

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 2, 2014

Advice Letter 4472-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 PG&E's SmartRate and Peak Day Pricing Programs

Dear Mr. Cherry:

Advice Letter 4472-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 4472-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 PG&E's SmartRate and Peak Day Pricing Programs

Purpose

The purpose of this advice letter is to submit pro-forma tariffs, effective May 1, 2015, to implement changes to PG&E's electric tariff sheets on Schedules A-1, A-6, A-10, AG-4, AG-5, E-19, E-20, and E-RSMART to comply with Decision (D.) 14-06-037.¹ These changes modify rates and operating criteria on PG&E's SmartRate and Peak Day Pricing (PDP) programs. D.14-06-037 also approves changes to Schedules A-1, A-10, and AG-1 to ensure that new customers establishing service at locations where a SmartMeter[™] is already in place will be served on time-of-use (TOU) rates. Those changes are proposed to take effect on November 1, 2014, and are described Advice 4471-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 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

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).

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 May 1, 2015, to implement (c) and (e), which were approved by D.14-06-037 and not deferred. Proposed tariff changes to implement (d), effective November 1, 2014, are being made in the aforementioned and concurrently-filed Advice 4471-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 the changes approved by D.14-06-037, specifically:

- Eliminating the extended 12:00 noon – 6:00 p.m. pricing period for non-residential PDP tariffs;³
- Changing the operating season for SmartRate from summer to year-round⁴
- Changing the design basis and event limits for SmartRate from 15 events per year to 9-15 events per year with a design basis of 12 events, to conform with those for PDP;⁵
- Modifying the event triggers, temperature adjustments, and temperature-related triggers on SmartRate and PDP per PG&E's proposals, so that temperature adjustments can be made twice per month and that the forecast weekday and weekend maximum temperatures triggering SmartRate events are consistent with those triggering PDP events;⁶
- Modifying the day-ahead notice time on SmartRate from 3:00 p.m. to 2:00 p.m.;⁷ and
- Reducing the SmartRate credits by 20 percent (from \$0.02992 to \$0.02396 per kWh for all applicable usage during the period between June 1 and September

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 4. Approved changes to non-residential PDP programs affect tariff sheets on Schedules A-1, A-6, A-10, AG-4, AG-5, E-19, and E-20.

⁴ See Ordering Paragraph 5. Approved changes to SmartRate affect Schedule E-RSMART.

⁵ See Ordering Paragraph 6.

⁶ See Ordering Paragraph 7.

⁷ See Ordering Paragraph 8.

30 each summer) to preserve revenue neutrality due to the reduced number of events from 15 to 12.⁸

PG&E requests that the effective date for these SmartRate and PDP modifications be May 1, 2015, at the start of the summer operating season. D.14-06-037 at page 8 directs that, "Given the actual timing of the issuance of this decision, it is now most appropriate for these changes to be implemented by PG&E no later than May, 2015."

The pro-forma tariffs listed in Attachment 1 are intended as informational versions of tariffs to be effective May 1, 2015. Upon approval of this advice letter, PG&E will file a new Tier 1 advice letter closer to the requested effective date of May 1, 2015, to implement these specific tariffs. Nonetheless, PG&E requests the Commission's prompt approval of the pro forma tariffs filed herein so that materials describing the SmartRate and PDP programs in advance of the 2015 summer season will be consistent with an approved tariff.

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:

⁸ See Ordering Paragraph 11. In Ordering Paragraph 12, D.14-06-037 also approved a revenue-neutral reduction in the PDP event period adders (from \$1.20 to \$0.96) to reflect the increase in the length of the standard operating period from four to five hours. However, since the change to the operating period was deferred, there is no need to modify the adders at this time.

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

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

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

Effective Date

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/>.



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) #: **4472-E**

Tier: **2**

Subject of AL: **Implement Portions of Decision 14-06-037 (PG&E's 2012 Rate Design Window Proceeding) Related to PG&E's SmartRate and Peak Day Pricing Programs**

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 12

PEAK DAY
 PRICING
 DETAILS
 (CONT'D):

- g. Program Options: Customers may customize their PDP participation by choosing either a) no limit on the number of consecutive PDP events or b) every other PDP event. Customers electing every other PDP event will be divided into two groups and only be subject to a maximum of one-half of the PDP events called and the corresponding PDP rate credits will be reduced by 50%. Customers that do not elect an option will be defaulted to the no limit on the number of consecutive PDP events. The duration of PDP Event Operations for both options will be from 2:00 p.m. to 6:00 p.m. (four-hour window). (N)
- h. Event Trigger: PG&E will trigger a PDP event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno. (D)

Beginning May 1 of each summer season, the PDP events on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down over the course of the summer to achieve the range of 9 to 15 PDP events in any calendar year. Such adjustments would be made no more than twice per month and would be posted on PG&E's PDP Website. (T)

PDP events may also be initiated as warranted on a day-ahead basis by 1) extreme system conditions such as special alerts issued by the California Independent System Operator, 2) under conditions of high forecasted California spot market power prices, 3) to meet annual PDP event limits for a calendar year, or 4) for testing/evaluation purposes.

