October 6, 2010

Advice Letter 3142-G

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, CA 94177

Subject: Schedule G-CPX—Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective August 10, 2010

Dear Ms. Yura:

Advice Letter 3142-G is effective August 10, 2010.

Sincerely,

Julie A. Fitch, Director
Energy Division
August 9, 2010

Advice 3142-G
(Pacific Gas and Electric Company ID U39G)

Public Utilities Commission of the State of California

Subject: Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective August 10, 2010

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

Purpose

The purpose of this filing is to revise monthly crossover rates under Schedule G-CPX--Crossover Gas Procurement Service to Core End-Use Customers, effective August 10, 2010. Schedule G-CPX crossover rates change on a monthly basis on the tenth calendar day of each month.

Background

In accordance with Decision (D.) 03-12-008, Schedule G-CPX applies to gas customers that request to be reclassified from noncore to core status. Such customers will pay the applicable crossover procurement rate under Schedule G-CPX for the first twelve (12) regular monthly billing periods during which they take core gas procurement service from PG&E. Crossover customers will pay the customer charge and transportation charge as specified in their applicable core schedule. After the twelfth regular monthly billing period, Schedule G-CPX will no longer apply.

Schedule G-CPX Rate

As adopted in D.03-12-008, the crossover rate is the higher of: (1) the posted monthly core procurement rate, including backbone transmission system volumetric charges, as shown in Schedule G-CP--Gas Procurement Service to Core End-Use Customers; or (2) the higher of the AECO index (including variable transportation costs to Malin) or the Topock Index, as used in the computation of PG&E’s Core Procurement Incentive Mechanism monthly benchmark for California border purchases, plus the per unit cost.
of backbone transmission system volumetric service included in the posted monthly procurement rates.

Schedule G-CPX rates include the core brokerage fee, an allowance for core distribution and transmission in-kind shrinkage per gas Rule 21, core pipeline capacity costs, core storage costs, procurement balancing account balances, any other procurement-related costs, and an allowance for franchise fees and uncollectibles accounts expense. The crossover procurement rates reflect only the higher of the core weighted average cost of gas (WACOG) or the border index (both including the per unit cost of backbone transmission system volumetric service), with other procurement costs equivalent to those for otherwise-applicable core procurement rates.1

For the period from **August 10, 2010, through September 9, 2010**, the following Schedule G-CPX rates will be in effect:

<table>
<thead>
<tr>
<th>Schedule G-CPX Rates</th>
<th>Per Therm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Commercial Customers (Schedule G-NR1)</td>
<td>$0.59398</td>
</tr>
<tr>
<td>Large Commercial Customers (Schedule G-NR2)</td>
<td>$0.49163</td>
</tr>
<tr>
<td>Natural Gas Vehicle Customers (Schedule G-NGV1)</td>
<td>$0.48257</td>
</tr>
</tbody>
</table>

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

**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 21 days after the date of this filing, which is **August 30, 2010**.2 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

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1 The shrinkage rate component included in the monthly Schedule G-CPX rates will be calculated based on the higher of the WACOG or the border index, using the same methodology used for calculating the shrinkage component in monthly core procurement rates.

2 The end of the protest period falls on a weekend; PG&E is therefore moving the end of the protest period to the following business day.
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 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

**Effective Date**

In accordance with D. 03-12-008, PG&E requests that this advice filing become effective on August 10, 2010. The rates in this advice filing shall remain in effect until the next such filing with the Commission.

**Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes to the General Order 96-B service list should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission’s Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs.

[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)

**Utility type:**
- ☑ ELC
- ☑ GAS
- ☐ PLC
- ☐ HEAT
- ☐ WATER

**Contact Person:** Linda Tom-Martinez

**Phone #:** (415) 973-4612

**E-mail:** lmt1@pge.com

**Explanation of Utility Type**

- ELC = Electric
- GAS = Gas
- PLC = Pipeline
- HEAT = Heat
- WATER = Water

**Advice Letter (AL) #:** **3142-G**

**Subject of AL:** Rates for Schedule G-CPX – Crossover Gas Procurement Service to Core End Use Customers, Effective August 10, 2010

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

**AL filing type:** ☑ Monthly ☐ Quarterly ☐ Annual ☐ One-Time ☐ Other _____________________________

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:  Decision 03-12-008

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: Not applicable

Summarize differences between the AL and the prior withdrawn or rejected AL1: _____________________________

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for:

Confidential information will be made available to those who have executed a nondisclosure agreement: ☐ Yes ☐ No

