July 8, 2010

Advice 3128-G-A
(Pacific Gas and Electric Company ID U39G)

Public Utilities Commission of the State of California

Subject: Supplemental Filing: July 1, 2010 Gas Core Procurement Rate Changes

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its gas tariffs. The affected tariff sheets are included in Attachment I to this filing.

Purpose

The purpose of this filing is to modify PG&E’s core end-use customer gas rates effective July 1, 2010, originally submitted in Advice (“AL”) 3128-G on June 24, 2010. This supplemental filing, which supersedes in part AL 3128-G, revises PG&E’s gas core transport transportation rates to remove the discount for the “Sempra and Price Indexing Cases Gas Settlements Credit.” due to the California Public Utilities Commission's (“CPUC” or “Commission”) suspension of AL 3129-G.

Background

On January 21, 2010, the CPUC issued Decision 10-01-024 approving a process to disseminate to natural gas customers refunds that resulted from the settlement of two civil lawsuits, known as “The Sempra Settlement,” and “The Price Indexing Cases Settlement.” Both of these cases alleged that certain natural gas pipeline and marketing companies manipulated the natural gas market, which contributed to the energy crisis of 2000-2001 and artificially raised natural gas prices for California customers. PG&E was not a defendant in either of these lawsuits.

In total, PG&E’s gas customers received $56.3 million of the Sempra and Price Indexing Cases settlement refund. Approximately $49 million was refunded to PG&E’s core procurement customers (residential and commercial) who buy natural gas from PG&E in the March 2010 core procurement rates (AL 3096-G). Eligible wholesale customers

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1 Preliminary Statement Part B sheets 6 and 7 were included in Advice Letter 3128-G (July’s core monthly pricing filing).
and former core subscription customers that are current PG&E noncore customers
received a direct refund via checks (approximately $1 million) in May 2010. As
authorized in AL 3098-G, PG&E is refunding to core aggregation customers
approximately $6.3 million through the gas transportation Schedule G-CT beginning
July 1, 2010, for approximately six months, as submitted in AL 3129-G.

On July 7, 2010, the Commission suspended AL 3129-G and requested PG&E to stop
refunding core transport customers pending further staff review of the advice letter.

**Effective Date**

In accordance with D.97-10-065 and D.98-07-025, PG&E requests that this advice filing
be approved effective **July 1, 2010**.

**Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile
or electronically, any of which must be received no later than 20 days after the date of
this filing, which is **July 28, 2010**. Protests should be mailed to:

CPUC Energy Division  
Tariff Files, Room 4005  
DMS Branch  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: jnj@cpuc.ca.gov and mas@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 also should be sent via U.S. mail (and by facsimile and electronically, if
possible) to PG&E at the address shown below on the same date it is mailed or
delivered to the Commission:

Jane K. Yura  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10B  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-6520  
E-mail: PGETariffs@pge.com
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. Supporting procurement rate workpapers are available upon request to e-mail PGETariffs@pge.com. Address changes to the General Order 96-B service list and electronic approvals should be sent to 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. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs.

[Signature]

Vice President – Regulation and Rates

Attachments
## ADVICE LETTER FILING SUMMARY

### ENERGY UTILITY

**Company name/CPUC Utility No.** Pacific Gas and Electric Company (ID U39 M)

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Linda Tom-Martinez</th>
</tr>
</thead>
<tbody>
<tr>
<td>☒ ELC</td>
<td>Phone #: (415) 973-4612</td>
</tr>
<tr>
<td>☒ GAS</td>
<td>E-mail: <a href="mailto:lmt1@pge.com">lmt1@pge.com</a></td>
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<tr>
<td>☐ PLC</td>
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<td>☐ HEAT</td>
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<td>☐ WATER</td>
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### EXPLANATION OF UTILITY TYPE

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<th>GAS = Gas</th>
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<td>HEAT = Heat</td>
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<td>WATER = Water</td>
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**Advice Letter (AL) #:** 3128-G-A  
**Subject of AL:** Supplemental Filing: July 1, 2010 Gas Core Procurement Rate Changes

**Keywords (choose from CPUC listing):** Core, Procurement

**AL filing type:** Monthly  
**Tier:** 1

**If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:** D.97-10-065

**Does AL replace a withdrawn or rejected AL?** No

**Summarize differences between the AL and the prior withdrawn or rejected AL:**

**Is AL requesting confidential treatment?** 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?** No

**Requested effective date:** July 1, 2010  
**No. of tariff sheets:** 4

**Estimated system annual revenue effect (%):** N/A

**Estimated system average rate effect (%):** N/A

**When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting):**

**Tariff schedules affected:** Preliminary Statement Part B

**Service affected and changes proposed:** N/A

**Pending advice letters that revise the same tariff sheets:** 3128-G

**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:**

**CPUC, Energy Division**  
Tariff Files, Room 4005  
DMS Branch  
505 Van Ness Ave.,  
San Francisco, CA 94102  
jnj@cpuc.ca.gov and mas@cpuc.ca.gov

