

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 2, 2014

Advice Letter 4471-E

Brian Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

SUBJECT: Implement Portions of D.14-06-037 (PG&E's 2012 Rate Design Window Proceeding) Related to Closing Non-Time-of-Use Rate Schedules to New Small & Medium Business & Agricultural Customers

Dear Mr. Cherry:

Advice Letter 4471-E is effective as of September 4, 2014.

Sincerely,

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

Edward Randolph
Director, Energy Division

August 5, 2014

Advice 4471-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Implement Portions of Decision 14-06-037 (PG&E's 2012 Rate Design Window Proceeding) Related to Closing Non-Time-of-Use Rate Schedules to New Small and Medium Business and Agricultural Customers

Purpose

The purpose of this advice letter is to submit pro-forma tariffs, effective November 1, 2014, to implement changes to PG&E's electric tariff sheets on A-1, A-10, and AG-1 to comply with Decision (D.) 14-06-037.¹ These changes ensure that new small and medium business customers, as well as new small and medium agricultural customers, establishing service at locations where a SmartMeter[™] is already in place, will take service on time-of-use (TOU) rates. D.14-06-037 also approves changes to PG&E's SmartRate and Peak Day Pricing programs. Those changes are proposed to take effect on May 1, 2015, and are described in Advice 4472-E, which is being filed concurrently with this advice letter.

Background

D.14-06-037 approves a number of proposals made by PG&E in its 2012 RDW application related to (a) modifying the methodology used to calculate residential customers' minimum bill amounts; (b) modifying the operating hours for PG&E's residential SmartRate and non-residential peak-day pricing (PDP) programs; (c) modifying other operating criteria for the SmartRate and/or PDP programs relating to their operating seasons, design basis, event limits, event triggers, and day-ahead notice; (d) closing non-time-of-use rates to all new small and medium business customers, as well as to all new small and medium agricultural customers, taking service at locations where a SmartMeter[™] is already in place; and (e) reducing SmartRate credits by a factor of 20 percent to preserve revenue neutrality (to offset the

¹ D.14-06-037 was issued by the Commission on June 30, 2014 in PG&E's 2012 Rate Design Window proceeding (Application 12-02-020).

reduction in the design basis number of events from 15 to 12). While approving changes (a) and (b) above, the Commission in D.14-06-037 deferred implementation of these changes.² So PG&E is not proposing any tariff changes at this time to implement (a) or (b). This advice letter proposes tariff changes effective November 1, 2014, to implement (d), which was approved by D.14-06-037 and not deferred. Proposed tariff changes to implement (c) and (e), effective May 1, 2015, are being made in the aforementioned and concurrently-filed Advice 4472-E.

	Change	Advice Letter	Effective Date
(a)	Minimum bill amounts	N/A	TBD RROIR
(b)	SmartRate/PDP operating hours	N/A	TBD 2015 RDW
(c)	Other SmartRate/PDP operating criteria	4472-E	May 1, 2015
(d)	Closing non-time-of-use rates	4471-E	November 1, 2014
(e)	Reducing SmartRate credits	4472-E	May 1, 2015

Tariff Revisions

The attached pro-forma tariff sheets implement changes to the eligibility for non-residential flat rates approved by D.14-06-037, specifically:

- Modifying the Applicability language in PG&E's Schedule A-1 and A-10 tariffs to ensure that all new small and medium business customers establishing service at locations where a SmartMeter™ is already in place are served under TOU rates.³
- Modifying the Applicability language in PG&E's Schedule AG-1 tariff to ensure that all new small and medium agricultural customers establishing service at locations where a SmartMeter™ is already in place are served under TOU rates.⁴

Ordering Paragraph 9 makes these revisions "effective on or after January 1, 2013." PG&E requests a November 1, 2014 effective date to provide adequate lead time for the billing system modifications necessary to implement these adopted measures, and to provide appropriate notice of these new tariff provisions. In addition, the use of a

² Implementation of the modified minimum bill methodology was deferred until after a decision is issued in Rulemaking 12-06-013 on Residential Rate Reform (see Ordering Paragraph 1). Implementation of the new operating hours for Smart Rate and PDP was deferred until after a decision in PG&E's 2015 RDW case, or whatever future proceeding in which the Commission orders the issue of PG&E's time-of-use period definitions to be examined (see Ordering Paragraphs 2 and 3).

³ See Ordering Paragraph 9.

⁴ See Ordering Paragraph 10.

