

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



November 8, 2011

**Advice Letter 3236-G**

Brian K. Cherry  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**Subject: Gas Rule 21 In-Kind Shrinkage Allowance Adjustments for  
Backbone Transmission and Distribution**

Dear Mr. Cherry:

Advice Letter 3236-G is effective November 1, 2011.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director  
Energy Division



September 21, 2011

**Advice 3236-G**

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

**Subject: Gas Rule 21 In-Kind Shrinkage Allowance Adjustments for  
Backbone Transmission and Distribution**

Pacific Gas and Electric Company (“PG&E”) hereby submits for filing revisions to the natural gas in-kind shrinkage allowances for backbone transmission and distribution service shown in PG&E’s gas Rule 21—*Transportation of Natural Gas*. The affected tariff sheets are listed on Attachment I.

**Purpose**

In-kind shrinkage allowances represent the unaccounted-for gas and the utility fuel use attributable to the volume of natural gas received by PG&E for transmission, distribution and storage service. In Decision (“D.”) 03-12-061, the Commission authorized the shrinkage allowances to be updated annually or as necessary at other times of the year to match the actual shrinkage experienced on PG&E’s system. This is reflected in Gas Preliminary Statement Part C—*Gas Accounting Terms and Definitions*, Part C.12.c. and Gas Rule 21, which state that PG&E may adjust distribution, transmission and storage shrinkage annually through an advice letter compliance filing, or as necessary at other times of the year, through a separate advice letter filing.

PG&E proposes two separate adjustments to its existing backbone transmission and distribution shrinkage allowances to be effective November 1, 2011. The first adjustment updates the base shrinkage allowances to reflect the current shrinkage forecast for 2012. The second adjustment eliminates the temporary in-kind shrinkage credit adjustment allowances.

## **Background**

In Advice 3194-G, the Commission adopted PG&E's proposed transmission and distribution Shrinkage Base Allowances and a temporary in-kind Shrinkage Adjustment Credit Allowance effective May 1, 2011, to better match the 2011 shrinkage forecast and to eliminate an existing over-collection of the in-kind shrinkage volumes. Based on the latest actual shrinkage data, the shrinkage imbalance is forecasted to move toward an under-collection position for 2012. To better match the actual shrinkage expected to occur on PG&E's system for 2012, PG&E proposes two separate adjustments to the existing backbone transmission and distribution shrinkage allowances to be effective November 1, 2011, as described herein.

## **Shrinkage Base Allowance Forecast Update**

The proposed shrinkage base allowances are calculated using PG&E's latest forecast of shrinkage on its system and PG&E's 2012 customer demand forecast from its Gas Accord V Settlement (D.11-04-031). In addition, the seasonal core distribution in-kind shrinkage allowance was implemented (in Advice 3200-G) effective May 1, 2011, with separate allowances for winter season (November-March) and summer season (April-October), pursuant to D.11-04-031. The proposed Shrinkage Base Allowances in this filing are shown in the following table:

### **Proposed In-Kind Shrinkage Base Allowances**

	<b>Current Base Allowance</b>	<b>Proposed Base Allowance</b>	<b>Proposed Change</b>
Transmission – Redwood to Off-System	0.9%	0.9%	--
Transmission – Mission to On/Off-System	0.0%	0.0%	--
Transmission – All other backbone paths	0.9%	1.0%	+0.1%
Distribution – Noncore	0.2%	0.2%	--
Distribution -Core Summer Season (April - October)	1.3%	1.7%	+0.4%
Distribution – Core Winter Season (November- March)	2.0%	2.9%	+0.9%
Distribution – Core (Annual) <sup>1</sup> (for reference only)	1.8%	2.4%	+0.6%

<sup>1</sup> Gas Accord V ("GAV") (D.11-04-031) adopted a seasonal core distribution shrinkage allowance structure. Advice 3200-G, approved by the Energy Division on August 15, 2011, replaced the annual core distribution in-kind shrinkage allowance (adopted in Advice 3194-G) with seasonal allowances, effective May 1, 2011. The annual core distribution in-kind shrinkage allowance is provided here as a reference only.

