authorized in D.12-12-034. The backbone transmission amounts include the implementation of the AB32-related gas compressor station costs (D.13-03-017).

*Some numbers may not add precisely due to rounding.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 3

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)
 2. ANNUAL GAS REVENUE REQUIREMENT AND PPP FUNDING REQUIREMENTS: (Cont'd.)

| Description | Amount (\$000) | | | | |
|--|----------------------|--------------------|--------------------|----------------------|--------------------------|
| | Core | Noncore | Unbundled | Core Procurement | Total |
| ILLUSTRATIVE CORE PROCUREMENT REVENUE REQUIREMENT (5): | | | | | |
| Illustrative Gas Supply Portfolio | | | | 656,136 (R) | 656,136 (R) |
| Interstate and Canadian Capacity | | | | 152,565 | 152,565 |
| F&U (on items above and Procurement Account Balances Below) | | | | 14,105 (R) | 14,105 (R) |
| Backbone Capacity (incl. F&U) | (88,814) (R) | | | 88,814 (I) | 0 |
| Backbone Volumetric (incl. F&U) | (27,489) (I) | | | 27,489 (R) | 0 |
| Storage (incl. F&U) | (71,752) (R) | | | 71,752 (I) | 0 |
| Carrying Cost on PG&E Working Gas in Storage (incl. F&U) | (1,356) (I) | | | 1,356 (R) | 0 |
| Core Brokerage Fee (incl. F&U) | | | | 6,583 | 6,583 |
| Procurement Account Balances | | | | - | - |
| Illus. Core Procurement Revenue Requirement | (189,410) (R) | | | 1,018,801 (I) | 829,390 (R) |
| TOTAL GAS REVENUE REQUIREMENT (without PPP) | 2,664,514 (I) | 338,428 (I) | 212,138 (I) | 1,018,801 (I) | 4,233,881 (I) (T) |
| AMORTIZATION OF 2015 GT&S LATE IMPLEMENTATION REVENUE REQUIREMENT (7): | | | | | |
| Local Transmission | 61,812 | 28,261 | | | 90,073 |
| Backbone | 1,877 | 6,150 | | | 8,027 |
| Storage | 3,130 | (4,858) | | | (1,728) |
| Total - Amortization of 2015 GT&S Late Implementation Revenue Requirement | 66,819 | 29,553 | | | 96,372 (N) |
| PUBLIC PURPOSE PROGRAM (PPP) FUNDING REQUIREMENT (F&U exempt) (6): | | | | | |
| Energy Efficiency (EE) | 69,663 | 7,754 | | | 77,417 |
| Energy Savings Assistance (ESA) | 61,961 | 6,897 | | | 68,858 |
| Research, Demonstration and Development (RD&D) | 6,232 | 4,503 | | | 10,735 |
| CARE Administrative Expense | 1,619 | 1,382 | | | 3,001 |
| Statewide Marketing, Education & Outreach | 1,254 | 140 | | | 1,394 |
| BOE and CPUC Administrative Cost | 231 | 167 | | | 398 |
| PPP Balancing Accounts | 10,818 | (9,131) | | | 1,687 |
| CARE Discount Recovered from non-CARE customers | 60,198 | 51,392 | | | 111,590 |
| Total PPP Funding Requirement in Rates | 211,976 | 63,104 | | | 275,080 |
| TOTAL GAS REVENUE AND PPP FUNDING REQUIREMENT | 2,943,309 (I) | 431,085 (I) | 212,138 (I) | 1,018,801 (I) | 4,605,333 (I) (T) |

(5) The credits shown in the Core column represent the core portion of the GT&S RRQ that is included in the illustrative Core Procurement RRQ, and are shown here to avoid double counting these costs in the total. The Gas Supply Portfolio cost is an annual illustrative amount. Actual gas commodity costs change monthly. (T)

(6) The PPP funding requirement is recovered in gas PPP surcharge rates pursuant to D.04-08-010 and 2016 PPP surcharge AL 3645-G; and includes ESA program funding adopted in D.14-08-030, EE program funding adopted in D.14-10-046, CARE annual administrative expense adopted in D.14-08-030, and excludes F&U per D.04-08-010.

(7) The 2015 GT&S Late Implementation amounts shown reflect a forecast collection of 5 months of the total \$694M undercollection, which is being amortized over 36 months. Rates are set based on an annualized revenue requirement of \$231M (\$231M = \$694M / 36*12). (N)

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 4

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

3. COST ALLOCATION FACTORS:

a. General: These factors are derived from the allocation policies adopted in the last Cost Allocation Proceeding and are used to allocate recorded costs to customer classes.

| Cost Category | Factor | | | Total |
|--|--------------|----------|---|----------|
| | Core | Noncore | Unbundled Storage and System Load Balancing | |
| Distribution Base Revenue Requirements | 0.965188 | 0.034812 | | 1.000000 |
| Intervenor Compensation | 0.965188 | 0.034812 | | 1.000000 |
| Other – Equal Distribution Based on All Transportation Volumes | 0.394376 | 0.605624 | | 1.000000 |
| Carrying Cost on PG&E Working Gas in Storage | 0.883629 (I) | | 0.116371 (R) | 1.000000 |
| ARB AB32 Cost of Implementation Fee | 0.588845 | 0.411155 | | 1.000000 |

(D)
 (D)

b. Pacific Gas and Electric Gas Transmission Northwest (PG&E GT-NW) and Intrastate Pipeline Demand Charges: Factors are derived based on the procedures defined in Decisions 91-11-025 and 97-05-093.

- 1) The core procurement factor will be equal to the capacity reserved for core procurement customers on each pipeline divided by the total capacity held by PG&E on that pipeline.
- 2) The core transport factor will be equal to the capacity reserved for core transport customers on each pipeline divided by the total capacity held by PG&E on that pipeline.

4. COST ALLOCATION PROCEEDING: The proceeding in which the Transportation Revenue Requirement, as described in Section C.10.c below, and the gas PPP authorized funding, as described in Section C.11. below, is allocated between customer classes. This proceeding is currently a biennial proceeding pursuant to CPUC Decision 90-09-089.

5. FORECAST PERIOD OR TEST PERIOD: The 24-month period, beginning with the revision date as specified in the Cost Allocation Proceeding.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 6

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

- 8. CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) SHORTFALL: This shall be computed by subtracting CARE customers' monthly revenues from the revenues that would have been recovered from CARE customers had they been paying standard transportation and procurement rates.
- 9. MEMORANDUM ACCOUNT: In the context of this tariff, a memorandum account operates similar to a balancing account except that interest may be excluded and the under- or overcollection may or may not be amortized in future rates.
- 10. REVENUE REQUIREMENT: The revenue requirement consists of the sum of the Transmission and Storage Revenue Requirement which is set in PG&E's GT&S Decisions, and the Transportation and Procurement Revenue Requirements which are allocated in the Cost Allocation Proceeding, and are defined below. Rates will be established to recover all items in the revenue requirement. (T)
 - a. The Transmission System Revenue Requirement includes the Transmission portion of the GT&S base revenue amount,* load balancing storage costs, certain forecast amounts and F&U. Amounts to be included in the Customer Class Charge paid by Transmission Service customers are allocated in the Cost Allocation Proceeding and described under Transportation Revenue Requirement, below. (T)/(D)
 - b. The Storage Revenue Requirement includes the core and Unbundled Storage base revenue amount,* carrying costs on PG&E working gas in storage, load balancing gas, and F&U.

* See Section C.2 for details.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 8

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

10. REVENUE REQUIREMENT (Cont'd.)

c. Transportation Revenue Requirement (Cont'd.)

- 8) Customer Energy Efficiency Incentive Account (CEEIA) Balance: This is the forecast revision-date balance in the CEEIA, as described in Preliminary Statement, Part Y, based on the latest recorded data available.
- 9) Core Brokerage Fee Balancing Account (CBFA) Balance: This is the forecast revision-date balance in the CBFA described in Preliminary Statement, Part U, based on the latest recorded data available.
- 10) Affiliate Transfer Fees Account (ATFA) Balance: This is the forecast revision-date balance in the ATFA described in Preliminary Statement Part Q, based on the latest recorded data available.
- 11) Self-Generation Program Memorandum Account (SGIP) Balance: This is the forecast revision-date balance in the SGIP described in Preliminary Statement, Part AW, based on the latest recorded data available.
- 12) Gas Reimbursable Fees Balancing Account (GRFBA) Balance: This is the forecast revision-date balance in the GRFBA described in Preliminary Statement Part BF, based on the latest recorded data available.
- 13) Franchise Fees and Uncollectible Accounts Expense (F&U): The amount to be added for F&U shall be determined by multiplying the sum of Sections C.10.c.4.a through C.10.c.13, above, by the applicable F&U factor. (D)
 |
 (D)
- 14) Integrity Management Expense Balancing Account (IMEBA) Balance: This is the forecast revision-date balance in the IMEBA described in Preliminary Statement Part CL, based on the latest recorded data available. (T)
- 15) Electricity Cost Balancing Account (ECBA) Balance: This is the forecast revision-date balance in the ECBA described in Preliminary Statement Part CM, based on the latest recorded data available. (T)
- 16) Adjustment Mechanism for Costs Determined in Other Proceedings (AMCDOP) Balance: This is the forecast revision date balance in the AMCDOP described in Preliminary Statement Part CO, based on the latest recorded data available. (T)
- 17) Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM) Balance: This is the forecast revision-date balance in the GTSRSM described in Preliminary Statement Part CP, based on the latest recorded data available. (T)

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 10

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

10. REVENUE REQUIREMENT (Cont'd.)

d. Core Procurement Revenue Requirement (Cont'd.)