- i. Program Terms: A customer may opt-out anytime during its initial 12 months on a PDP rate. After the initial 12 months, customer's participation will be in accordance with Electric Rule 12. (T)

Customers may opt-out of a PDP rate at anytime to enroll in another demand response program beginning May 1, 2011.

- j. Interaction with Other PG&E Demand Response Programs: Customers on a PDP rate may participate in a day-of dispatchable program as established in D.09-08-027.



ELECTRIC SCHEDULE A-6
SMALL GENERAL TIME-OF-USE SERVICE

Sheet 10

PEAK DAY
 PRICING
 DETAILS
 (continued)

- h. Event Trigger: PG&E will trigger a PDP event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno.

Beginning May 1 of each summer season, the PDP events on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down by 2°F over the course of the summer to achieve the range of 9 to 15 PDP events in any calendar year. Such adjustments would be made no more than twice per month and would be posted on PG&E's PDP website. (T)

PDP events may also be initiated as warranted on a day-ahead basis by 1) extreme system conditions such as special alerts issued by the California Independent System Operator, 2) under conditions of high forecasted California spot market power prices, 3) to meet annual PDP event limits for a calendar year, or 4) for testing/evaluation purposes.

- i. Program Terms: A customer may opt-out anytime during their initial 12 months on a PDP rate. After the initial 12 months, customer's participation will be in accordance with Electric Rule 12.

Customers may opt-out of a PDP rate at anytime to enroll in another demand response program beginning May 1, 2011.

- j. Interaction with Other PG&E Demand Response Programs: Customers on a PDP rate may participate in a day-of dispatchable demand response program as established in D.09-08-027.



ELECTRIC SCHEDULE A-10
MEDIUM GENERAL DEMAND-METERED SERVICE

Sheet 15

PEAK DAY
 PRICING
 DETAILS
 (continued)

- h. Event Trigger: PG&E will trigger a PDP event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno.

Beginning May 1 of each summer season, the PDP events on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down over the course of the summer to achieve the range of 9 to 15 PDP events in any calendar year. Such adjustments would be made no more than twice per month and would be posted to the demand response operations website or on PG&E's PDP website. (T)

PDP events may also be initiated as warranted on a day-ahead basis by 1) extreme system conditions such as special alerts issued by the California Independent System Operator, 2) under conditions of high forecasted California spot market power prices, 3) to meet annual PDP event limits for a calendar year, or 4) for testing/evaluation purposes.

- i. Program Terms: A customer may opt-out anytime during their initial 12 months on a PDP rate. After the initial 12 months, customer's participation will be in accordance with Electric Rule 12.

Customers may opt-out of a PDP rate at anytime to enroll in another demand response program beginning May 1, 2011.

- j. Interaction with Other PG&E Demand Response Programs: Customers on a PDP rate may participate in a day-of dispatchable program as established in D.09-08-027.



ELECTRIC SCHEDULE AG-4
TIME-OF-USE AGRICULTURAL POWER

Sheet 18

16. PEAK DAY
 PRICING
 DETAILS
 (CONT'D):

g. Program Options: Customers may customize their PDP participation by choosing either a) no limit on the number of consecutive PDP events or b) every other PDP event. Customers electing every other PDP event will be divided into two groups and only be subject to a maximum of one-half of the PDP events called and the corresponding PDP rate credits will be reduced by 50%. Customers that do not elect an option will be defaulted to the no limit on the number of consecutive PDP events. The duration of PDP Event Operations for both options will be from 2:00 p.m. to 6:00 p.m. (four-hour window).

(N)
 |
 |
 |
 |
 |
 |
 (N)

(D)
 |
 |
 |
 |
 |
 |
 |
 |
 |
 (D)

h. Event Trigger: PG&E will trigger a PDP event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno.

Beginning May 1 of each summer season, the PDP events on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down over the course of the summer to achieve the range of 9 to 15 PDP events in any calendar year. Such adjustments would be made no more than twice per month and would be posted to the demand response operations website or on PG&E's PDP website.