**Pacific Gas and Electric Company**  
Attn: Jane K. Yura  
Vice President, Regulation and Rates  
77 Beale Street, Mail Code B10B  
P.O. Box 770000  
San Francisco, CA 94177  
E-mail: PGETariffs@pge.com
<table>
<thead>
<tr>
<th>Cal P.U.C. Sheet No.</th>
<th>Title of Sheet</th>
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<tr>
<td>28364-G</td>
<td>GAS PRELIMINARY STATEMENT PART B DEFAULT TARIFF RATE COMPONENTS Sheet 6</td>
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<td>28366-G</td>
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<td>28367-G</td>
<td>GAS TABLE OF CONTENTS Sheet 4</td>
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## GAS PRELIMINARY STATEMENT PART B

### Sheet 6

**DEFAULT TARIFF RATE COMPONENTS (Cont'd.)**

CORE p. 6

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<tr>
<th>Component</th>
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* Refer to footnotes at end of Core Default Tariff Rate Components.

** The CPUC Fee includes a charge of $0.00068 per therm as approved by the CPUC, plus an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U).

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(Continued)
# GAS PRELIMINARY STATEMENT PART B

## DEFAULT TARIFF RATE COMPONENTS

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

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# GAS TABLE OF CONTENTS

## TITLE OF SHEET

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<th>Title Page</th>
<th>Rate Schedules</th>
<th>Preliminary Statements</th>
<th>Rules</th>
<th>Maps, Contracts and Deviations</th>
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## CAL P.U.C. SHEET NO.

- Title Page: 28366-G (T)
- Rate Schedules: 28343, 28344-G (T)
- Preliminary Statements: 28367, 28104-G (T)
- Rules: 28239-G
- Maps, Contracts and Deviations: 23208-G
- Sample Forms: 27715, 28240, 27262, 27113, 25059-G

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<td>Gas Accounting Terms and Definitions</td>
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 PG&E Gas and Electric
 Advice Filing List
 General Order 96-B, Section IV

 Aglet
 Alcantar & Kahl
 Ameresco
 Anderson & Poole
 Arizona Public Service Company
 BART
 BP Energy Company
 Barkovich & Yap, Inc.
 Bartle Wells Associates
 Bloomberg New Energy Finance
 Boston Properties
 Brookfield Renewable Power
 C & H Sugar Co.
 CA Bldg Industry Association

 CAISO
 CLECA Law Office
 CSC Energy Services
 California Cotton Ginners & Growers Assn
 California Energy Commission
 California League of Food Processors
 California Public Utilities Commission
 Calpine
 Cameron McKenna
 Casner, Steve
 Chris, King
 City of Glendale
 City of Palo Alto
 Clean Energy Fuels
 Coast Economic Consulting
 Commerce Energy
 Commercial Energy
 Consumer Federation of California
 Crossborder Energy
 Davis Wright Tremaine LLP
 Day Carter Murphy
 Defense Energy Support Center
 Department of Water Resources
 Department of the Army
 Dept of General Services
 Division of Business Advisory Services
 Douglass & Liddell
 Downey & Brand
 Duke Energy
 Dutcher, John
 Economic Sciences Corporation
 Ellison Schneider & Harris LLP
 Foster Farms
 G. A. Krause & Assoc.
 GLJ Publications
 Goodin, MacBride, Squeri, Schlotz & Ritchie
 Green Power Institute
 Hanna & Morton
 International Power Technology
 Intestate Gas Services, Inc.
 Lawrence Berkeley National Lab
 Los Angeles Dept of Water & Power
 Luce, Forward, Hamilton & Scripps LLP
 MAC Lighting Consulting
 MBMC, Inc.
 MRW & Associates
 Manatt Phelps Phillips
 McKenzie & Associates
 Merced Irrigation District
 Mirant
 Modesto Irrigation District
 Morgan Stanley
 Morrison & Foerster
 NRG West
 New United Motor Mfg., Inc.
 Norris & Wong Associates
 North America Power Partners
 North Coast SolarResources
 Occidental Energy Marketing, Inc.
 OnGrid Solar
 Praxair
 R. W. Beck & Associates
 RCS, Inc.
 Recon Research
 Recurrent Energy
 SCD Energy Solutions
 SCE
 SMUD
 SPURR
 Santa Fe Jets
 Seattle City Light
 Sempra Utilities
 Sierrra Pacific Power Company
 Silicon Valley Power
 Silo Energy LLC
 Southern California Edison Company
 Sunshine Design
 Sutterland, Asbill & Brennan
 Tabors Caramanis & Associates
 Tecogen, Inc.
 Tiger Natural Gas, Inc.
 Tioga Energy
 TransCanada
 Turlock Irrigation District
 U S Borax, Inc.
 United Cogen
 Utility Cost Management
 Utility Specialists
 Verizon
 Wellhead Electric Company
 Western Manufactured Housing
 Communities Association (WMA)
 eMeter Corporation