- 9) Core Firm Storage Account (CFSA) Balance: The revenue requirement will include the forecast revision-date balance in the CFSA, described in Preliminary Statement, Part AG, based on the latest recorded data available.
- 10) Core Storage Revenue Requirement: This is the core storage amount shown in the GT&S base revenue in C.2, above. (T)
- 11) Brokerage Fee Revenue Requirement: This is the amount credited to the GRC Distribution Base Revenues shown in C.10.c.1, above.
- 12) Franchise Fees and Uncollectible Accounts Expense (F&U): The amount to be added for F&U shall be determined by multiplying the sum of C.10.d.1 through C.10.d.9, above.
- 13) Sempra and Price Indexing Cases Gas Settlements Refund Memorandum Account: This is the forecast balance in the (SPGSRMA), described in Preliminary Statement, Part CC, based on the latest recorded data available.

11. PUBLIC PURPOSE PROGRAM AUTHORIZED FUNDING

Public Purpose Program (PPP) authorized funding includes the authorized amounts for Energy Efficiency (EE) and Low Income Energy Efficiency (LIEE) programs, public interest Research, Development & Demonstration (RDD), California Alternate Rates for Energy (CARE) Administrative Expenses, CARE shortfall expenses, and the forecast revision-date balances in the PPP balancing accounts. PPP authorized funding is recovered through the gas PPP surcharge.

- 1) PPP Authorized Amounts: This shall be the EE, LIEE, and RD&D authorized funding amount shown in Section C.2.
- 2) CARE Administrative Expense: This shall be the total CARE administrative expense expected to occur during the forecast period, as shown in Section C.2.
- 3) CARE Shortfall Expense: This shall be the total CARE shortfall expected to occur during the forecast period.
- 4) PPP-EE Balancing Account Balance: This is the forecast revision-date balance in the PPP EE described in Preliminary Statement, Part BA, based on the latest recorded data available.
- 5) PPP-LIEE Balancing Account Balance: This is the forecast revision-date balance in the PPP-LIEE described in Preliminary Statement Part BH, based on the latest recorded data available.
- 6) PPP-RDD Balancing Account Balance: This is the forecast revision-date balance in the PPP-RDD described in Preliminary Statement Part BI, based on the latest recorded data available.
- 7) PPP-CARE Balancing Account Balance: This is the forecast revision-date balance in the PPP-CARE, described in Preliminary Statement, Part V, based on the latest recorded data available.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 11

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

12. REVISION DATES: PG&E's application for the Biennial Cost Allocation Proceeding (BCAP) shall be filed based on a schedule set forth by the CPUC. PG&E's Procurement rate shall be updated monthly.

a. Core Procurement Rate Change

Per Decision 97-10-065, an advice filing to change core procurement rates will be filed monthly. The filing will update certain forecasted procurement costs and the amortization component of the procurement rate. PG&E will continue to provide a Weighted Average Cost of Gas (WACOG) forecast in its BCAP for ratemaking purposes.

Per Decision 03-12-008, noncore customers switching to core service are subject to a crossover procurement rate, as specified in Schedule G-CPX, for the first twelve (12) regular monthly billing periods. Schedule G-CPX is filed by advice letter monthly.

b. Annual Gas True-up of Balancing Accounts (AGT)

Per Decision 05-06-029, an advice filing to change core and noncore transportation rates will be filed 45 days prior to the end of each calendar year for rates effective January 1. The filing will update the customer class charge components of transportation rates to recover all transportation-related balancing and memorandum account balances for costs that the Commission has authorization to be recovered in rates.

To determine the change in the customer charge components of transportation rates, PG&E will rely on the following:

- 1) The December 31 forecasted balance for each transportation balancing and memorandum account to be updated in the AGT will be determined based on the most recent recorded balance plus a forecast of the costs and revenues, including interest, through December 31. The exceptions are the GTSRSM balance (see 10.c), which will be determined on a recorded basis as of September 30 of each year during the GT&S term (January 1, 2015 through December 31, 2018); and the IMEBA balance (see 10.c.), which will not be determined annually, but will be determined in aggregate for the GT&S four-year term ending December 31, 2018. (T)
 - 2) The customer class charge components will be calculated by dividing the balancing account balances as determined in 12.b.1 above by the annual average adjusted BCAP throughput. For four balancing accounts, the balance will first be allocated to the Core and Noncore classes, as described below, then divided by the Core and Noncore annual average adjusted BCAP throughput. (T)
- i) TID Almond Power Plant Balancing Account (TIDBA) - - Allocate balance to Core and Noncore classes based on Cold-year January throughput. (T)
 - ii) Integrity management Expenses Balancing Account (IMEBA) - - Allocate balance 50% to Core and 50% to Noncore.
 - iii) Adjustment Mechanism for Costs Determined in Other Proceedings (AMCDOP) - - Allocate balance 50% to Core and 50% to Noncore.
 - iv) Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM) -- Allocate balance 50% to Core and 50% to Noncore.

(Continued)



GAS PRELIMINARY STATEMENT PART C
GAS ACCOUNTING TERMS & DEFINITIONS

Sheet 14

C. GAS ACCOUNTING TERMS AND DEFINITIONS (Cont'd.)

14. CORE PROCUREMENT INCENTIVE MECHANISM: The Core Procurement Incentive Mechanism (CPIM) is designed to replace traditional reasonableness reviews for Gas Procurement Costs as defined in C.10, above. PG&E will report its procurement activities monthly to the CPUC's Energy Division and Office of Ratepayer Advocates (ORA) and will file an annual report outlining cost savings, rewards or penalties under the CPIM. Incentive rewards and penalties are calculated annually and, upon Commission approval, will be recorded in the Core Sales Subaccount of the Purchased Gas Account (PGA). (T)

Decision 97-08-055 adopted a CPIM mechanism for Post-1997 performance as filed in Application 96-08-043, and as affirmed in D.03-12-061. Modifications adopted in D.04-01-047 are effective for the CPIM year starting November 1, 2002. Modifications adopted in D.07-06-013 are effective for the CPIM year starting November 1, 2007. Modifications adopted in D.10-01-023 are effective for the CPIM year starting November 1, 2010. Modifications adopted in D.08-11-032 and D.11-04-031 are effective for the CPIM year starting November 1, 2011. Modifications adopted in D.16-06-056 are effective for the CPIM year starting November 1, 2016. The CPIM will continue indefinitely until modified or terminated by the CPUC. (N)

The CPIM provides PG&E with a direct financial incentive to procure core gas and transportation services at the lowest reasonable cost by calculating rewards or penalties through comparing actual procurement costs to an aggregate market-based benchmark.

The CPIM establishes both a standard benchmark, which applies to purchasing activities occurring under most operating and temperature conditions, and an alternate benchmark which applies only under extraordinary circumstances requiring economic and/or physical diversions of supplies and transportation resources held by other shippers on the interstate and intrastate transmission system.

The CPIM standard benchmark is made up of three components: (1) the fixed transportation cost component, which includes interstate capacity reservation costs, backbone transmission system capacity reservation costs, and upstream Canadian capacity reservation costs; (2) the variable cost component, which covers commodity costs, 80 percent of winter hedging transaction premiums and settlement net gains and losses in the month of related gas flow, and volumetric transportation costs; and (3) a storage cost component.

The CPIM benchmark components are calculated daily. At the end of each 12-month period, the daily benchmark components are added together to form a single annual benchmark budget. Actual incurred costs are compared to the benchmark. If actual gas costs fall within a range (tolerance band) around the benchmark, costs are deemed reasonable, and are fully recoverable from customers. If actual costs fall below the tolerance band, the savings (the difference between the lower limit of the tolerance band and actual recorded costs) are shared between customers and shareholders according to the following procedure:

- a) 80 percent to customers and 20 percent to shareholders per D.07-06-013; and
- b) Annual PG&E shareholder awards are capped at 1.5 percent of the total annual gas commodity costs.

Customers and shareholders share equally any costs in excess of the upper limit of the tolerance band.

An alternate benchmark can be invoked by PG&E under certain extraordinary circumstances requiring economic and/or mandatory diversions of gas and transmission resources held by other shippers. All voluntary and involuntary diversion costs are compared to the highest value of the daily PG&E Citygate index range. There is no tolerance band for the alternate benchmark, and actual costs savings or overruns, relative to the benchmark, are shared 95 percent by customers and 5 percent by shareholders.