(T)

PDP events may also be initiated as warranted on a day-ahead basis by 1) extreme system conditions such as special alerts issued by the California Independent System Operator, 2) under conditions of high forecasted California spot market power prices, 3) to meet annual PDP event limits for a calendar year, or 4) for testing/evaluation purposes.

i. Program Terms: A customer may opt-out anytime during their initial 12 months on a PDP rate. After the initial 12 months, customer's participation will be in accordance with Electric Rule 12.

Customers may opt-out of a PDP rate at anytime to enroll in another demand response program beginning May 1, 2011.

j. Interaction with Other PG&E Demand Response Programs: Customers on a PDP rate may participate in a day-of dispatchable demand response program as established in D.09-08-027.



ELECTRIC SCHEDULE AG-5
LARGE TIME-OF-USE AGRICULTURAL POWER

Sheet 19

17. PEAK DAY
PRICING
DETAILS
(CONT'D):

- e. Demand Response Operations Website: Customers can use PG&E's demand response operations website located at <https://inter-act.pge.com> for load curtailment event notifications and communications.

The customer's actual energy usage is available at PG&E's demand response operations website or on "My Account". This data may not match billing quality data, and the customer understands and agrees that the data posted to PG&E's demand response operations website or "My Account" may be different from the actual bill.

- f. Program Operations: A maximum of fifteen (15) PDP events and a minimum of nine (9) PDP events may be called in any calendar year. PG&E will notify customers by 2:00 p.m. on a day-ahead basis when a PDP event will occur the next day. The PDP program will operate year-round and PDP events may be called for any day of the week. PDP events will be called from 2:00 p.m. to 6:00 p.m.
- g. Event Cancellation: PG&E may initiate the cancellation of a PDP event before 4:00 p.m. the day-ahead of a noticed PDP event. If PG&E cancels an event, it will count the cancelled event toward the PDP limits.
- h. Event Trigger: PG&E will trigger a PDP event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno.

Beginning May 1 of each summer season, the PDP events on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down over the course of the summer to achieve the range of 9 to 15 PDP events in any calendar year. Such adjustments would be made no more than twice per month and would be posted to the demand response operations website or on PG&E's PDP website. (T)

PDP events may also be initiated as warranted on a day-ahead basis by 1) extreme system conditions such as special alerts issued by the California Independent System Operator, 2) under conditions of high forecasted California spot market power prices, 3) to meet annual PDP event limits for a calendar year, or 4) for testing/evaluation purposes.

(Continued)



ELECTRIC SCHEDULE E-19
MEDIUM GENERAL DEMAND-METERED TOU SERVICE

Sheet 18

19. PEAK DAY
 PRICING
 DETAILS:
 (cont.)

h. Event Trigger: PG&E will trigger a PDP event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno.

Beginning May 1 of each summer season, the PDP events on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down over the course of the summer to achieve the range of 9 to 15 PDP events in any calendar year. Such adjustments would be made no more than twice per month and would be posted to the demand response operations website or on PG&E's PDP website. (T)

PDP events may also be initiated as warranted on a day-ahead basis by 1) extreme system conditions such as special alerts issued by the California Independent System Operator, 2) under conditions of high forecasted California spot market power prices, 3) to meet annual PDP event limits for a calendar year, or 4) for testing/evaluation purposes.

i. Program Terms: A customer may opt-out anytime during their initial 12 months on a PDP rate. After the initial 12 months, customer's participation will be in accordance with Electric Rule 12.

Customers may opt-out of a PDP rate at anytime to enroll in another demand response program beginning May 1, 2011.

j. Interaction with Other PG&E Demand Response Programs: Customers on a PDP rate may participate in a day-of dispatchable demand response program as established in D.09-08-027.



ELECTRIC SCHEDULE E-20
SERVICE TO CUSTOMERS WITH MAXIMUM
DEMANDS of 1000 KILOWATTS or MORE

Sheet 12

17. PEAK DAY
 PRICING
 DETAILS
 (continued):

d. Notification Equipment: Customers, at their expense, must have access to the Internet and an e-mail address or a phone number to receive notification of a PDP event. In addition, all customers can have, at their expense, an alphanumeric pager or cellular telephone that is capable of receiving a text message sent via the Internet, and/or a facsimile machine to receive notification messages.

If a PDP event occurs, customers will be notified using one or more of the above-mentioned systems. Receipt of such notice is the responsibility of the participating customer. PG&E will make reasonable efforts to notify customers; however it is the customer's responsibility to maintain accurate notification contact information, receive such notice and to check the PG&E website to see if an event is activated. PG&E does not guarantee the reliability of the phone, text messaging, e-mail system or Internet site by which the customer receives notification.