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 10, 2010

**No. of tariff sheets:** 3

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

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

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

**Tariff schedules affected:** Schedule G-CPX

**Service affected and changes proposed1:** Crossover Gas Procurement Service to Core End-Use Customers

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

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

**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 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>
<th>P.U.C. Sheet No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>28460-G</td>
<td>GAS SCHEDULE G-CPX Crossover Gas Procurement Service To Core End-Use Customers</td>
<td>28361-G</td>
</tr>
<tr>
<td></td>
<td>Sheet 1</td>
<td></td>
</tr>
<tr>
<td>28461-G</td>
<td>GAS TABLE OF CONTENTS</td>
<td>28456-G</td>
</tr>
<tr>
<td></td>
<td>Sheet 1</td>
<td></td>
</tr>
<tr>
<td>28462-G</td>
<td>GAS TABLE OF CONTENTS</td>
<td>28457-G</td>
</tr>
<tr>
<td></td>
<td>Sheet 2</td>
<td></td>
</tr>
</tbody>
</table>
GAS SCHEDULE G-CPX
CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS

APPLICABILITY: This schedule is filed monthly. It is applicable in the first year for Customers that have executed a Request for Reclassification from Noncore Service to Core Service (Form 79-983) and that are taking procurement service from PG&E. After the first year, these customers will be served under their otherwise-applicable core gas rate schedule.

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

RATES: The following charges apply to natural gas service for applicable Core End-Use Customers. Customers will pay the Crossover Charge specified below for any of the first twelve (12) regular monthly billing periods that they are taking core procurement service from PG&E. After the twelfth regular monthly billing period, the Core End-Use Customer will pay the Procurement Charge specified in their otherwise-applicable rate schedule. Rates under this schedule will change on the 10th calendar day of the month.

<table>
<thead>
<tr>
<th>Procurement Charge</th>
<th>Per Therm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Commercial Crossover Charge: (G-NR1)</td>
<td>$0.59398  (I)</td>
</tr>
<tr>
<td>Large Commercial Crossover Charge: (G-NR2)</td>
<td>$0.49163  (I)</td>
</tr>
<tr>
<td>Natural Gas Vehicle Crossover Charge: (G-NGV1)</td>
<td>$0.48257  (I)</td>
</tr>
</tbody>
</table>

The Crossover charge is the higher of: (a) the posted monthly core procurement rate, including backbone transmission volumetric charges, as shown in Schedule G-CP; or (b) the higher of the AECO index (including variable transportation costs to Malin) or the Topock index, as used in the computation of PG&E’s Core Procurement Incentive Mechanism monthly benchmark for California border purchases, plus the per unit cost of backbone transmission volumetric service included in the posted monthly procurement rate, the Core Brokerage Fee, an allowance for core in-kind shrinkage per Rule 21, and all other procurement rate components included in the posted monthly core procurement rate.

The current applicable Procurement Charge for natural gas sales under Core End-User rate schedules may be obtained electronically on PG&E’s internet site at http://www.pge.com or by calling PG&E at 1-800-743-5000.
### GAS TABLE OF CONTENTS

**Sheet 1**

<table>
<thead>
<tr>
<th>TITLE OF SHEET</th>
<th>CAL P.U.C. SHEET NO.</th>
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<tbody>
<tr>
<td>Title Page</td>
<td>28461-G (T)</td>
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<tr>
<td>Rate Schedules</td>
<td>28462, 28458-G (T)</td>
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<tr>
<td>Preliminary Statements</td>
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<td>Rules</td>
<td>28360-G</td>
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<td>Maps, Contracts and Deviations</td>
<td>23208-G</td>
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<tr>
<td>Sample Forms</td>
<td>27715, 28300, 27262, 28314, 27667-G</td>
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**Sheet 2**