GAS PRELIMINARY STATEMENT PART F
CORE FIXED COST ACCOUNT

Sheet 2

F. Core Fixed Cost Account (CFCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Distribution Cost Subaccount

The following entries will be made to this subaccount at the end of each month:

- 1) a credit entry equal to California Alternate Rates for Energy (CARE) shortfall resulting from core commercial deliveries under Schedule G-CARE, and customer charges under Schedule GL1-NGV, excluding the allowance for Franchise Fees and Uncollectible Accounts Expense (F&U);
- 2) a debit entry equal to one-twelfth of the core portion of the authorized GRC distribution base revenue amount (with credits and adjustments), excluding the allowance for (F&U);
- 3) a credit entry equal to the revenue from the CFCA – Distribution Cost rate component, excluding the allowance for F&U;
- 4) a credit entry, as appropriate, to record the rebates paid to customers associated with the 2006 Winter Gas Savings Program, which has corresponding entries in the Winter Gas Savings Program Transportation Subaccount of the CFCA and Winter Gas Savings Program Procurement Subaccount of the Purchased Gas Account;
- 5) a debit entry equal to one-twelfth of the gas core portion of the ClimateSmart Administrative and Marketing revenue requirement, excluding the allowance for F&U, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account);
- 6) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC;
- 7) a debit or credit entry equal to any expense adopted by the CPUC as a cost to be recovered in this subaccount;
- 8) an entry equal to the core portion of the gain or loss on the sale of a gas distribution non-depreciable asset, as approved by the Commission; and
- 9) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after above entries, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

b. Core Cost Subaccount

The following entries will be made to this subaccount at the end of each month:

- 1) a credit entry equal to the revenue from the CFCA – Core Cost rate component, excluding the allowance for F&U;
- 2) a credit entry equal to the revenue from the local transmission rate component from core deliveries during the month, excluding the allowance for F&U;
- 3) a credit entry equal to the revenue from the core local transmission, core backbone, and core storage 2015 GT&S Late Implementation Amortization rate components, excluding the allowance for F&U;

(N)
 |
 (N)
 (L)

(Continued)



GAS PRELIMINARY STATEMENT PART F
CORE FIXED COST ACCOUNT

Sheet 3

6. ACCOUNTING PROCEDURE: (Cont'd.)

b. Core Cost Subaccount (Cont'd.)

- 4) a debit entry equal to the core portion of intervenor compensation payments authorized by the CPUC, recorded during the month; (L)/(T)
- 5) a debit entry equal to one-twelfth of the core portion of the authorized local transmission revenue requirement, excluding the allowance for F&U and excluding the portion of the \$30 million seed value from the Gas Transmission and Storage Revenue Sharing Mechanism allocated to core local transmission; (T)
- 6) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC; (T)
- 7) an entry equal to 65.907 percent of the local transmission revenue shortfall or over-recovery resulting from a change in customers qualifying for backbone-level end-use service, and associated throughput reduction or increase, as applicable; (T)
- 8) a debit or credit entry equal to any amounts authorized by the CPUC to be recorded in this subaccount; (T)
- 9) a debit entry equal to one-twelfth of the core portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the CPUC; (T)
- 10) an entry equal to the core portion of the gain or loss on the sale of a gas transmission non-depreciable asset, as approved by the Commission; (T)
- 11) a debit entry equal to the core gas portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065; (T)
- 12) an entry equal to the core portion of the transportation revenue for deliveries during the month under gas rate schedule G-LNG, excluding the allowance for F&U. The distribution between core and noncore is the "equal distribution based on all transportation volumes" allocator as specified in Preliminary Statement Part C.3; (T)
- 13) a debit entry equal to the core portion of biomethane incentive payments. The core portion is based on the "Other – Equal Distribution Based on All Transportation Volumes" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; and (T)
- 14) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after entries F.6.b.1 through F.6.b.10 above, are made, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release. H.15, or its successor. (T)

(Continued)



GAS PRELIMINARY STATEMENT PART CP Sheet 1
GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM

CP. Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM)

1. **PURPOSE:** The purpose of the Gas Transmission & Storage (GT&S) Revenue Sharing Mechanism (GTSRSM) is to record the difference between the customer portion of recorded total revenue over- or under-collections (derived for backbone, local transmission and storage) and the \$30.0 million seed value embedded in rates (as allocated to backbone and local transmission).

(D)
(D)

The disposition of this account will be the 12-month period from October 1 through September 30.

2. **APPLICABILITY:** The revenue sharing mechanism shall apply to all customer classes, except for those specifically excluded by the Commission.
3. **REVISION DATES:** Disposition of the balances in the subaccounts of this account shall be through the Customer Class Charge in the Annual Gas True-up (AGT) advice letter process.

4. **RATES:** GTSRSM rates are included in the effective rates set forth in each rate schedule (including Preliminary Statement, Part B), as applicable.

(N)
(N)

5. **ACCOUNTING PROCEDURE:** The revenue sharing mechanism consists of the following four subaccounts:

BACKBONE SUBACCOUNT: The purpose of backbone subaccount is to record the difference between the adopted backbone revenue requirement and recorded backbone revenues, whether an over-collection or an under-collection, to be shared 50% to customers and 50% to shareholders. [Note: Core Reservation is balancing account protected and therefore not included in this calculation. Rate Schedule G-XF is subject to incremental ratemaking and therefore also not included. In accordance with the Gas Accord V Settlement Agreement, the Customer Access Charge (CAC) is also not subject to the sharing mechanism.]

(D)
(N)
(N)
(N)

LOCAL TRANSMISSION SUBACCOUNT: The purpose of the local transmission subaccount is to record the difference between the adopted local transmission revenue requirement and recorded local transmission revenues, whether an over-collection or an under-collection, to be shared 75% to customers and 25% to shareholders. [Note: Core Local Transmission is balancing account protected and therefore not included in this calculation.]

(D)

(Continued)



GAS PRELIMINARY STATEMENT PART CP Sheet 2
GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM

5. ACCOUNTING PROCEDURE (Ctd.):

STORAGE SUBACCOUNT: The purpose of the storage subaccount is to record the difference between the adopted storage revenue requirement and recorded storage revenues, if resulting in an over-collection, to be shared 75% to customers and 25% to shareholders. PG&E is at risk for 100% of any net under-collections. [Note: Core Storage is balancing account protected and therefore not included in this calculation.]

If PG&E identifies and wishes to make incremental additions to its storage facilities or operations that are expected to produce incremental storage revenues, PG&E will file an advice letter with the CPUC to show the expected costs and the expected revenues of the project. In the advice letter, PG&E will ask to add the revenue requirements associated with the project to the adopted storage revenue requirements only for purposes of administering the revenue sharing mechanism. PG&E will also include all recorded revenues in the sharing mechanism, including incremental revenues obtained because of the new storage project. (D) (D)

REVENUE SHARING SUBACCOUNT: The purpose of the revenue sharing subaccount is to record the difference between the customer portion of recorded total revenue over- or under-collections, as determined in the subaccounts described above, and the \$30.0 million seed value embedded in rates.

a. Backbone Subaccount

The following entries, net of an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U), shall be made to this subaccount, as applicable:

- 1) A monthly debit equal to 50% of one-twelfth of the authorized backbone revenue requirement and the related 2015 GT&S undercollection. (N)
- 2) A monthly credit equal to 50% of the recorded backbone revenue and the related 2015 GT&S Late Implementation Amortization revenues. (N) (N)
- 3) A monthly credit entry equal to 50% of one-twelfth of the seed value embedded in backbone rates.
- 4) On September 30 of each year, an annual debit or credit entry to transfer the accumulated balance to the Revenue Sharing Subaccount of this balancing account.
- 5) A monthly entry equal to interest on the average balance in the subaccount at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

(Continued)



GAS PRELIMINARY STATEMENT PART CP
GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM

Sheet 3

5. ACCOUNTING PROCEDURE (Ctd.):

b. Local Transmission Subaccount

The following entries, net of an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U), shall be made to this subaccount, as applicable:

- 1) A monthly debit equal to 75% of one-twelfth of the authorized local transmission revenue requirement and the related 2015 GT&S undercollection. (N)
(N)
- 2) A monthly credit equal to 75% of the recorded local transmission revenue and the related 2015 GT&S Late Implementation Amortization revenues. (N)
- 3) A monthly credit entry equal to 75% of one-twelfth of the seed value embedded in local transmission rates.
- 4) On September 30 of each year, an annual debit or credit entry to transfer the accumulated balance to the Revenue Sharing Subaccount of this balancing account.
- 5) A monthly entry equal to interest on the average balance in the subaccount at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

c. Storage Subaccount

The following entries, net of an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U), shall be made to this subaccount, as applicable:

- 1) A monthly debit entry equal to 75% of one-twelfth of the authorized storage revenue requirement and the related 2015 GT&S undercollection. (N)
- 2) A monthly credit entry equal to 75% of the recorded storage revenue and the related 2015 GT&S Late Implementation Amortization revenues. (N)
(N)
- 3) A monthly credit entry equal to 75% of one-twelfth of the seed value embedded in storage rates.
- 4) If the balance is over-collected, on September 30 each year, a debit entry to transfer the accumulated balance to the Revenue Sharing Subaccount of this balancing account. If the balance is under-collected, PG&E is at risk and will transfer the balance to earnings.
- 5) A monthly entry equal to interest on the average balance in the subaccount at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

(Continued)



GAS PRELIMINARY STATEMENT PART DD Sheet 1
GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT (GTSMA)

DD. GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT (GTSMA)

1. **PURPOSE:** The purpose of the Gas Transmission & Storage Memorandum Account (GTSMA) is to record and/or track certain core and noncore Gas Transmission and Storage (GT&S) activity in the event that a final decision in PG&E's 2015 GT&S Application (A.) 13-12-012 is issued after January 1, 2015. Specifically, this account records the difference between the revenue requirement adopted by the Commission in A.13-12-012, and the placeholder revenue requirement incorporated in gas rates effective January 1, 2015. Beginning January 1, 2015, and until a final decision in A.13-12-012 is issued, this account also tracks the difference between the noncore recorded revenues, and the noncore placeholder revenue requirements incorporated into rates effective January 1, 2015.