PG&E may conduct notification test events once a month to ensure a customer's contact information is up to date. These are not actual PDP events and no load reduction is required.

e. Demand Response Operations Website: Customers can use PG&E's demand response operations website located at <https://inter-act.pge.com> for load curtailment event notifications and communications.

The customer's actual energy usage is available at PG&E's demand response operations website. This data may not match billing quality data, and the customer understands and agrees that the data posted to PG&E's demand response operations website may be different from the actual bill.

f. Program Operations: A maximum of fifteen (15) PDP events and a minimum of nine (9) PDP events may be called in any calendar year. PG&E will notify customers by 2:00 p.m. on a day-ahead basis when a PDP event will occur the next day. The PDP program will operate year-round and PDP events may be called for any day of the week. PDP events will be called from 2:00 p.m. to 6:00 p.m.

g. Event Cancellation: PG&E may initiate the cancellation of a PDP event before 4:00 p.m. the day-ahead of a noticed PDP event. If PG&E cancels an event, it will count the cancelled event toward the PDP limits.

h. Event Trigger: PG&E will trigger a PDP event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno.

Beginning May 1 of each summer season, the PDP events on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down over the course of the summer to achieve the range of 9 to 15 PDP events in any calendar year. Such adjustments would be made no more than twice per month and would be posted to the demand response operations website. (T)

(Continued)



**ELECTRIC SCHEDULE E-RSMART
 RESIDENTIAL SMARTRATE PROGRAM**

Sheet 1

APPLICABILITY: The residential SmartRate program is a voluntary rate supplement to the customer's otherwise applicable rate schedule (OAS). Schedule E-RSMART is available to a PG&E Bundled-Service customer served on a single family residential electric rate schedule. Each customer must continue to take service under the provisions of their OAS. A customer is not eligible to participate in the residential SmartRate program if the customer is taking service in the following manner: 1) through a residential master-metered rate schedule, 2) in conjunction with a net metering or standby rate schedule, 3) in conjunction with direct access or community choice aggregation service, or 4) as a Transitional Bundled Service under electric Rule 22.1. The residential SmartRate program operates year-round on any day of the week, but most events are expected to occur on summer weekdays.

(T)
 |
 (T)

Customers will receive a bill protection transitional incentive to participate in the residential SmartRate program subject to meeting the qualification criteria (see Bill Protection section below).

The customer must have a SmartMeter™ system to participate in the residential SmartRate program. Upon the customer's request to participate and verification of eligibility by PG&E, the customer will be placed on the residential SmartRate program on the first day of the next Billing Cycle where the Billing Cycle start date occurs at least five business days after the date of the customer's request. A customer request that is received within five business days of the customer's next Billing Cycle will be placed on the residential SmartRate program in the following Billing Cycle.

TERRITORY: This schedule is available to customers in PG&E's electric service territory.

RATES: The customer will be billed for all regular charges applicable under the customer's OAS. Additional charges (based on usage during SmartDay High-Price Periods) and SmartRate credits will be determined according to the rates specified in this schedule. See "Definition of Time Periods" section below for specific SmartRate program time periods. The SmartRate program time periods may differ from traditional Time-Of-Use (TOU) periods on the customer's OAS. The additional energy charges applicable during SmartDay High-Price Periods and SmartRate Credits will be determined as follows:

SmartDay High-Price Period Charge: The total effective energy charge on this schedule for usage during SmartDay High-Price Period will be the SmartDay High-Price Period Charge multiplied by the actual energy usage during the SmartDay High-Price Period.

(D)
 (D)

SmartRate Credits: The customer taking service under Schedule E-RSMART will pay reduced total effective energy rates, through (1) SmartRate Non-High-Price Period credits for usage outside the SmartDay High-Price Period on SmartDays and usage on those days that are not declared as SmartDays during the period from June 1 through September 30, and (2) SmartRate Participation credit for all usage in tiers 3, 4 and 5 during the customer's Billing Cycle that includes any days from June 1 through September 30.

(Continued)



**ELECTRIC SCHEDULE E-RSMART
 RESIDENTIAL SMARTRATE PROGRAM**

Sheet 2

RATES:
 (Cont'd.)

