

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 8, 2014

Advice Letters: 3459-G

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

SUBJECT: REVISION TO GAS RULE 15 RESIDENTIAL SPACE HEATING ALLOWANCE

Dear Mr. Cherry:

Advice Letter 3459-G is effective as of April 2, 2014.

Sincerely,

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

Edward Randolph
Director, Energy Division



Brian K. Cherry
Vice President
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

Fax: 415.973.7226

March 3, 2014

Advice 3459-G
(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject: Revision to Gas Rule 15 Residential Space Heating Allowance

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its Gas Rule 15 residential space heating allowance.

Purpose

This advice filing is submitted to correct a recently discovered typographical error in PG&E's line extension allowance for residential space heating approved and in effect since August 8, 2012. The allowance on the tariff sheet was inadvertently entered as \$649/unit, instead of the intended \$647/unit. PG&E requests that the California Public Utilities Commission (CPUC or Commission) (a) approve the corrected residential gas space heating allowance to conform to the Advice Letter filed on March 1, 2012, effective on a going forward basis only and (b) authorize PG&E to provide an additional \$2/unit allowance to those customers who received a space heating allowance of \$647/unit during the time the tariff erroneously indicated an allowance of \$649/unit.

Background

Typographical Error in Currently-Effective Residential Gas Space Heating Line Extension Allowance

On March 1, 2012 PG&E filed Advice 3282-G/4008-E requesting, among other things, Commission approval to revise PG&E's Gas Rule 15 line and service extension allowances. PG&E recently discovered an error on the tariff sheet, which currently shows a space heating allowance of \$649¹. The correct calculated space heating allowance is \$647 and Attachment 1 of this advice letter reflects the corrected allowance. Upon approval of AL 3282-G/4008-E, PG&E's Line Extension Contract systems were programmed for the intended \$647 space heating allowance, but the current and effective tariff showed the slightly higher

¹ The Revised Allowances section in the cover letter of advice 3282-G/4008-E discussed a proposed space heating allowance of \$647, not \$649.

\$649/unit allowance, so while applicants were provided the *intended* allowance, they were not being provided the *tariffed* allowance. Upon discovery of this error, PG&E temporarily fixed the discrepancy between the tariff and extension contracts by correcting the space heating allowance value in the Line Extension Contract system to match the tariff.

Refunds for Customers Who Did Not Receive the Tariff Allowance

In reviewing its contracts going back to August 8, 2012, the effective date of Advice 3282-G/4008-E, PG&E has determined that approximately 3,700 contracts, with approximately 18,000 residential units, received an allowance of \$647 for space heating during the time the published tariff erroneously indicated a space heating allowance of \$649. PG&E will issue refunds of two dollars per residential unit to these customers. PG&E estimates the total amount of the refunds will be approximately \$36,000.

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 March 24, 2014 which is 21² days after 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: 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 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, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

² The 20-day protest period concludes on a weekend, therefore, PG&E is moving this date to the following business day.

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

Effective Date

PG&E requests that this Tier 2 advice filing be approved upon regular notice, **April 2, 2014**, which is 30 calendar days after the date of filing. PG&E will implement this filing on the first day of the month following the month in which the Commission approves this 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.09-12-020. 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>

Brian Cherry /IG

Vice President, Regulatory Relations

Attachments

cc: Service List for A.09-12-020

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 G)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Igor Grinberg

Phone #: (415) 973-8580

E-mail: ixg8@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) #: **3459-G**

Tier: **2**

Subject of AL: **Revision to Gas Rule 15 Residential Space Heating Allowance**

Keywords (choose from CPUC listing): Agreements, Line Extensions

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: N/A

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: **April 2, 2014**

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: Rule 15

Service affected and changes proposed: Residential Line Extension Space Heating Allowance

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 21 days¹ after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Brian K. Cherry
Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

¹ The 20-day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.