2. **APPLICABILITY:** The GTSMA shall apply to all customer classes, except for those specifically excluded by the Commission.

3. **REVISION DATES:** Disposition of the balances in the account shall be through the Customer Class Charge as authorized by the Commission. (D)
(D)
(D)
(D)

4. **RATES:** The GTSMA does not have a separate rate component.

5. **ACCOUNTING PROCEDURE:** The GTSMA consists of the following six subaccounts:

CORE BACKBONE SUBACCOUNT: The purpose of the Core Backbone Subaccount is to record the difference between the core backbone revenue requirement adopted by the Commission in A.13-12-012, and the core backbone placeholder revenue requirement incorporated in gas rates effective January 1, 2015. Disposition of this subaccount shall be through the Core Fixed Cost Account (CFCA) – Core Cost Subaccount. (T)

CORE LOCAL TRANSMISSION SUBACCOUNT: The purpose of the Core Local Transmission Subaccount is to record the difference between the core local transmission revenue requirement adopted by the Commission in A.13-12-012, and the core local transmission placeholder revenue requirement incorporated in gas rates effective January 1, 2015. Disposition of this subaccount shall be through the Core Fixed Cost Account (CFCA) -Core Cost Subaccount.

CORE STORAGE SUBACCOUNT: The purpose of the Core Storage Subaccount is to record the difference between the core storage revenue requirement adopted by the Commission in A.13-12-012, and the core storage placeholder revenue requirement incorporated in gas rates effective January 1, 2015. Disposition of this subaccount shall be through the Core Fixed Cost Account (CFCA) – Core Cost Subaccount. (T)

NONCORE BACKBONE SUBACCOUNT: The purpose of the Noncore Backbone Subaccount is to record, until the rates authorized by a final decision in A.13-12-012 are implemented, the difference between the noncore backbone revenue requirement adopted by the Commission in A.13-12-012 and 2015 recorded noncore backbone transmission revenues. Until a final decision in A.13-12-012 is implemented, the noncore backbone revenue requirement incorporated in gas rates effective January 1, 2015 shall serve as a placeholder for the decision backbone transmission revenue requirement in A.13-012-012.

(Continued)



GAS SCHEDULE G-AA
 AS AVAILABLE TRANSPORTATION ON-SYSTEM

Sheet 2

RATES: The Customer shall pay a Usage Charge for each decatherm equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

1. Usage Charge:

| <u>Path:</u> | <u>Usage Rate (Per Dth)</u> |
|------------------------|---------------------------------|
| Redwood to On-System | \$0.5004 (I) |
| Baja to On-System | \$0.5484 (I) |
| Silverado to On-System | \$0.3125 (I) |
| Mission to On-System | \$0.0000 |

2. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

NEGOTIABLE RATES: Rates under this schedule are not negotiable.

CREDIT-WORTHINESS: Customer must meet the creditworthiness requirements specified in Rule 25.

SERVICE AGREEMENT AND TERM: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) is required for service on this schedule. The minimum term for service under the GTSA is one (1) year.

SHRINKAGE: Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

NOMINATIONS: Nominations are required for gas transported under this rate schedule. See Rule 21 for details.

CURTAILMENT OF SERVICE: Service under this schedule may be curtailed. See Rule 14 for details.

BALANCING: Service hereunder shall be subject to all applicable terms, conditions and obligations of Schedule G-BAL.



GAS SCHEDULE G-AAOFF
AS-AVAILABLE TRANSPORTATION OFF-SYSTEM

Sheet 2

RATES: The Customer shall pay a Usage Charge for each decatherm equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

1. Usage Charge:

| <u>Path:</u> | <u>Usage Rate (Per Dth)</u> |
|---|---------------------------------|
| Redwood to Off-System | \$0.5004 (I) |
| Baja to Off-System | \$0.5484 (I) |
| Silverado to Off-System | \$0.5004 (I) |
| Mission to Off-System | \$0.5004 (I) |
| Mission to Off-System Storage Withdrawals | \$0.0000 |

2. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

NEGOTIABLE RATES: Rates under this schedule are not negotiable.

STORAGE WITHDRAWAL OPTIONS (MISSION TO OFF-SYSTEM): Storage withdrawals to PG&E's Backbone Transmission System may be nominated for off-system delivery under the Mission Off-System As-Available service for no additional charge.

CREDIT-WORTHINESS: Customer must meet the creditworthiness requirements specified in Rule 25.

SERVICE AGREEMENT: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) is required for service under this schedule. The minimum term for service under the GTSA is one (1) year.

SHRINKAGE: Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

NOMINATIONS: Nominations are required for gas transported under this rate schedule. See Rule 21 for details.

CURTAILMENT OF SERVICE: Service under this schedule may be curtailed. See Rule 14 for details.

BALANCING: Service hereunder shall be subject to all applicable terms, conditions and obligations of Schedule G-BAL.



GAS SCHEDULE G-AFT
ANNUAL FIRM TRANSPORTATION ON-SYSTEM

Sheet 2

RATES:

Customer has the option to elect either the Modified Fixed Variable (MFV) or the Straight Fixed Variable (SFV) rate structure, which will then be specified in the exhibits to the Customer's GTSA.

1. Reservation Charge:

The Reservation Charge shall be the applicable reservation rate multiplied by the Maximum Daily Quantity (MDQ) for the contracted path as specified in the exhibits to the Customer's GTSA. The Reservation Charge is payable each month regardless of the quantity of gas transported during the month.

| Path: | Reservation Rate (Per Dth per month) | | | |
|---|---|-----|-----------|-----|
| | MFV Rates | | SFV Rates | |
| Redwood to On-System | \$9.1594 | (I) | \$12.6549 | (I) |
| Redwood to On-System (Core Procurement Groups only) | \$8.2708 | (I) | \$10.8027 | (I) |
| Baja to On-System | \$10.0380 | (I) | \$13.8689 | (I) |
| Baja to On-System (N) (Core Procurement Groups only) (N) | \$9.1998 | (I) | \$12.0160 | (I) |
| Silverado to On-System (including Core Procurement Groups) | \$5.7987 | (I) | \$7.8971 | (I) |
| Mission to On-System (including Core Procurement Groups) | \$5.7987 | (I) | \$7.8971 | (I) |

2. Usage Charge:

The Usage Charge shall be equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

| Path: | Usage Rate (Per Dth) | | | |
|--|-------------------------|-----|-----------|-----|
| | MFV Rates | | SFV Rates | |
| Redwood to On-System | \$0.1159 | (I) | \$0.0009 | (R) |
| Redwood to On-System (Core Procurement Groups only) | \$0.0842 | (I) | \$0.0010 | (R) |
| Baja to On-System | \$0.1270 | (I) | \$0.0010 | (R) |
| Baja to On-System (N) (Core procurement Groups only) (N) | \$0.0937 | (I) | \$0.0011 | (R) |
| Silverado to On-System (including Core Procurement Groups) | \$0.0697 | (I) | \$0.0008 | (R) |
| Mission to On-System (including Core Procurement Groups) | \$0.0697 | (I) | \$0.0008 | (R) |
| Mission to On-System Storage Withdrawals (Conversion option from Firm On-System Redwood or Baja Path only) | \$0.0000 | | \$0.0000 | |

(Continued)



GAS SCHEDULE G-AFTOFF
ANNUAL FIRM TRANSPORTATION OFF-SYSTEM

Sheet 2

RATES: Customer has the option to elect either the MFV or the SFV rate structure, which will then be specified in the exhibits to the Customer's GTSA.