November 1, 2014 effective date will best avoid the customer rate switching concerns expressed by PG&E and affirmed by D.14-06-037.⁵

The pro-forma tariffs listed in Attachment 1 are intended as informational versions of tariffs to be effective November 1, 2014. Upon approval of this advice letter, PG&E will file a new Tier 1 advice letter closer to the requested effective date of November 1, 2014, to implement these specific tariffs.

The filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than August 25, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

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

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

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:

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C

⁵ See D.14-06-037, pages 15 to 16: "PG&E asserts that closing the existing non-TOU rates to new customers will help manage effective communications with these customers, and should reduce any confusion or frustration that such customers might experience with mandatory rate changes that would otherwise be required shortly after they have established service. These proposals were uncontested by other parties, and PG&E provides a reasonable explanation of the proposed changes. We approve them here." A November 1, 2014 effective date will help minimize the number of new customers who might otherwise take service on flat rates only to be switched to TOU rates in November 2015 if commercial customers, or in March 2016 if agricultural customers.

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 advice filing become effective on regular notice, September 4, 2014, which is 30 calendar days after the date of filing.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for A.12-02-020. 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/>.

Meredith Allen/JW

Senior Director, Regulatory Relations

Attachments

cc: Service List A.12-02-020

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 E)**

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) #: **4471-E**

Tier: **2**

Subject of AL: **Implement Portions of Decision 14-06-037 (PG&E's 2012 Rate Design Window Proceeding) Related to Closing Non-Time-of-Use Rate Schedules to New Small and Medium Business and Agricultural Customers**

Keywords (choose from CPUC listing): Compliance

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.14-06-037

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: **September 4, 2014**

No. of tariff sheets: N/A

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: N/A

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission

Energy Division

EDTariffUnit

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Meredith Allen

Senior Director, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

Attachment 1

Pro-Forma Tariffs



ELECTRIC SCHEDULE A-1
SMALL GENERAL SERVICE

Sheet 1

APPLICABILITY: Schedule A-1 applies to single-phase and polyphase alternating-current service (for a description of these terms, see Section D of Rule 2*). This schedule is not available to residential or agricultural service for which a residential or agricultural schedule is applicable, except for single-phase and polyphase service in common areas in a multifamily complex (see Common-Area Accounts section).

Effective November 1, 2012, Schedule A-1 is closed to customers with a maximum demand of 75 kW or greater for three consecutive months in the most recent twelve months, or with usage of 150,000 kWh per year or greater, and who have at least twelve (12) months of hourly usage data available. Eligibility for A-1 will be reviewed annually and migration of ineligible customers will be implemented once per year, on bill cycles each November, using the same procedures described below for Time-of-Use (TOU) rates adopted in Decision 10-02-032 as modified by Decision 11-11-008.

Effective November 1, 2014, new customers establishing service on Schedule A-1 where a Smart Meter™ is already in place will be charged Schedule A-1 TOU rates. (N)

The provisions of Schedule S—Standby Service Special Conditions 1 through 6 shall also apply to customers whose premises are regularly supplied in part (but not in whole) by electric energy from a non-utility source of supply. These customers will pay monthly reservation charges as specified under Section 1 of Schedule S, in addition to all applicable Schedule A-1 charges. Exemptions to Standby Charges are outlined in the Standby Applicability Section of this rate schedule.

Peak Day Pricing Default Rates: Peak Day Pricing (PDP) rates provide customers the opportunity to manage their electric costs by reducing load during high cost periods or shifting load from high cost periods to lower cost periods. Decision 10-02-032, as modified by Decision 11-11-008, ordered that beginning November 1, 2014, eligible small and medium Commercial and Industrial (C&I) customers (those with demands that are not equal or greater than 200kW for three consecutive months) default to PDP rates. A customer is eligible for default when it has at least twelve (12) billing months of hourly usage data available and two years of experience on TOU rates. All eligible customers will be placed on PDP rates unless they opt-out to a TOU rate. Customers with a SmartMeter™ system installed that can be remotely read by PG&E may also voluntarily elect to enroll on PDP rates prior to their default dates.

Bundled service customers are eligible for PDP. Direct Access (DA) and Customer Choice Aggregation (CCA) service customers are not eligible, including those DA customers on transitional bundled service (TBS). Customers on standby service (Schedule S), net-energy metering (NEM, NEMFC, NEMBIO, etc.), or an energy payment demand response program are not eligible for PDP. In addition, master-metered customers are not eligible, except for commercial buildings with submetering as stated in PG&E Rule 1 and Rule 18. Non-residential SmartAC customers are eligible. Smart A/C customers may request PG&E to activate their A/C Cycling switch or Programmable Controllable Thermostat (PCT) when the customer is participating solely in a PDP event.