The proposed Shrinkage Base Allowances are designed to recover PG&E's current shrinkage forecast for 2012. In addition, the 2012 shrinkage forecast reflects historical usage reduction in Gas Department Use ("GDU") associated with electric compressor units. In Advice 3194-G, the GDU forecast was reduced by an annual 630 MMCF due to a forecasted increase in electric compressor usage at the Delevan Compressor Station. This quantity was prorated to reflect seven months actual electric compressor usage in the forecast period. The GDU forecast used for this filing reflects 12 months of reduced GDU at compressor stations to reflect increased electric compression. Therefore, it is no longer necessary or appropriate to continue the adjustment for the new electric driven compressors at Delevan Compressor Station.

### **Eliminate Shrinkage Credit Adjustment Allowances**

In Advice 3194-G, the Commission adopted PG&E's proposed transmission and distribution shrinkage credit adjustment allowances to eliminate an existing over-collection of the in-kind shrinkage volumes. The shrinkage over-collection balance is now forecasted to be essentially eliminated by November 2011. As a result, PG&E is proposing to eliminate the shrinkage credit adjustment allowances for backbone transmission and core distribution service, effective November 1, 2011. The proposed elimination of the in-kind Shrinkage Credit Adjustment Allowances in this filing is shown in the following table:

#### **Proposed Elimination of In-Kind Shrinkage Credit Adjustment Allowances**

	<b>Existing Adjustment Allowance</b>	<b>Proposed Adjustment Allowance</b>	<b>Proposed Change</b>
Transmission – All other backbone paths	-0.1%	0%	+0.1%
Distribution – Seasonal Core	-0.4%	0%	+0.4%

### **Total In-Kind Shrinkage Allowance Forecast Update**

The following table reflects the total proposed changes to the shrinkage allowances, combining the removal of the in-kind Shrinkage Credit Adjustment Allowance and the 2012 Shrinkage Base Allowance update.

### Proposed Total Shrinkage Allowance Update

	Current Total Allowance	Proposed Total Allowance	Proposed Change
Transmission – Redwood to Off-System	0.9%	0.9%	--
Transmission – Mission to On/Off-System	0.0%	0.0%	--
Transmission – All other backbone paths	0.8%	1.0%	+0.2%
Distribution – Noncore	0.2%	0.2%	--
Distribution -Core Summer Season (April - October)	0.9%	1.7%	+0.8%
Distribution – Core Winter Season (November- March)	1.6%	2.9%	+1.3%

PG&E will continue to monitor the shrinkage on its system and will adjust the shrinkage allowances through advice letter filings in the future, as necessary.

This filing will not affect any other rate or charge, cause the withdrawal of service, or conflict with any other rate schedule or rule. Workpapers supporting the proposed changes are included in Attachment 2 to this filing.

#### **Tariff Revisions**

The revised backbone transmission shrinkage allowance percentages are reflected in gas Rule 21, Section B.1.a. The revised distribution shrinkage allowance percentages are reflected in Gas Rule 21, Section B.1.b.

#### **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 **October 11, 2011**, which is 20 days from the date of this filing. 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: [ijn@cpuc.ca.gov](mailto:ijn@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

Copies 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:

Brian K. Cherry  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-6520  
E-mail: PGETariffs@pge.com

### **Effective Date**

In order to provide gas transportation customers notice of the shrinkage change, PG&E requests notice of this advice letter approval by October 21, 2011, and that the tariffs be approved effective **November 1, 2011**. PG&E will inform gas transportation customers of the new shrinkage allowances on its Pipe Ranger Web site <http://www.pge.com/pipeline/> once this filing is approved.

### **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 service list for A.09-09-013. Address changes to the General Order 96B service list and all electronic approvals 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. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs/>.



Vice President, Regulation and Rates

cc: 2011 Gas Transmission and Storage Proceeding (A.09-09-013)

Attachments

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

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

Utility type:

ELC       GAS  
 PLC       HEAT       WATER

Contact Person: 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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **3236-G**

Tier: **2**

Subject of AL: **Gas Rule 21 In-Kind Shrinkage Allowance Adjustments for Backbone Transmission and Distribution**

Keywords (choose from CPUC listing): Compliance, Transportation

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.03-12-061

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<sup>1</sup>: \_\_\_\_\_

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: **November 1, 2011**

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: Gas Rule 21

Service affected and changes proposed<sup>1</sup>: 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:

**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: Brian Cherry**

**Vice President, Regulation and Rates**

**77 Beale Street, Mail Code B10C**

**P.O. Box 770000**

**San Francisco, CA 94177**

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

**ATTACHMENT 1  
Advice 3236-G**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
29192-G	GAS RULE NO. 21 TRANSPORTATION OF NATURAL GAS Sheet 2	28812-G
29193-G	GAS RULE NO. 21 TRANSPORTATION OF NATURAL GAS Sheet 3	28924-G
29194-G	GAS TABLE OF CONTENTS Sheet 1	29190-G
29195-G	GAS TABLE OF CONTENTS Sheet 6	29070-G



**GAS RULE NO. 21**  
 TRANSPORTATION OF NATURAL GAS

Sheet 2

B. QUANTITIES OF GAS (Cont'd.)

1. IN-KIND SHRINKAGE ALLOWANCE (Cont'd.)

a. Backbone Transmission Shrinkage

A Customer transporting gas over PG&E's Backbone Transmission System shall deliver each day at the Receipt Point to PG&E an additional in-kind quantity of natural gas supply equal to a percent of total volume of natural gas to be delivered at the Receipt Point. Thus, the quantity to be nominated at the Receipt Point equals the quantity desired at the Delivery Point divided by (1 - x) where x is the decimal equivalent of the Backbone Transmission System In-Kind Shrinkage Allowance percentage, based on the transmission path utilized as follows:

Path	Percentage of In-Kind Shrinkage Base Allowance	Percentage of In-Kind Shrinkage Adjustment	Percentage of Effective In-Kind Shrinkage Allowance
Redwood to Off-System	0.9	—	0.9
Mission to On-System	0	—	0
Mission to Off-System	0	—	0
All other transmission	1.0 (I)	— (I)	1.0 (I)

Provided, however, that PG&E and the Customer shall not be prohibited under this Rule, where shrinkage requirements support a different shrinkage allowance, from mutually agreeing to a different shrinkage allowance for transportation over PG&E's Backbone Transmission System.

(Continued)



**GAS RULE NO. 21**  
 TRANSPORTATION OF NATURAL GAS

Sheet 3

**B. QUANTITIES OF GAS (Cont'd.)**

**1. IN-KIND SHRINKAGE ALLOWANCE (Cont'd.)**

**b. Distribution Shrinkage**

For transportation on PG&E's Distribution System, an additional In-Kind Shrinkage Allowance shall apply, which is separate from backbone transmission and storage shrinkage. The Customer shall deliver each day to PG&E at the Citygate an additional in-kind quantity of natural gas supply equal to a percent of the total volume of natural gas flowing through the End-Use Customer's meter. Thus, the quantity to be nominated at the Citygate equals the quantity to be flowed through the meter multiplied by  $(1 + y)$  where  $y$  is the decimal equivalent of the Distribution System In-Kind Shrinkage Allowance percentage, as follows:

End-Use Customer	Percentage of In-Kind Shrinkage Base Allowance	Percentage of In-Kind Shrinkage Adjustment	Percentage of Effective In-Kind Shrinkage Allowance
Core – Summer Season (April - October)	1.7 (I)	– (I)	1.7 (I)
Core – Winter Season (November – March)	2.9 (I)	– (I)	2.9 (I)
Noncore Distribution	0.2	– (T)	0.2
Noncore Transmission*	–	–	–

As an example, for a Core End-Use Customer being served via the Redwood Path, the amount to be nominated at Malin is calculated as:

$$\text{Receipt Point Quantity} = \frac{\text{Est. Metered Usage} \times (1 + y)}{(1 - x)}$$

Where:  $x$  = decimal equivalent of the Backbone Shrinkage percentage, and

$y$  = decimal equivalent of the Distribution Shrinkage percentage

\* Noncore Transmission Level End-Use Customers or Agents require no Distribution System In-Kind Shrinkage Allowance.

(Continued)



**GAS TABLE OF CONTENTS**

Sheet 1

<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>	
Title Page .....	29194-G	(T)
Rate Schedules .....	29191,29187-G	
Preliminary Statements.....	29188,29060-G	
Rules .....	29195-G	(T)
Maps, Contracts and Deviations.....	29055-G	
Sample Forms .....	27715,28995,27262,28662,28503-G	

(Continued)

Advice Letter No: 3236-G  
 Decision No. 03-12-061

Issued by  
**Brian K. Cherry**  
 Vice President  
 Regulation and Rates

Date Filed September 21, 2011  
 Effective November 1, 2011  
 Resolution No. \_\_\_\_\_