**ATTACHMENT 1
Advice 3459-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
31117-G	GAS RULE NO. 15 GAS MAIN EXTENSIONS Sheet 4	29570-G
31118-G	GAS TABLE OF CONTENTS Sheet 1	31113-G
31119-G	GAS TABLE OF CONTENTS Sheet 6	31087-G



GAS RULE NO. 15
GAS MAIN EXTENSIONS

Sheet 4

C. EXTENSION ALLOWANCES (Cont'd.)

2. BASIS OF ALLOWANCES. Allowances shall be granted to an Applicant for Permanent Service; or to an Applicant for a subdivision or development under the following conditions:

- a. PG&E is provided evidence that construction will proceed promptly and financing is adequate; and
- b. Applicant has submitted evidence of building permit(s) or fully-executed home purchase contract(s) or lease agreement(s); or
- c. Where there is equivalent evidence of occupancy or gas usage satisfactory to PG&E.

The allowances in Section C.3 and C.4 are based on a revenue-supported methodology using the following formula:

$$\text{Allowance} = \frac{\text{Net Revenue}}{\text{Cost-of-Service Factor}}$$

where the Cost of Service Factor is the annualized utility-financed Cost of Ownership as stated in Gas Rule 2.

3. RESIDENTIAL ALLOWANCES. The allowance for Distribution Main Extensions, Service Extensions, or a combination thereof, for Permanent Residential Service per meter or residential dwelling unit, on a per-unit basis, is as follows:

Water Heating	\$529
Space Heating.....	\$647 (R)
Oven/Range	\$ 57
Dryer Stub	\$ 22

(Continued)



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Sheet 1

TITLE OF SHEET	CAL P.U.C. SHEET NO.	
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Rules	31119-G	(T)
Maps, Contracts and Deviations.....	29288-G	
Sample Forms	30592,30323-30326,30439,30327-G	

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Sheet 6

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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.....	30088,13348-13349-G
Rule 06	Establishment and Reestablishment of Credit.....	22126,30687,28653-G
Rule 07	Deposits.....	28654,28655-G
Rule 08	Notices.....	21928,17580,30688,30689,15728-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.....	18231-18235,30690-30698,28283, 30699-30702, 29787, 28289,28290,30703,28292-G
Rule 15	Gas Main Extensions.....	21543,18802-18803, 31117 ,20350,29271,29272,26827,21544, (T) 21545,22376,22377-22379,26828,26829,18814-G
Rule 16	Gas Service Extensions.....	21546,18816,17728,17161,18817,18818,18819,18820,18821, 18822,29273,18824,18825,17737,18826,18827-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.....	22936,28657,29274-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.....	30443,30902,30445,28210-G
Rule 19.2	California Alternate Rates for Energy for Nonprofit Group-Living Facilities.....	24609,30903,17035,30447,30448-G
Rule 19.3	California Alternate Rates for Energy for Qualified Agricultural Employee Housing Facilities.....	24138,30904,30450,27256-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.....	29275,18263,26664,18265, 26665-26666,24825,24826,24827,24828,29276,29277,26667,24832-24833, 24849,29278,-29279,18272-G,29248,29249,29250,29251,29252,29253,29254, 29255,29256-G
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(Continued)

Advice Letter No: 3459-G
 Decision No.

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed March 3, 2014
 Effective April 2, 2014
 Resolution No. _____

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

1st Light Energy	Douglass & Liddell	Occidental Energy Marketing, Inc.
AT&T	Downey & Brand	OnGrid Solar
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Pacific Gas and Electric Company
Anderson & Poole	G. A. Krause & Assoc.	Praxair
BART	GenOn Energy Inc.	Regulatory & Cogeneration Service, Inc.
Barkovich & Yap, Inc.	GenOn Energy, Inc.	SCD Energy Solutions
Bartle Wells Associates	Goodin, MacBride, Squeri, Schlotz & Ritchie	SCE
Braun Blaising McLaughlin, P.C.	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
Cenergy Power	Linde	Spark Energy
Center for Biological Diversity	Los Angeles County Integrated Waste Management Task Force	Sun Light & Power
City of Palo Alto	Los Angeles Dept of Water & Power	Sunshine Design
City of San Jose	MRW & Associates	Tecogen, Inc.
Clean Power	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Coast Economic Consulting	Marin Energy Authority	TransCanada
Commercial Energy	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	