1. Reservation Charge:

The Reservation Charge shall be the applicable reservation rate multiplied by the Maximum Daily Quantity (MDQ) for the contracted path as specified in the exhibits to the Customer's GTSA. The Reservation Charge is payable each month regardless of the quantity of gas transported during the month.

| Path: | Reservation Rate (Per Dth per month) | | | |
|-------------------------|---|-----|-----------|-----|
| | MFV Rates | | SFV Rates | |
| Redwood to Off-System | \$9.1594 | (I) | \$12.6549 | (I) |
| Baja to Off-System | \$10.0380 | (I) | \$13.8689 | (I) |
| Silverado to Off-System | \$9.1594 | (I) | \$12.6549 | (I) |
| Mission to Off-System | \$9.1594 | (I) | \$12.6549 | (I) |

2. Usage Charge:

The Usage Charge shall be equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

| Path: | Usage Rate (Per Dth) | | | |
|-------------------------|-------------------------|-----|-----------|-----|
| | MFV Rates | | SFV Rates | |
| Redwood to Off-System | \$0.1159 | (I) | \$0.0009 | (R) |
| Baja to Off-System | \$0.1270 | (I) | \$0.0010 | (R) |
| Silverado to Off-System | \$0.1159 | (I) | \$0.0009 | (R) |
| Mission to Off-System | \$0.1159 | (I) | \$0.0009 | (R) |

3. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

(Continued)



GAS SCHEDULE G-BAL
GAS BALANCING SERVICE FOR INTRASTATE TRANSPORTATION
CUSTOMERS

Sheet 4

MONTHLY
 BALANCING
 OPTIONS:
 (Cont'd.)

CASHOUT FOR MONTHLY BALANCING:

Monthly imbalances after trading is completed, which exceed the Monthly Tolerance Band are cashed out for both the commodity component and the transportation component.

The Commodity Cashout for each month is based on the following four (4) imbalance categories: Over-deliveries and under-deliveries in the imbalance range of greater than five percent (5%) and less than or equal to ten percent (10%) of usage (Tier I Cashout), and over-deliveries and under-deliveries in the imbalance range of greater than ten percent (10%) of usage (Tier II Cashout). The amount of gas in each category is multiplied by the appropriate price as determined below to calculate the commodity cashout portion of the bill.

The Transportation Cashout for each month is based only on the under or over-delivery greater than five percent (5%). This amount is multiplied by the appropriate transportation cashout price as determined below to calculate the transportation cashout portion of the bill. In the case of an overdelivery, this will be a credit.

SELF-
 BALANCING
 OPTION:

The Self-Balancing option requires daily balancing within specified limits. To participate in Self-Balancing, the Balancing Agent must have an NBAA or CTA Group.

To elect Self-Balancing, the Balancing Agent must sign a Self-Balancing Amendment (Form No. 79-971) and the NBAA or the Core Gas Aggregation Service Agreement (CTA Agreement) will be subject to the terms of Self-Balancing for the period identified in the Amendment.

SELF-BALANCING CREDIT:

The Self-Balancing option allows a Balancing Agent to receive a credit. The Self-Balancing credit is \$0.0192 (l) per Decatherm multiplied by the actual recorded monthly usage. Credits will be provided to the Balancing Agent on a monthly basis, subject to adjustments.

LIMIT ON SELF-BALANCING PARTICIPATION:

When a Balancing Agent elects Self-Balancing, their share of the balancing storage assets will be assigned to and marketed through PG&E's at-risk unbundled storage program. The amount of storage assets allocated to PG&E's at-risk unbundled storage program is based on the Balancing Agent's End-Use Customer's annual average usage as a percentage of PG&E's average annual system usage. PG&E will allow the election of Self-Balancing until the storage balancing assets of 1.1 Bcf of inventory, 25 MMcf per day of injection and 35 MMcf per day of withdrawal are reached. If these limits are reached, PG&E will restrict further elections for Self-Balancing until capacity is made available or the OFO Forum raises the limits.

(Continued)



**GAS SCHEDULE G-CFS
 CORE FIRM STORAGE**

Sheet 1

APPLICABILITY: This rate schedule* provides the rates and charges associated with core firm storage capacity (Allocated Storage) allocated to Core Transport Agents (CTAs) and PG&E's Core Gas Supply Department (CGS), pursuant to the core firm storage provisions of Schedule G-CT.

This schedule also provides the methodology for determining the quantity of gas inventory that may be sold to or purchased from a CTA by CGS, as amounts of Allocated Storage change during the Storage Year. In addition, this schedule describes the calculation of the prices to be paid when such gas inventory is transferred.

CTAs and CGS may also take storage service under Schedule(s), G-SFS, G-NFS and/or G-NAS in conjunction with service under this rate schedule.

TERRITORY: Schedule G-CFS applies to the firm use of PG&E's storage facilities.

ALLOCATED STORAGE MONTHLY CHARGE: CTAs and CGS holding an allocation of core firm storage (Allocated Storage), pursuant to the provisions of Schedule G-CT, will be billed each month based upon the amount of Allocated Storage held for all or a portion of the current month. The monthly charge is calculated by multiplying the applicable monthly rate, shown below, by the inventory quantity associated with the CTA's and CGS' Allocated Storage for that month subject to proration in the event of an assignment of Allocated Storage during the current month.

Reservation Charge per Dth per month \$0.1820 (I)

SHRINKAGE: In-kind storage shrinkage is applicable to all injection quantities in accordance with gas Rule 21.

SERVICE AGREEMENT: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) and applicable exhibit(s) and an Electronic Commerce System User Agreement (Form No. 79-982) are required for CTAs and CGS taking service under this Rate Schedule.

TERM: Core firm storage is allocated for a one-year term starting on April 1 and ending on March 31 of the following year (Storage Year), and may be assigned by CTA and CGS under the provisions of Assignment Of Allocated Storage, specified below.

NOMINATIONS: Nominations are required for injections and withdrawals. See Rule 21 for details.

INJECTION/WITHDRAWAL: This schedule provides for firm injection and withdrawal for CTAs and CGS. It also specifies month-end minimum inventory targets for CTAs and CGS.

Firm injection is available from April 1 through October 31. Firm withdrawal is available from November 1 through March 31. In addition, firm summer withdrawal and winter injection are also available, as specified below.

Injection and Withdrawal Capacities

For CTAs and CGS that hold up to 1,000,000 Dth of Annual Inventory (AI), fixed injection and withdrawal capacities are allocated pursuant to Schedule G-CT.

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-EG
GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION

Sheet 1

APPLICABILITY: This rate schedule* applies to the transportation of natural gas used in: (a) electric generation plants served directly from PG&E gas facilities that have a maximum operation pressure greater than sixty pounds per square inch (60 psi); (b) all Cogeneration facilities that meet the efficiency requirements specified in the California Public Utilities Code Section 216.6**; (c) solar electric generation plants, defined herein and (d) Advanced Electrical Distributed Generation technology that meets all of the conditions specified in Public Utilities Code Section 379.8, as defined in Rule 1, and are first operational at a site prior to January 1, 2016. This schedule does not apply to gas transported to non-electric generation loads.

Customers on Schedule G-EG permanently classified as Noncore End-Use Customers, per Rule 1 must procure gas supply from a third-party gas supplier, not from a Core Procurement Group, as defined in Rule 1.

Certain noncore customers served under this rate schedule may be restricted from converting to a core rate schedule. See Rule 12 for details on core and noncore reclassification.

TERRITORY: Schedule G-EG applies everywhere within PG&E's natural gas Service Territory.

RATES: The following charges apply to this schedule. They do not include charges for service on PG&E's Backbone Transmission System:

1. Customer Access Charge:

The applicable Per-Day Customer Access Charge specified below is based on the Customer's Average Monthly Use, as defined in Rule 1. Usage through multiple noncore meters on a single premises will be combined to determine Average Monthly Usage. Customers taking service under this schedule who also receive service under other noncore rate schedules at the same premises will be charged a single Customer Access Charge under this schedule.

| Average Monthly Use (Therms) | Per Day |
|------------------------------|-----------------|
| 0 to 5,000 therms | \$1.22499 (R) |
| 5,001 to 10,000 therms | \$3.64899 (R) |
| 10,001 to 50,000 therms | \$6.79167 (R) |
| 50,001 to 200,000 therms | \$8.91321 (R) |
| 200,001 to 1,000,000 therms | \$12.93205 (R) |
| 1,000,001 and above therms | \$109.69808 (R) |

2. Transportation Charge:

Customers will pay one of the following rates for gas delivered in the current billing period:

- a. The Backbone Level Rate applies to Backbone Level End-Use Customers as defined in Rule 1.

| | |
|----------------------|-------------------------|
| Backbone Level Rate: | \$0.01294 per therm (I) |
|----------------------|-------------------------|
- b. All Other Customers: \$0.11060 per therm (I)

* PG&E's gas tariffs are available on-line at www.pge.com.

** Efficiency Standard: In accordance with PU Code Section 216.6, at least 5 percent of the facility's total output must be in the form of useful thermal energy. Where useful thermal energy follows power production, the useful annual power output plus one-half the useful annual thermal energy output must equal no less than 42.5 percent of any natural gas and oil energy input.

Note: Customers who are directly billed by Air Resources Board (ARB) for ARB AB32 Administration Fees are exempt from PG&E's ARB AB32 Cost of Implementation (COI) rate component. Customers on the Directly Billed list, as provided annually by the ARB, may change from year to year. The exemption credit will be equal to PG&E's currently-effective ARB AB32 COI per-therm rate component (as shown in PG&E's Preliminary Statement, Part B - "Default Tariff Rate Components"), times the customer's billed volumes (therms) for each billing period.