**GAS TABLE OF CONTENTS**

Sheet 6

<b>RULE</b>	<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>
<b>Rules</b>		
Rule 01	Definitions.....	27880,26782,25123,18197,26823,26824,24120,18200,22924,18202,21978,18204-18205,21979,28651,28652-G
Rule 02	Description of Service.....	23062-23066,26825-G
Rule 03	Application for Service.....	27248,27249-G
Rule 04	Contracts.....	17051-G
Rule 05	Special Information Required on Forms.....	17641,13348-13349-G
Rule 06	Establishment and Reestablishment of Credit.....	22126-22127,28653-G
Rule 07	Deposits.....	28654,28655-G
Rule 08	Notices.....	21928,17580,21929,17581,15728-G
Rule 09	Rendering and Payment of Bills.....	24128-24129,27941,23518,29061,27345,27346,28562-G
Rule 10	Disputed Bills.....	18214-18216-G
Rule 11	Discontinuance and Restoration of Service.....	18217-18220,27251,23520,18223-18227,27252,24860,19710-G
Rule 12	Rates and Optional Rates.....	18229,27253,24132,21981-21982,24474-G
Rule 13	Temporary Service.....	22832-G
Rule 14	Capacity Allocation and Constraint of Natural Gas Service.....	18231-18235,28274,28275-28283,28923,28285-28292-G
Rule 15	Gas Main Extensions.....	21543,18802-18803,27503,20350-20352,26827,21544,21545,22376,22377-22379,26828,26829,18814-G
Rule 16	Gas Service Extensions.....	21546,18816,17728,17161,18817-18825,17737,18826,18827-G
Rule 17	Meter Tests and Adjustment of Bills for Meter Error.....	14450,28656,28764,28770,28771,28772,28773,28774-G
Rule 17.1	Adjustment of Bills for Billing Error.....	22936,28657,28658-G
Rule 17.2	Adjustment of Bills for Unauthorized Use.....	22937,14460,14461-G
Rule 18	Supply to Separate Premises and Submetering of Gas.....	22790,17796,13401-G
Rule 19	Medical Baseline Quantities.....	21119,21120,21121-G
Rule 19.1	California Alternate Rates for Energy for Individual Customers and Submetered Tenants of Master-Metered Customers.....	24135,28967,28209,28210-G
Rule 19.2	California Alternate Rates for Energy for Nonprofit Group-Living Facilities.....	24609,29067,17035,28212,27255-G
Rule 19.3	California Alternate Rates for Energy for Qualified Agricultural Employee Housing Facilities.....	24138,29068,28214,27256-G
Rule 21	Transportation of Natural Gas.....	27591,29192,29193,23786,23194,23195,21845,23196-23199,22086,22087,24444,24445,22735,22736,22737-G
Rule 21.1	Use of Pacific Gas and Electric Company's Firm Interstate Rights.....	20461,18260,18261-G
Rule 23	Gas Aggregation Service for Core Transport Customers.....	24476,18263,26664,18265,26665-26666,24825-24830,26667,24832-24833,24849,21750-21751,18272-G
Rule 25	Gas Services-Customer Creditworthiness and Payment Terms.....	28816-28828-G
Rule 26	Standards of Conduct and Procedures Related to Transactions with Intracompany Departments, Reports of Negotiated Transactions, and Complaint Procedures.....	18284,18285,18633,20462-G

(T)

(Continued)

Advice Letter No: 3236-G  
 Decision No. 03-12-061

Issued by  
**Brian K. Cherry**  
 Vice President  
 Regulation and Rates

Date Filed September 21, 2011  
 Effective November 1, 2011  
 Resolution No. \_\_\_\_\_

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Workpaper for In-Kind Shrinkage Allowance Update**  
**Advice 3236-G (effective November 1, 2011)**  
**Shrinkage Base Allowance**