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<tr>
<th>SCHEDULE</th>
<th>TITLE OF SHEET</th>
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<td><strong>Rate Schedules</strong>&lt;br&gt;Residential</td>
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<tr>
<td>Counties Served</td>
<td>Listing of Counties Covered Under Gas Rate Schedules</td>
<td>11271-G</td>
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<td>G-1</td>
<td>Residential Service</td>
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<tr>
<td>G1-NGV</td>
<td>Residential Natural Gas Service for Compression on Customers’ Premises</td>
<td>28440, 23734-G</td>
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<td>G-CS</td>
<td>ClimateSmart</td>
<td>28009-G</td>
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<td>GM</td>
<td>Master-Metered Multifamily Service</td>
<td>28441, 26892, 23019-G</td>
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<td>GS</td>
<td>Multifamily Service</td>
<td>28442, 26894, 23215-G</td>
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<tr>
<td>GT</td>
<td>Mobilehome Park Service</td>
<td>28443, 26896, 26568-G</td>
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<td>G-10</td>
<td>Service to Company Employees</td>
<td>11318-G</td>
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<td>GL-1</td>
<td>Residential CARE Program Service</td>
<td>28444, 26898-G</td>
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<tr>
<td>GL1-NGV</td>
<td>Residential CARE Program Natural Gas Service for Compression on Customers’ Premises</td>
<td>28444, 23740-G</td>
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<tr>
<td>GML</td>
<td>Master-Metered Multifamily CARE Program Service</td>
<td>28446, 26901, 23027-G</td>
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<td>GSL</td>
<td>Multifamily CARE Program Service</td>
<td>28447, 28448, 23216-G</td>
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<td>GTL</td>
<td>Mobilehome Park CARE Program Service</td>
<td>28449, 28450, 23502, 26569-G</td>
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<td>G-MHPS</td>
<td>Master-Metered Mobilehome Park Safety Surcharge</td>
<td>22034-G</td>
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<tr>
<td><strong>Rate Schedules</strong>&lt;br&gt;Non-Residential</td>
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<tr>
<td>G-NR1</td>
<td>Gas Service to Small Commercial Customers</td>
<td>28451, 23035-G</td>
</tr>
<tr>
<td>G-NR2</td>
<td>Gas Service to Large Commercial Customers</td>
<td>28452, 23037-G</td>
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<tr>
<td>G-CP</td>
<td>Gas Procurement Service to Core End-Use Customers</td>
<td>28453-G</td>
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<tr>
<td>G-CPX</td>
<td>Crossover Gas Procurement Service To Core End-Use Customers</td>
<td>28460-G</td>
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<tr>
<td>G-NT</td>
<td>Gas Transportation Service to Noncore End-Use Customers</td>
<td>24583, 28416, 22037, 22038-G</td>
</tr>
<tr>
<td>G-EG</td>
<td>Gas Transportation Service to Electric Generation</td>
<td>28417, 27879, 25038, 25039-G</td>
</tr>
<tr>
<td>G-EISISP</td>
<td>Exchange Service Through ISP Facilities</td>
<td>24364, 24365-G</td>
</tr>
<tr>
<td>G-WSL</td>
<td>Gas Transportation Service to Wholesale/Resale Customers</td>
<td>29418, 26781, 22045-G</td>
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<tr>
<td>G-BAL</td>
<td>Gas Balancing Service for Intrastate Transportation Customers</td>
<td>24456, 24457, 22135, 22047-22048, 24458-24460, 26810, 24461, 20042, 24462, 24463, 24464-G</td>
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<tr>
<td>G-SFS</td>
<td>Standard Firm Storage Service</td>
<td>24587, 22140, 22141, 22300-G</td>
</tr>
<tr>
<td>G-NFS</td>
<td>Negotiated Firm Storage Service</td>
<td>24588, 22301-G</td>
</tr>
<tr>
<td>G-NAS</td>
<td>Negotiated As-Available Storage Service</td>
<td>24589-G</td>
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<tr>
<td>G-CFS</td>
<td>Core Firm Storage</td>
<td>24590, 22147, 22148, 22149-G</td>
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<tr>
<td>G-AFT</td>
<td>Annual Firm Transportation On-System</td>
<td>24465, 27959, 22903-G</td>
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(Continued)
### Crossover Rate Calculation

**AECO Net Forward Calculation**

<table>
<thead>
<tr>
<th>($/Dth)</th>
<th>Aug-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined GTN/Foothills fuel rate</td>
<td>0.9596</td>
</tr>
<tr>
<td>Foothills Fuel</td>
<td>1.20%</td>
</tr>
<tr>
<td>GTN Fuel</td>
<td>2.88%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Aug-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>AECO Monthly Index (C$/GJ, source CGPR)</td>
<td>3.5073</td>
</tr>
<tr>
<td>Exchange Rate (US$/C$)</td>
<td>0.9780</td>
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<table>
<thead>
<tr>
<th></th>
<th>Aug-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>AECO &quot;C&quot; monthly commodity index (US$/Dth)</td>
<td>$3.619</td>
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<tr>
<td>Foothills + GTN combined in-kind fuel rate</td>
<td>0.040</td>
</tr>
<tr>
<td>Foothills + GTN in-kind fuel charge</td>
<td>0.152</td>
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<tr>
<td>Foothills volumetric rate</td>
<td>0.0000</td>
</tr>
<tr>
<td>GTN volumetric rate</td>
<td>0.0117</td>
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<tr>
<td><strong>AECO &quot;C&quot; Net Forward Price (14+16+17+18)</strong></td>
<td>$3.7832</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Gas Price Index</th>
<th>Price, CA Border</th>
<th>Intrastate Transport</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>AECO (CGPR)</td>
<td>$3.7832</td>
<td>$0.0537</td>
<td>$3.8369</td>
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<tr>
<td>Southern Border-PG&amp;E (NGI)</td>
<td>$4.2600</td>
<td>$0.0537</td>
<td>$4.3137</td>
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<tr>
<td>Core WACOG</td>
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<td>$0.0537</td>
<td>$3.7417</td>
</tr>
</tbody>
</table>

**Crossover Price at PG&E Citygate ($/Dth)**

$4.3137

8/5/2010
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, MacBrade, 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
Miran
Modesto Irrigation District
Morgan Stanley
Morrison & Foerster
NRG West
New United Motor Mfg., Inc.
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
Sierra Pacific Power Company
Silicon Valley Power
Silo Energy LLC
Southern California Edison Company
Sunshine Design
Sutherland, 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