For additional details and program specifics, see the Peak Day Pricing Details section below.

(L)

* The Rules referred to in this schedule are part of PG&E's electric tariffs. Copies are available at PG&E's local offices and website at <http://www.pge.com/tariffs>

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ELECTRIC SCHEDULE A-1
SMALL GENERAL SERVICE

Sheet 2

APPLICABILITY: **Time-of-Use Rates:** Decision 10-02-032, as modified by Decision 11-11-008, makes (L)
 (cont'd.) time-of-use (TOU) rates mandatory beginning November 1, 2012, for small and medium 1
 C&I customers that have at least twelve (12) billing months of hourly usage data 1
 available . (L)

The transition of eligible customers to mandatory TOU rates will occur once per year with the start of their billing cycle on or after November 1. Eligible customers will have at least 45 days notice prior to their planned transition date. During the 45-day period, customers will continue to take service on their non-TOU rate. Customers may elect any applicable TOU rate. However, if the customer taking service on this schedule has not made that choice at least five (5) days prior to the planned transition date, their service will be changed to the TOU version of this rate schedule on their transition date.

Customers with a SmartMeter™ system installed that can be remotely read by PG&E may also voluntarily elect to enroll on A-1 TOU rates prior to their TOU default dates.

* The Rules referred to in this schedule are part of PG&E's electric tariffs. Copies are available at PG&E's local offices and website at <http://www.pge.com/tariffs>

(Continued)

Advice Letter No: 4471-E
 Decision No. 14-06-037

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed _____
 Effective _____
 Resolution No. _____



ELECTRIC SCHEDULE A-10
MEDIUM GENERAL DEMAND-METERED SERVICE

Sheet 1

APPLICABILITY: Schedule A-10 is a demand metered rate schedule for general service customers. Schedule A-10 applies to single-phase and polyphase alternating-current service (for a description of these terms, see Section D of Rule 2*). This schedule is not available to residential or agricultural service for which a residential or agricultural schedule is applicable, except for single-phase and polyphase service in common areas in a multifamily complex (see Common-Area Accounts section).

Under Rate Schedule A-10, there is a limit on the demand (the number of kilowatts (kW)) the customer may require from the PG&E system. If the customer's demand exceeds 499 kW for three consecutive months, the customer's account will be transferred to Schedule E-19 or E-20.

Under Rate Schedule A-10, a bundled service customer with a maximum demand of 200 kW or greater for three consecutive months must have an interval data meter that can be read remotely by PG&E and pay the time-of-use (TOU) charges in accordance with the terms and conditions of this rate schedule.

Effective November 1, 2014, new customers establishing service on Schedule A-10 where a Smart Meter™ is already in place will be charged Schedule A-10 TOU rates.

(N)
(N)

The provisions of Schedule S—Standby Service Special Conditions 1 through 6 shall also apply to customers whose premises are regularly supplied in part (but not in whole) by electric energy from a nonutility source of supply. These customers will pay monthly reservation charges as specified under Section 1 of Schedule S, in addition to all applicable Schedule A-10 charges. Exemptions to standby charges are outlined in the Standby Applicability Section of this rate schedule.

Transfers Off of Schedule A-10 TOU: After being placed on this schedule due to the 200 kW or greater provisions of this schedule, customers who fail to exceed 199 kilowatts for 12 consecutive months may elect one of the following options: 1) stay on the time-of-use provisions of this schedule; or 2) elect the non-time-of-use provision of this schedule; or 3) elect another non-time-of-use rate schedule or alternate time-of-use rate schedule.

Assignment of New Customers: If a customer is new and PG&E believes that the customer's maximum demand will be between 200 through 499 kilowatts and that the customer should not be served under an agricultural or residential rate schedule, PG&E will serve the customer's account under the provisions of time-of-use Rate Schedule A-10.

* The rules referred to in this schedule are part of PG&E's electric tariffs. Copies are available at PG&E's local offices and on the website at <http://www.pge.com/tariffs>.

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ELECTRIC SCHEDULE AG-1
AGRICULTURAL POWER

Sheet 1

1. APPLICABILITY: A customer will be served under this schedule if 70% or more of the annual energy use on the meter is for agricultural end-uses. Agricultural end-uses consist of:

- (a) growing crops;
- (b) raising livestock;
- (c) pumping water for irrigation of crops; or
- (d) other uses which involve production for sale.