Schedule E-RSMART charges and credits are shown in the table below:

BASELINE TIERS	SmartDay High-Price Period (Charge) * per kilowatt-hour of usage	SmartRate Non-High-Price Period (Credit) ** per kilowatt-hour of usage	SmartRate Participation (Credit)*** per kilowatt-hour of usage
Tier 1	\$0.60000	\$0.02396 (R)	No credit
Tier 2	\$0.60000	\$0.02396 (R)	No credit
Tier 3	\$0.60000	\$0.02396 (R)	\$0.01000
Tier 4	\$0.60000	\$0.02396 (R)	\$0.01000

(D)

* Applicable on SmartDays.

(T)

** Applicable to SmartRate non High-Price Period usage from June 1 through September 30.

*** Applicable to all usage in tiers 3 and above, during the customer's Billing Cycle that includes any days from June 1 through September 30.

(T)

(Continued)



**ELECTRIC SCHEDULE E-RSMART
 RESIDENTIAL SMARTRATE PROGRAM**

Sheet 3

**DEFINITION OF
 TIME PERIODS:**

SmartDay Event Days May be called year-round on any day of the week (although most events are expected to occur on summer weekdays).

SmartDay High-Price Period: 2:00 p.m. to 7:00 p.m.

Please refer to the sections of this schedule labeled "Program Operations" and "Notification and Trigger" for a complete description of how SmartDays will be determined, and how customers will be notified of those days when SmartDay High-Price Period charges will be in effect.

**METERING
 EQUIPMENT:**

Each participating customer account must have a SmartMeter™ system installed that can be remotely read by PG&E. Metering equipment (including remote communication device) must be in operation prior to participating in the program to ensure proper operation of the metering and communication equipment.

**NOTIFICATION
 EQUIPMENT:**

At the customer's option and expense, it is recommended, but not required that the customer provide a telephone number or an e-mail address to receive automated notification messages of a SmartDay event from PG&E. In addition, customers can have, at their expense, a cellular telephone that is capable of receiving a SMS text message to receive notification messages of a SmartDay event from PG&E.

If a SmartDay event occurs, the customer will be notified by using one or more of the above-mentioned systems. Receipt of notice is the responsibility of the participating customer. PG&E will make best efforts to notify the customer, however it is the customer's responsibility to receive notice and to check the PG&E website to see if a SmartDay event has been activated and that their SmartRate notification information is accurate and current. PG&E does not guarantee the receipt of notification by the notification system, the e-mail system, or Internet site by which the customer receives notification.

(D)
 (T)
 (T)
 (D)
 |
 (D)

(Continued)



**ELECTRIC SCHEDULE E-RSMART
 RESIDENTIAL SMARTRATE PROGRAM**

Sheet 4

CONTRACTS: Customer's participation in this schedule will be in accordance with Electric Rule 12.

Customers may terminate their participation in the SmartRate program by providing notice to PG&E. Cancellation of the customer's participation in the SmartRate program will become effective on the next business day. PG&E reserves the right to terminate the SmartRate program upon thirty (30) days written notice and approval by the CPUC.

PROGRAM OPERATIONS: A maximum of fifteen (15) SmartDay Event Days and a minimum of nine (9) SmartDay Event Days may be called in any calendar year. PG&E will notify customers by 2:00 p.m. on a day-ahead basis when a SmartDay Event Day will occur the next day. (T)
 |
 (T)

NOTIFICATION AND TRIGGER: PG&E will activate a SmartDay event when the day-ahead temperature forecast trigger is reached. The trigger will be the average of the day-ahead maximum temperature forecasts for San Jose, Concord, Red Bluff, Sacramento and Fresno. (T)
 |
 (T)

Beginning May 1 of each summer season, the SmartDay Event Days on non-holiday weekdays will be triggered at 98 degrees Fahrenheit (°F), and will be triggered at 105°F on holidays and weekends. If needed, PG&E will adjust the non-holiday weekday trigger up or down over the course of the summer to achieve the range of 9 to 15 SmartDay Event Days in any calendar year. Such adjustments would be made no more than twice per month and would be posted on PG&E's website. (T)
 |
 |
 |
 (T)

SmartDay events may also be initiated as warranted on a day-ahead basis by 1) extreme system conditions such as special alerts issued by the California Independent System Operator, 2) under conditions of high forecasted California spot market power prices, 3) to meet annual SmartDay Event Day limits for a calendar year, or 4) for testing/evaluation purposes. (T)
 (T)
 (T)

PG&E will retain the sole discretion NOT to call a SmartDay event even if one or more of the above criteria are met.

(Continued)

Advice Letter No: 4472-E
 Decision No. 14-06-037

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed _____
 Effective _____
 Resolution No. _____

**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	