(Continued)



GAS SCHEDULE G-LEND
MARKET CENTER LENDING SERVICES

Sheet 1

APPLICABILITY: This rate schedule* applies to the gas lending service offered to Customers as part of PG&E's Golden Gate Market Center Services. Gas lending is the temporary loan of gas from the PG&E gas transmission system. This service is provided on an interruptible basis only, and is the lowest priority transmission service offered by PG&E.

The Customer shall be responsible for arranging and paying for interstate and Backbone transportation service, as applicable, for transportation into and out of their Market Center accounts.

TERRITORY: The points of service for lending under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citygate.

RATES: Rates will be negotiated on a transaction-by-transaction basis and shall be within the range set forth below:

Minimum Rate (per transaction): \$57.00

Maximum Rate (per Dth per day): \$1.2351 (l)

The minimum rate reflects PG&E's minimum costs to offer and operate the service.

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

CREDIT-WORTHINESS: The Customer must meet the creditworthiness requirements specified in Rule 25.

SERVICE AGREEMENT: Service under this schedule is available to Customers who have executed a Gas Transmission Service Agreement (GTSA) (Form No. 79-866) with PG&E.

NOMINATIONS: Notice is required for service under this schedule, as agreed to by PG&E and the customer.

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-LNG
EXPERIMENTAL LIQUEFIED NATURAL GAS SERVICE

Sheet 1

APPLICABILITY: This rate schedule* applies to experimental natural gas liquefaction service provided by PG&E to noncore End-Use Customers. This experimental liquefaction service is limited and PG&E will provide this service on a first-come first-served basis.

TERRITORY: Schedule G-LNG applies to the PG&E experimental Liquefied Natural Gas (LNG) facility located in Sacramento, California.

RATES: The following charges will apply to per therm liquefied natural gas service under this rate schedule:

Liquefaction Charge (Per Therm): \$0.24827 (l)

LNG Gallon Equivalent: \$0.20358 (l)
 (Conversion factor - One LNG Gallon = 0.82 Therms)

Public Purpose Program Surcharge:
 Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

METERING: For metering and billing purposes, the number of LNG gallons dispensed will be compiled from a summary of transactions recorded at the dispensing unit for the Customer during a calendar month. Delivery and custody transfer of LNG shall be at the point where LNG is dispensed into the Customer's LNG transport vehicle. LNG will be weighed and converted to LNG gallons. Vehicles must be weighed at an authorized weigh station prior to receiving LNG and again after filling. Weight information must be provided to PG&E within 5 business days. LNG gallons delivered will be converted to therms and billed. LNG usage that occurs during a billing period, but which is not recorded in that billing period, will be deferred to a future billing period.

The rate includes local transportation costs from the PG&E Citygate to the LNG Facility. These charges do not include transportation service on PG&E's Backbone Transmission System, which must be arranged for separately

See Preliminary Statement, Part B for the default tariff rate components.

LNG COMPOSITION: The resulting LNG product delivered will contain amounts equal to or greater than ninety-six percent (96%) methane and amounts equal to or less than four percent (4%) ethane.

SERVICE AGREEMENT: The Customer must execute a Natural Gas Service Agreement (NGSA) Form No. 79-756 to receive service under this schedule.

NOMINATIONS: Customers who take service under this schedule must arrange for the delivery of natural gas to the PG&E LNG facility in quantities necessary to equal the amount of LNG fuel dispensed to the customer. Nominations are required for gas transported under this schedule. See Rule 21 for details.

* PG&E's gas tariffs are on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-NAS
 NEGOTIATED AS-AVAILABLE STORAGE SERVICE

Sheet 1

APPLICABILITY: This rate schedule* applies to the As-available use of PG&E's storage facilities. Storage injection and withdrawal may be taken separately under this schedule. Core Transport Agents, or PG&E, on behalf of Core Customers, may take storage service in excess of that provided by the core storage allocation.

TERRITORY: The rate schedule applies to use of PG&E's storage facilities. The points of service for storage under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citygate.

RATES: Customers taking service under this rate schedule will pay monthly Usage Charges for any injection and/or withdrawal services utilized during the billing period. Any injections and/or withdrawals occurring during a billing period, but not recorded in that billing period, shall be deferred to a future billing period.

Negotiated rates for service under this rate schedule shall not be less than PG&E's marginal cost of providing the service and shall not exceed a price which will collect 100 percent of PG&E's total revenue requirement for the Unbundled Storage Program under both subfunctions (e.g., injection or withdrawal), as shown below. Customers will be billed on a monthly basis.

Maximum Rates (Per Dth/Day)

| | |
|------------|---------------|
| Injection | \$6.0474 (R) |
| Withdrawal | \$27.6433 (I) |

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

SHRINKAGE: In-kind storage shrinkage is available to all injection quantities in accordance with gas Rule 21.

CREDIT-WORTHINESS: The Customer must meet the creditworthiness requirements as specified in Rule 25.*

SERVICE AGREEMENT: A Gas Transmission Service Agreement (GTSA) (Form No. 79-866) and storage exhibit thereto are required for service under this rate schedule.

NOMINATIONS: Notice is required for injections and withdrawals as agreed to by PG&E and the customer. See Rule 21 for details.

CURTAILMENT OF SERVICE: Service under this schedule may be curtailed. See Rule 14 for details.

* PG&E's gas tariffs are available on-line at www.pge.com.



GAS SCHEDULE G-NFS
NEGOTIATED FIRM STORAGE SERVICE

Sheet 1

APPLICABILITY: This rate schedule* applies to the firm use of PG&E's storage facilities, subject to rates negotiated by the Customer and PG&E. Fixed amounts of firm storage inventory, injection, and withdrawal service may be procured separately or in combination under this rate schedule. Core Transport Agents and PG&E, on behalf of Core Customers, may take storage service under this rate schedule for storage in excess of that provided by their core firm storage allocation.

TERRITORY: This rate schedule applies to firm use of PG&E's storage facilities. The points of service for storage under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citygate.

RATES: Rates under this schedule are negotiable and may be structured as one-part rates (Usage or Reservation Charge) or two-part rates (both Reservation and Usage Charges), as negotiated between the Customer and PG&E. Reservation Charges, if applicable, shall be based on the injection, inventory, and/or withdrawal quantities specified in the Exhibit E to the Gas Transmission Service Agreement (GTSA) (Form 79-866-E). Any Usage Charges shall be equal to the applicable effective rate in the GTSA multiplied by the actual injection, inventory, or withdrawal quantities occurring during that billing period, including volumes traded pursuant to Schedule G-BAL. Any injections and withdrawals which occur during a billing period, but which are not recorded in that billing period, will be deferred to a future billing period.

Negotiated rates, for service under this schedule, are subject to minimum and maximum rates. Negotiated rates for storage service shall not be less than PG&E's marginal cost of providing the service. Negotiated rates for storage service will be capped at the price which will collect 100 percent of PG&E's total revenue requirement for the unbundled storage program under all three (3) subfunctions (i.e., injection, inventory or withdrawal), as listed below.

Maximum Rates (Dth)

| | |
|----------------|---------------|
| Injection/Day | \$6.0474 (R) |
| Inventory | \$3.7552 (I) |
| Withdrawal/Day | \$27.6433 (I) |

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

* PG&E'S gas tariffs are available on-line at www.pge.com.

(Continued)



**GAS SCHEDULE G-NGV4
 NONCORE NATURAL GAS SERVICE
 FOR COMPRESSION ON CUSTOMERS' PREMISES**

Sheet 1

APPLICABILITY: This rate schedule* applies to the transportation of gas to customer-owned natural gas vehicle fueling stations on PG&E's Backbone, Local Transmission and/or Distribution Systems. To qualify for service under this schedule, a Customer must be classified as a Noncore End-Use Customer, as defined in Rule 1. To initially qualify for noncore status, a non-residential Customer must have maintained an average monthly use, through a single meter, in excess of 20,800 therms during the previous twelve (12) months, excluding those months during which usage was 200 therms or less. See Rule 12 for details on core and noncore reclassification.

Customers must procure gas supply from a supplier other than PG&E.

TERRITORY: Schedule G-NGV4 applies everywhere within PG&E's natural gas Service Territory.

RATES: The applicable Customer Access Charges and Distribution Level Transportation Rate specified below is based on the Customer's Average Monthly Usage, as defined in Rule 1. Usage through multiple noncore gas meters on a single premises will be combined to determine Average Monthly Usage.

The following charges apply to service under this schedule:

1. Customer Access Charge:

The applicable Per-Day Customer Access Charge is multiplied by the number of days in the billing period.

| Average Monthly Use (Therms) | Per Day | |
|------------------------------|-------------|-----|
| 0 to 5,000 | \$1.22499 | (R) |
| 5,001 to 10,000 | \$3.64899 | (R) |
| 10,001 to 50,000 | \$6.79167 | (R) |
| 50,001 to 200,000 | \$8.91321 | (R) |
| 200,001 to 1,000,000 | \$12.93205 | (R) |
| 1,000,001 and above | \$109.69808 | (R) |

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-NGV4
NONCORE NATURAL GAS SERVICE
FOR COMPRESSION ON CUSTOMERS' PREMISES

Sheet 2

RATES:
 (Cont'd.)