Only agricultural end-uses performed prior to the First Sale of the agricultural product are agricultural end-uses under this criteria, except for the following activities, which are also agricultural end-uses under this criteria: (a) packing and packaging of the agricultural products following the First Sale and before any subsequent sale, and (b) agricultural end-uses by nonprofit cooperatives. Guidelines for interpreting this applicability statement are set forthwith in Section D of the Rule 1 Definition 'Qualification for Agricultural Rates'.

None of the above activities may process the agricultural product. Residential dwelling, office, and retail usage are not agricultural end-uses.

The Rule 1 definition 'Qualification for Agricultural Rates' specifies additional activities and meters that will also be served on agricultural rates, and guidelines through the following sections: (B) Other Activities and Meters Also Served on Agricultural Rates, (C) Specific Applications of the March 2, 2006 Applicability Criteria, and (D) Guidelines for Applying the Applicability Criteria.

This schedule is not applicable to service for which a residential or commercial/ industrial schedule is applicable, or to customers with a maximum demand of 500 kW or more. This schedule is also not available to customers whose meter indicates a maximum demand of 200 kW or greater for three consecutive months, except customers that are identified as load research sites. Customers with interval data meters who are not eligible for this rate schedule must be placed on a Time-Of-Use (TOU) rate schedule.

Effective November 1, 2014, new customers establishing service where a Smart Meter™ is already in place are not eligible for Schedule AG-1 and must instead be served under an applicable TOU rate schedule, such as Schedule AG-4 or AG-5. (N)
 |
 (N)

The provisions of Schedule S—Standby Service Special Conditions 1 through 6 shall also apply to customers whose premises are regularly supplied in part (but not in whole) by electric energy from a nonutility source of supply. These customers will pay monthly reservation charges as specified under Section 1 of Schedule S, in addition to all applicable Schedule AG-1 charges. Exemptions to standby charges are outlined in the Standby Applicability Section of this rate schedule.

Time-of-Use Rates: Decision 10-02-032, as modified by Decision 11-11-008, makes TOU rates mandatory beginning March 1, 2013, Agricultural customers that have at least twelve (12) billing months of hourly usage data available. Eligible AG-1A customers will be transitioned to AG-4A. Eligible AG-1B customers will be transitioned to AG-4B. Customers may also voluntarily elect to enroll in TOU rates prior to their TOU transition dates.

(Continued)



ELECTRIC SCHEDULE AG-1
AGRICULTURAL POWER

Sheet 2

1. **APPLICABILITY:** (Cont'd.) The transition of eligible customers to mandatory TOU rates will occur once per year with the start of their billing cycle after March 1 (with the first TOU transition starting no earlier than March 1, 2013). Eligible customers will have at least 45 days notice prior to their planned transition date. During the 45-day period, customers will continue to take service on their non-TOU rate. Customers may elect any applicable TOU rate. However, if the customer taking service on this schedule has not made that choice at least five (5) days prior to the planned transition date, their service will be changed to the TOU AG-4A or AG-4B, as applicable, on their transition date. (L)

Depending upon the end-use of electricity, the customer will be served under one of the two rates under Schedule AG-1: Rate A or Rate B.

Rate A: Applies to single-motor installations with a connected load rated less than 35 horsepower and to all multi-load installations aggregating less than 15 horsepower or kilowatts.

Rate B: Applies to single-motor installations rated 35 horsepower or more, to multi-load installations aggregating 15 horsepower or kilowatts or more, and to "overloaded" motors. The customer's end-use is determined to be overloaded when the measured input to any motor rated 15 horsepower or more is determined by PG&E to exceed one kilowatt per horsepower of nameplate rated output.

2. **TERRITORY:** Schedule AG-1 applies everywhere PG&E provides electricity service.

3. **RATES:** Total bundled service charges are calculated using the total rates shown below. Direct Access (DA) and Community Choice Aggregation (CCA) charges shall be calculated in accordance with the paragraph in this rate schedule titled Billing.

TOTAL RATES

	Rate A	Rate B
Total Customer Charge Rates (\$ per meter per day)	\$0.56838	\$0.75565
Total Demand Rates (\$ per kW)		
Connected Load Summer	\$6.31	-
Connected Load Winter	\$1.14	-
Maximum Demand Summer	-	\$9.43
Maximum Demand Winter	-	\$1.82
Primary Voltage Discount Summer	-	\$1.10
Primary Voltage Discount Winter	-	\$0.25
Total Energy Rates (\$ per kWh)		
Summer	\$0.23393	\$0.20580
Winter	\$0.18335	\$0.16113

(Continued)

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

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