	(A)	(B)	(C)	(D)	(E)	(F)	
	<i>Forecast Customer Demand is based on data in the Gas Accord V Settlement Agreement filed August 20, 2010 (PG&amp;E's June 2010 forecast plus 20 MDth/d EG-Backbone). Forecast Off-system Demand is based on the three-year actual off-system deliveries through August 2011. LUAF and GDU forecasts are based on the one-year average monthly percentage profile of actual LUAF and GDU (through May 2011 - latest data available as of August 30, 2011.)</i>						
Line No.		<b>12 Month Forecast Throughput</b>	<b>% Served from Distr.</b>	<b>% Served from Trans.</b>	<b>Throughput Served from Trans.</b>	<b>Throughput Served from Distr.</b>	Line No.
1	<b>Noncore Transmission/Distribution Split</b>	<b>Mdth</b>	<b>Survey Results</b>		<b>Mdth</b>	<b>Mdth</b>	1
2	Industrial	172,135	15.4361%	84.5639%	145,565	26,571	2
3	EG	219,672	0.0000%	100.0000%	219,672	0	3
4	Cogeneration	72,369	6.6856%	93.3144%	67,531	4,838	4
5	Wholesale	3,707	0.0000%	100.0000%	3,707	0	5
6	NGV4	543	0.0000%	100.0000%	543	0	6
7	Total Noncore (excludes EOR and SEGDA)	468,427			437,018	31,409	7
8	% of Noncore served from Trans. and Distr.				93.29%	6.71%	8
<b>LUAF per Study</b> (from the Gas Accord I Workpapers, 17-2 & 17-3)							
Splits LUAF noncore volumes between distribution and transmission based on LUAF Study							
9		<b>NCTotal</b>			<b>NC Trans.</b>	<b>NC Distr.</b>	9
10	LUAF (Mcf) - volumes from 1995 BCAP	3,054,276			2,268,089	786,187	10
11	LUAF % (NC Distr Vol/NC Total)				74.26%	25.74%	11
12	Throughput Vol. % - Data from Rate Dept Survey				79.00%	21.00%	12
13	Ratios set for Accord period:						13
14	Calculated as Line 11/Line 12				0.94	1.23	14
15	Calculated as (F) line 14/(E) line 14					1.30	15
16	Noncore % of System LUAF (adopted in 95 BCAP)	22.00%					16
<b>LUAF &amp; GDU Allocations to Transmission and Distribution</b>							
		<b>System Forecast</b>	<b>Core</b>	<b>Noncore</b>	<b>Off-system</b>	<b>NC Trans.</b>	<b>NC Distr.</b>
17	LUAF allocated volumes (less off-sys LUAF; core/noncore 78%/22%)	11,103	8,495	2,396	213		
18	Throughput per forecast (Mdth)	825,393	292,570	468,427	64,396		
19	Less: SEGDA	0		0			
20	Totals for Calculation of allocation	825,393	292,570	468,427	64,396		
21	LUAF as % of throughput (Lines 17/20)	1.345%	2.904%	0.511%	0.330%		
22	Noncore Trans. LUAF% ((D) line 21 - wtd. per surveys above)					0.501%	
23	Noncore Distr. LUAF% (D) line 21 - wtd. per surveys above)						0.654%
24	Off-System LUAF (per D.94-02-042)	0.33%					
<b>GDU Calculations:</b>							
GDU per forecast(Mdth) - Pipeline (Total Plus balancing service storage							
25	GDU)	4,505					
26	GDU % = (B) line 24/(B) line 20	0.546%					
Shrinkage (LUAF+GDU)							
27	Noncore Transmission = (B) line 26 + (E) line 22	1.047%					
28	Noncore Distribution = (B) line 26 + (F) line 23	1.199%					
29	Core Total = (B) line 26 + (C) line 21	3.449%					
30	Core Distribution = (B) line 29 - (B) line 27	2.402%					
31	Off-System Transmission = (B) line 26 + (B) line 24	0.876%					
32	<b>Proposed Pipeline Shrinkage Allowances - Base Allowance Update</b>		<b>Core</b>	<b>NC Trans.</b>	<b>NC Dist.</b>	<b>Off-Sys.</b>	
33	Transmission (assumes same % for core and noncore)		1.0%	1.0%	1.0%	0.9%	
34	Distribution		2.4%	N/A	0.2%	N/A	
35	Total		3.4%	1.0%	1.2%	0.9%	

PACIFIC GAS AND ELECTRIC COMPANY  
 Workpaper for Seasonal Core Distribution Shrinkage Allowance  
 Advice 3236-G (effective November 1, 2011)  
 Seasonal Core Distribution Shrinkage Base Allowance