2. Transportation Charge:

A customer will pay one of the following rates for gas delivered in the current billing month.

a. Backbone Level Rate:

The Backbone Level Rate applies to Backbone Level End-Use Customers as defined in Rule 1.

Backbone Level Rate (per therm) \$0.01255 (I)

b. Transmission-Level Rate:

The Transmission-Level Rate applies to Customers served directly from PG&E gas facilities that have a maximum operating pressure greater than sixty pounds per square inch (60 psi) that do not qualify for the Backbone Level Rate.

Transmission-Level Rate (per therm)..... \$0.11020 (I)

c. Distribution-Level Rate:

The Distribution-Level Rate applies to Customers served from PG&E gas facilities that have a maximum operating pressure of sixty pounds per square inch (60 psi) or less. The Tier 5 rate is equal to the Transmission-Level Rate specified above.

| Average Monthly Use (Therms) | Summer (Per Therm) | Winter (Per Therm) |
|---------------------------------|-----------------------|-----------------------|
| Tier 1: 0 to 20,833 | \$0.32498 (I) | \$0.39920 (I) |
| Tier 2: 20,834 to 49,999 | \$0.24811 (I) | \$0.29543 (I) |
| Tier 3: 50,000 to 166,666 | \$0.23240 (I) | \$0.27422 (I) |
| Tier 4: 166,667 to 249,999 | \$0.22012 (I) | \$0.25765 (I) |
| Tier 5: 250,000 and above* | \$0.11020 (I) | \$0.11020 (I) |

See Preliminary Statement Part B for Default Tariff Rate Components.

**SURCHARGES
 FEES AND
 TAXES:**

Customer may pay a franchise fee surcharge for gas volumes transported by PG&E. (See Schedule G-SUR for details.) The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

Public Purpose Program Surcharge:

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

* Tier 5 Summer and Winter rates are the same.

(Continued)



GAS SCHEDULE G-NT Sheet 1
GAS TRANSPORTATION SERVICE TO NONCORE END-USE CUSTOMERS

APPLICABILITY: This rate schedule* applies to the transportation of natural gas to Noncore End-Use Customers on PG&E's Backbone, Local Transmission and/or Distribution Systems. To qualify for service under this schedule, a Customer must be classified as a Noncore End-Use Customer, as defined in Rule 1. To initially qualify for noncore status, a non-residential Customer must have maintained an average monthly use, through a single meter, in excess of 20,800 therms during the previous twelve (12) months, excluding those months during which usage was 200 therms or less. Certain noncore customers served under this schedule may be restricted from converting to a core rate schedule. See Rule 12 for details on core and noncore reclassification.

Customers on Schedule G-NT must procure gas supply from a supplier other than PG&E.

TERRITORY: Schedule G-NT applies everywhere within PG&E's natural gas Service Territory.

RATES: The applicable Customer Access Charges and Distribution Level Transportation Rate specified below is based on the Customer's Average Monthly Usage, as defined in Gas Rule 1. Usage through multiple noncore gas meters on a single premises will be combined to determine Average Monthly Usage.

1. Customer Access Charge:

The applicable Per-Day Customer Access Charge is multiplied by the number of days in the billing period.

| <u>Average Monthly Use (Therms)</u> | <u>Per Day</u> |
|-------------------------------------|-----------------|
| 0 to 5,000 | \$1.22499 (R) |
| 5,001 to 10,000 | \$3.64899 (R) |
| 10,001 to 50,000 | \$6.79167 (R) |
| 50,001 to 200,000 | \$8.91321 (R) |
| 200,001 to 1,000,000 | \$12.93205 (R) |
| 1,000,001 and above | \$109.69808 (R) |

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-NT Sheet 2
GAS TRANSPORTATION SERVICE TO NONCORE END-USE CUSTOMERS

RATES:
 (Cont'd.)

2. Transportation Charge:

A customer will pay one of the following rates for gas delivered in the current billing month.

a. Backbone Level Rate:

The Backbone Level Rate applies to Backbone Level End-Use Customers as defined in Rule 1.

Backbone Level Rate (per therm): \$0.01255 (l)

b. Transmission-Level Rate:

The Transmission-Level Rate applies to Customers served directly from PG&E gas facilities that have a maximum operating pressure greater than sixty pounds per square inch (60 psi) that do not qualify for the Backbone Level Rate.

Transmission-Level Rate (per therm): \$0.11980 (l)

c. Distribution-Level Rate:

The Distribution-Level Rate applies to Customers served from PG&E gas facilities that have a maximum operating pressure of sixty pounds per square inch (60 psi) or less. The Tier 5 rate is equal to the Transmission-Level Rate specified above.

| Average Monthly Use (Therms) | Summer (Per Therm) | Winter (Per Therm) |
|---------------------------------|-----------------------|-----------------------|
| Tier 1: 0 to 20,833 | \$0.32498 (l) | \$0.39920 (l) |
| Tier 2: 20,834 to 49,999 | \$0.24811 (l) | \$0.29543 (l) |
| Tier 3: 50,000 to 166,666 | \$0.23240 (l) | \$0.27422 (l) |
| Tier 4: 166,667 to 249,999 | \$0.22012 (l) | \$0.25765 (l) |
| Tier 5: 250,000 and above* | \$0.11980 (l) | \$0.11980 (l) |

See Preliminary Statement Part B for Default Tariff Rate Components.

SURCHARGES,
 FEES AND
 TAXES:

Customer may pay a franchise fee surcharge for gas volumes transported by PG&E. (See Schedule G-SUR for details.) The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from intra- or interstate sources.

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

* Tier 5 Summer and Winter rates are the same.

Note: Customers who are directly billed by Air Resources Board (ARB) for ARB AB32 Administration Fees are exempt from PG&E's ARB AB32 Cost of Implementation (COI) rate component. Customers on the Directly Billed list, as provided annually by the ARB, may change from year to year. The exemption credit will be equal to PG&E's currently-effective ARB AB32 COI per-therm rate component (as shown in PG&E's Preliminary Statement, Part B – "Default Tariff Rate Components"), times the customer's billed volumes (therms) for each billing period.

(Continued)



**GAS SCHEDULE G-PARK
 MARKET CENTER PARKING SERVICES**

Sheet 1

APPLICABILITY: This rate schedule applies to the gas parking service offered to Customers as part of PG&E's Golden Gate Market Center Services. Gas parking is the temporary storage of gas on the PG&E gas transmission system. This service is provided on an interruptible basis only, and is the lowest priority transmission service offered by PG&E.

The Customer shall be responsible for arranging and paying for interstate and Backbone transportation service, as applicable, for transportation into and out of their Market Center accounts.

TERRITORY: The points of service for parking under this schedule are the various locations at which PG&E's system interconnects with interstate pipelines, at Kern River Station, and at PG&E's Citygate.

RATES: Rates will be negotiated on a transaction-by-transaction basis and shall be within the range set forth below:

Minimum Rate (per transaction): \$57.00

Maximum Rate (per Dth per day): \$1.2351 (l)

The minimum rate reflects PG&E's minimum costs to offer and operate the service.

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

CREDIT-WORTHINESS: The Customer must meet the creditworthiness requirements specified in Rule 25.*

SERVICE AGREEMENT: Service under this schedule is available to Customers who have executed a Gas Transmission Service Agreement (GTSA) (Form No. 79-866) with PG&E.

NOMINATIONS: Notice is required for service under this schedule, as agreed to by PG&E and the customer.

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-SFS
STANDARD FIRM STORAGE SERVICE

Sheet 1

APPLICABILITY: This rate schedule* applies to the firm use of PG&E's storage facilities. This rate schedule provides a combination of firm storage injection, inventory and withdrawal service. Service under this rate schedule is available to any Customer including Core Procurement Groups (CPGs) on behalf of Core Customers for storage service in addition to that provided under Schedule G-CFS.

TERRITORY: This rate schedule applies to firm use of PG&E's storage facilities.

RATES: Rates under this schedule consist of Reservation Charges. The Reservation Charge is based upon the amount of inventory capacity held by the Customer (Contract Inventory). Contract Inventory is shown per Decatherm (Dth).

1. Reservation Charges:

The Reservation Charges shall be based on the quantities specified in Exhibit J of the Customer's Gas Transmission Service Agreement (GTSA) (Form No. 79-866). The Reservation Charge includes inventory, injection and withdrawal rights. The monthly charge is calculated by multiplying the applicable monthly rate shown below by the inventory specified in the GTSA (Contract Inventory).

Reservation Charge per Dth of Contract Inventory per month \$0.3129 (I)

2. Additional Charges:

The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

* PG&E's gas tariffs are available on-line at www.pge.com

(Continued)



GAS SCHEDULE G-SFT
SEASONAL FIRM TRANSPORTATION ON-SYSTEM ONLY

Sheet 2

RATES: Customer has the option to elect either the Modified Fixed Variable (MFV) or the Straight Fixed Variable (SFV) rate structure, which will then be specified in the Customer's GTSA.