	(A)	(B)	(C)	
<b>Seasonal Core Distribution Shrinkage Rate Derivation</b>				
<p>The Core distribution forecast is based on the customer demand forecast agreed-upon in the Gas Accord V Settlement Agreement filed August 20, 2010. The Core Distribution Shrinkage Quantity is calculated by multiplying the Annual Core Distribution Demand Forecast by the Annual Core Distribution Shrinkage Percentage. The Core Distribution Shrinkage Quantity is allocated between the summer and winter seasons in the same percentage as the Total LUAF Forecast.</p>				
Line No.				Line No.
<b>Core Customer Demand Forecast</b>				
1		Quantity (MDth)	Percentage	1
2	Annual core distribution demand	292,570		2
3	Summer Season (April -- October) Core Distribution Demand	112,892	38.59%	3
4	Winter season (November -- March) Core Distribution Demand	179,678	61.41%	4
<b>Total LUAF Forecast</b>				
5	Annual LUAF Forecast	11,103		5
6	Summer Season (April -- October) LUAF Forecast	2,950	26.57%	6
7	Winter Season (November -- March) LUAF Forecast	8,153	73.43%	7
<b>Core Distribution Shrinkage Quantity</b>				
8	Annual Core Distribution Demand (MDth)	292,570		8
9	Annual Base Core Distribution Shrinkage Percentage	2.402%		9
10	Calculated Base Core Distribution Shrinkage Quantity (MDth)	7,028		10
11	Summer Season Core Distribution Shrinkage Quantity (MDth)	1,868		11
12	Winter Season Core Distribution Shrinkage Quantity (MDth)	5,161		12
<b>Seasonal Core Distribution Shrinkage Percentages</b>				
13	Summer Season (April -- October)	1.654%		13
14	Winter Season (November -- March)	2.872%		14
<b>Seasonal Core Distribution Shrinkage -- Tariff Percentages</b>				
15	Summer Season (April -- October)	1.7%		15
16	Winter Season (November -- March)	2.9%		16

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

AT&T	Dept of General Services	North Coast SolarResources
Alcantar & Kahl LLP	Douglass & Liddell	Occidental Energy Marketing, Inc.
Ameresco	Downey & Brand	OnGrid Solar
Anderson & Poole	Duke Energy	Praxair
Arizona Public Service Company	Economic Sciences Corporation	R. W. Beck & Associates
BART	Ellison Schneider & Harris LLP	RCS, Inc.
Barkovich & Yap, Inc.	Foster Farms	Recurrent Energy
Bartle Wells Associates	G. A. Krause & Assoc.	SCD Energy Solutions
Bloomberg	GLJ Publications	SCE
Bloomberg New Energy Finance	GenOn Energy, Inc.	SMUD
Boston Properties	Goodin, MacBride, Squeri, Schlotz & Ritchie	SPURR
Braun Blaising McLaughlin, P.C.	Green Power Institute	San Francisco Public Utilities Commission
Brookfield Renewable Power	Hanna & Morton	Seattle City Light
CA Bldg Industry Association	Hitachi	Sempra Utilities
CLECA Law Office	In House Energy	Sierra Pacific Power Company
CSC Energy Services	International Power Technology	Silicon Valley Power
California Cotton Ginners & Growers Assn	Intestate Gas Services, Inc.	Silo Energy LLC
California Energy Commission	Lawrence Berkeley National Lab	Southern California Edison Company
California League of Food Processors	Los Angeles Dept of Water & Power	Spark Energy, L.P.
California Public Utilities Commission	Luce, Forward, Hamilton & Scripps LLP	Sun Light & Power
Calpine	MAC Lighting Consulting	Sunshine Design
Casner, Steve	MBMC, Inc.	Sutherland, Asbill & Brennan
Chris, King	MRW & Associates	Tabors Caramanis & Associates
City of Palo Alto	Manatt Phelps Phillips	Tecogen, Inc.
City of Palo Alto Utilities	McKenzie & Associates	Tiger Natural Gas, Inc.
City of San Jose	Merced Irrigation District	TransCanada
Clean Energy Fuels	Modesto Irrigation District	Turlock Irrigation District
Coast Economic Consulting	Morgan Stanley	United Cogen
Commercial Energy	Morrison & Foerster	Utility Cost Management
Consumer Federation of California	NLine Energy, Inc.	Utility Specialists
Crossborder Energy	NRG West	Verizon
Davis Wright Tremaine LLP	NaturEner	Wellhead Electric Company
Day Carter Murphy	Navigant Consulting	Western Manufactured Housing Communities Association (WMA)
Defense Energy Support Center	Norris & Wong Associates	eMeter Corporation
Department of Water Resources	North America Power Partners	