1. Reservation Charge:

The Reservation Charge shall be the applicable reservation rate multiplied by the Maximum Daily Quantity (MDQ) for the contracted path as specified in the Exhibit to the Customer's GTSA. The Reservation Charge is payable each month regardless of the quantity of gas transported during the month.

| <u>Path:</u> | Reservation Rate (Per Dth per month) | |
|---|---|---------------|
| | MFV Rates | SFV Rates |
| Redwood to On-System | \$10.9913 (I) | \$15.1859 (I) |
| Baja to On-System | \$12.0456 (I) | \$16.6426 (I) |
| Baja to On-System (Core Procurement Groups only) | \$11.0397 (I) | \$14.4192 (I) |
| Silverado to On-System | \$6.9585 (I) | \$9.4765 (I) |
| Mission to On-System | \$6.9585 (I) | \$9.4765 (I) |

2. Usage Charge:

The Usage Charge shall be equal to the applicable usage rate for the contracted path, multiplied by the quantity of gas delivered on the Customer's behalf.

| <u>Path:</u> | Usage Rate (Per Dth) | |
|---|-------------------------|--------------|
| | MFV Rates | SFV Rates |
| Redwood to On-System | \$0.1390 (I) | \$0.0011 (R) |
| Baja to On-System | \$0.1524 (I) | \$0.0012 (R) |
| Baja to On-System (Core Procurement Groups only) | \$0.1124 (I) | \$0.0013 (R) |
| Silverado to On-System | \$0.0837 (I) | \$0.0009 (R) |
| Mission to On-System | \$0.0837 (I) | \$0.0009 (R) |

3. Additional Charges:

The Customer shall be responsible for payment of any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

(Continued)



GAS SCHEDULE G-WSL Sheet 1
GAS TRANSPORTATION SERVICE TO WHOLESALE/RESALE CUSTOMERS

APPLICABILITY: This rate schedule* applies to the transportation of natural gas for resale. Service under this schedule is available to the Customers listed below, and any new wholesale Customer. Customers must procure gas supply from a supplier other than PG&E.

LOAD FORECAST: For planning purposes, Customers may provide PG&E an annual forecast of the core and noncore portion of its load. If the Customer elects not to provide an annual forecast, PG&E will use the forecast adopted in the most recent Cost Allocation Proceeding.

RATES: Customers pay a Customer Access Charge and a Transportation Charge.

1. Customer Access Charge:

| | Per Day | |
|-----------------------|------------|-----|
| Palo Alto | \$86.50849 | (R) |
| Coalinga | \$25.94532 | (R) |
| West Coast Gas-Mather | \$13.77337 | (R) |
| Island Energy | \$17.57918 | (R) |
| Alpine Natural Gas | \$5.86652 | (R) |
| West Coast Gas-Castle | \$15.07167 | (R) |

2. Transportation Charges:

For gas delivered in the current billing month:

| | Per Therm | |
|-------------------------|-----------|-----|
| Palo Alto-T | \$0.10553 | (I) |
| Coalinga-T | \$0.10553 | (I) |
| West Coast Gas-Mather-T | \$0.10553 | (I) |
| West Coast-Mather-D | \$0.36179 | (I) |
| Island Energy-T | \$0.10553 | (I) |
| Alpine Natural Gas-T | \$0.10553 | (I) |
| West Coast Gas-Castle-D | \$0.29905 | (I) |

* PG&E's gas tariffs are available on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-XF
PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE

Sheet 1

APPLICABILITY: This rate schedule* is available to any Customer who holds a Pipeline Expansion Firm Transportation Service Agreement (FTSA) (Form No. 79-791) approved by the CPUC. This schedule is closed to new Customers. This schedule may also be taken in conjunction with Schedule G-STOR, G-FS, G-NFS, G-NAS, G-PARK, or G-LEND.

TERRITORY: Schedule G-XF applies to pre-existing Pipeline Expansion firm transportation service.

RATES: The following charges apply to intrastate natural gas transportation service under this schedule. In addition, Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from inter- or intrastate sources and any other applicable charges.

1. Reservation Charge:

The monthly Reservation Charge shall be the applicable reservation rate multiplied by the Customer's Maximum Daily Quantity (MDQ), as specified in the Customer's FTSA.

| <u>Reservation Rates:</u> | <u>Per Dth Per Month</u> |
|---------------------------|--------------------------|
| SFV Rates: | \$5.8386 (I) |

Customer's obligation to pay the Reservation Charge each month is absolute and unconditional and is independent of Customer's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy. Customer's obligation to pay the Reservation Charge shall be unaffected by the quantity of gas transported by PG&E to Customer's Delivery Point(s) on the Pipeline Expansion.

* PG&E's gas tariffs are on-line at www.pge.com.

(Continued)



GAS SCHEDULE G-XF
PIPELINE EXPANSION FIRM INTRASTATE TRANSPORTATION SERVICE

Sheet 2

RATES:
 (Cont'd.)

2. Usage Charge:

In addition to the Reservation Charge described above, Customer shall pay a usage charge for each decatherm equal to the applicable usage rate times the quantity of gas received on the Customer's behalf, less the applicable shrinkage allowance in the current month.

| <u>Usage Rates:</u> | <u>Per Dth</u> |
|---------------------|----------------|
| SFV Rates: | \$0.0001 (R) |

CREDIT-
 WORTHINESS:

The Customer must meet the creditworthiness requirements set forth in Rule 25.

SERVICE
 AGREEMENT:

Customer must have executed a Pipeline Expansion Firm Transportation Service Agreement (Form No. 79-791) prior to the implementation date of the Gas Accord Settlement on March 1, 1998, in order to qualify for service under this schedule.

NOMINATIONS:

Nominations are required for gas supplies delivered under this rate schedule. See Rule 21 for details.

CURTAILMENT
 OF SERVICE:

Service under this schedule may be curtailed. See Rule 14 for details.

TEMPORARY
 ASSIGNMENT OF
 CAPACITY
 RIGHTS:

Customer may assign all or a portion of its long-term firm capacity on the Pipeline Expansion to another party, subject to the creditworthiness requirements set forth in Rule 25. In order to assign capacity, Customer must provide PG&E written notice, using the Assignment of Gas Transmission Services (Form No. 79-867).

RECEIPT
 POINTS:

PG&E will accept gas on Customer's behalf only at the Receipt Point(s) specified in Exhibit A to the FTSA. On any given day, the total amount of gas nominated for firm transportation service at all Receipt Points may not exceed Customer's MDQ, as specified in the FTSA.

DELIVERY
 POINTS:

Customer may nominate only to the Delivery Point set forth in Exhibit A to the Customer's FTSA. Customer is responsible for separately arranging for transportation of its gas between the Delivery Point and the ultimate end-use destination(s).

SHRINKAGE:

Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.

BALANCING:

Service hereunder shall be subject to all applicable terms, conditions and obligations of Schedule G-BAL.



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 Regulatory Affairs

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Issued by
Steven Malnight
 Senior Vice President
 Regulatory Affairs

Date Filed July 1, 2016
 Effective _____
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**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

| | | |
|---|---|--|
| AT&T | Division of Ratepayer Advocates | Office of Ratepayer Advocates |
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| Alcantar & Kahl LLP | Douglass & Liddell | Pacific Gas and Electric Company |
| Anderson & Poole | Downey & Brand | Praxair |
| Atlas ReFuel | Ellison Schneider & Harris LLP | Regulatory & Cogeneration Service, Inc. |
| BART | Evaluation + Strategy for Social Innovation | SCD Energy Solutions |
| Barkovich & Yap, Inc. | G. A. Krause & Assoc. | SCE |
| Bartle Wells Associates | GenOn Energy Inc. | SDG&E and SoCalGas |
| Braun Blaising McLaughlin & Smith, P.C. | GenOn Energy, Inc. | SPURR |
| Braun Blaising McLaughlin, P.C. | Goodin, MacBride, Squeri, Schlotz & Ritchie | San Francisco Water Power and Sewer |
| CPUC | Green Charge Networks | Seattle City Light |
| California Cotton Ginners & Growers Assn | Green Power Institute | Sempra Energy (Socal Gas) |
| California Energy Commission | Hanna & Morton | Sempra Utilities |
| California Public Utilities Commission | International Power Technology | SoCalGas |
| California State Association of Counties | Intestate Gas Services, Inc. | Southern California Edison Company |
| Calpine | Kelly Group | Spark Energy |
| Casner, Steve | Ken Bohn Consulting | Sun Light & Power |
| Cenergy Power | Leviton Manufacturing Co., Inc. | Sunshine Design |
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| City of San Jose | Los Angeles Dept of Water & Power | Tiger Natural Gas, Inc. |
| Clean Power | MRW & Associates | TransCanada |
| Clean Power Research | Manatt Phelps Phillips | Troutman Sanders LLP |
| Coast Economic Consulting | Marin Energy Authority | Utility Cost Management |
| Commercial Energy | McKenna Long & Aldridge LLP | Utility Power Solutions |
| Cool Earth Solar, Inc. | McKenzie & Associates | Utility Specialists |
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| Crossborder Energy | Morgan Stanley | Water and Energy Consulting |
| Davis Wright Tremaine LLP | NLine Energy, Inc. | Wellhead Electric Company |
| Day Carter Murphy | NRG Solar | Western Manufactured Housing Communities Association (WMA) |
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