

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 4, 2015

Advice Letter 3540-G

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

**SUBJECT: Schedule G-CPX--Crossover Gas Procurement Service to Core End-Use
Customers for Rates Effective December 10, 2014**

Dear Ms. Allen:

Advice Letter 3540-G is effective as of December 10, 2014.

Sincerely,

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

Edward Randolph
Director, Energy Division



December 8, 2014

Advice 3540-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 December 10, 2014

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 **December 10, 2014**. 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 **December 10, 2014, through January 9, 2015**, the following Schedule G-CPX rates will be in effect:

<u>Schedule G-CPX Rates</u>	<u>Per Therm</u>
Small Commercial Customers (Schedule G-NR1)	\$0.60005
Large Commercial Customers (Schedule G-NR2)	\$0.56725
Natural Gas Vehicle Customers (Schedule G-NGV1)	\$0.57049

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, facsimile or E-mail, no later than December 29, 2014, which is 21² 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.

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

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:

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, Rule 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, Rule 3.11).

Effective Date

In accordance with D.03-12-008, PG&E requests that this advice filing become effective on December 10, 2014. 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>.

_____/S/
Meredith Allen
Senior Director – Regulatory Relations

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 G)**

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) #: **3540-G**

Tier: **1**

Subject of AL: **Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective December 10, 2014**

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

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: No

Summarize differences between the AL and the prior withdrawn or rejected AL: Not Applicable

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: **December 10, 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: **Gas Schedule G-CPX**

Service affected and changes proposed: **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 21 days¹ 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

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

**ATTACHMENT 1
Advice 3540-G**

**Cal P.U.C.
Sheet No.**

Title of Sheet

**Cancelling Cal
P.U.C. Sheet No.**

31687-G	GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1	31615-G
31688-G	GAS TABLE OF CONTENTS Sheet 1	31685-G
31689-G	GAS TABLE OF CONTENTS Sheet 2	31671-G



GAS SCHEDULE G-CPX
CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE
CUSTOMERS

Sheet 1

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.

<u>Procurement Charge:</u>	<u>Per Therm</u>	
Small Commercial Crossover Charge: (G-NR1)	\$0.60005	(l)
Large Commercial Crossover Charge: (G-NR2)	\$0.56725	(l)
Natural Gas Vehicle Crossover Charge: (G-NGV1)	\$0.57049	(l)

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

TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Title Page	31688-G	(T)
Rate Schedules	31689,31678-G	(T)
Preliminary Statements.....	31673,31686-G	
Rules	31580-G	
Maps, Contracts and Deviations.....	31544-G	
Sample Forms	30592,30323,30324,30325,31626*,30439-G	

(Continued)

Advice Letter No: 3540-G
 Decision No. 03-12-008

Issued by
Steven Malnight
 Senior Vice President
 Regulatory Affairs

Date Filed December 8, 2014
 Effective December 10, 2014
 Resolution No. _____



GAS TABLE OF CONTENTS

Sheet 2

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Rate Schedules Residential		
Counties Served	Listing of Counties Covered Under Gas Rate Schedules.....	11271-G
G-1	Residential Service	31655,23487-G
G1-NGV	Residential Natural Gas Service for Compression on Customers' Premises	31661,23734-G
GL-1	Residential CARE Program Service.....	31662,29599-G
GL1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises	31663,23740-G
GM	Master-Metered Multifamily Service	31664,29602,23019-G
GML	Master-Metered Multifamily CARE Program Service	31665,29604,23027-G
GS	Multifamily Service	31666,29606,23215-G
GSL	Multifamily CARE Program Service.....	31667,29608,23216-G
GT	Mobilehome Park Service	31668,29610,26568-G
GTL	Mobilehome Park CARE Program Service.....	31669,29612,23502,26569-G
G-10	Service to Company Employees	11318-G
G-EFLIC	Energy Financing Line Item Charge (EFLIC) Pilot	31618,31619,31620,31621,31622-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge	22034-G
Rate Schedules Non-Residential		
G-NR1	Gas Service to Small Commercial Customers	31659,23035-G
G-NR2	Gas Service to Large Commercial Customers	31660,23037-G
G-CP	Gas Procurement Service to Core End-Use Customers	31656-G
G-CPX	Crossover Gas Procurement Service To Core End-Use Customers.....	31687-G (T)
G-NT	Gas Transportation Service to Noncore End-Use Customers.....	30997,31462,22037,22038-G
G-EG	Gas Transportation Service to Electric Generation	31459,27879,25038,25039-G
G-ESISP	Exchange Service Through ISP Facilities	24364,24365-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers.....	31463,28920,22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers.....	24456,24457, 22135, 30988, 22048-22048,24458-24460,26610,24461,20042,24462,24463,27708-G
G-SFS	Standard Firm Storage Service.....	31000,22140,22141,22300-G
G-NFS	Negotiated Firm Storage Service	30994,29472-G
G-NAS	Negotiated As-Available Storage Service.....	30993-G
G-CFS	Core Firm Storage.....	30989,22147,22148,22149-G
G-AFT	Annual Firm Transportation On-System.....	24465,30986,22903-G

(Continued)

Attachment 2

**Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for
Rates Effective December 10, 2014**

Work Papers

Crossover Rate Calculation

Dec-14

**AECO Net Forward Calculation
(\$/Dth)**

Dec-14

Combined GTN/Foothills fuel rate	0.9718
Foothills Fuel	1.50%
GTN Fuel	1.35%
AECO Monthly Index (C\$/GJ, source CGPR)	3.9419
Exchange Rate (US\$/C\$)	0.8815
AECO "C" monthly commodity index (US\$/Dth)	3.6661
Foothills + GTN combined in-kind fuel rate	0.0282
Foothills + GTN in-kind fuel charge	0.1065
Foothills volumetric rate	0.0000
GTN volumetric rate	0.0112
AECO "C" Net Forward Price (14+16+17+18)	\$3.7838

<u>Gas Price Index</u>	<u>Price, CA Border</u>	<u>Intrastate Transport</u>	<u>Total</u>
AECO (CGPR)	\$3.7838	\$0.0760	\$3.8598
Southern Border-PG&E (NGI)	\$4.5200	\$0.0760	\$4.5960
Core WACOG	\$3.9183	\$0.0760	\$3.9943
Crossover Price at PG&E Citygate (\$/Dth)			\$4.5960

12/2/14

Calculation of the G-CPX Crossover Core Procurement Rate

Gas Prices	
	Border Price (\$/Dth)
AECCO C	\$3.7838
PG&E Topock (Source NGL)	\$4.5200
Core WACOG	\$3.9183

	\$/Decatherm	\$/Therm	Components \$/Therm	Calculation
G-CPX CROSSOVER CORE PROCUREMENT RATE				
CROSSOVER COMMODITY CHARGE				
Weighted Average Cost of Gas (WACOG)				(a)
WACOG at the Border	\$4.5200			(b)
Intrastate Backbone Volumetric Transport Charge	\$0.0760			(c)=(a)+(b)
Total WACOG	4.5960	\$45960		
Franchise Fee	0.014071			
<i>Changes in GRC</i>				
Uncollectible Fee	0.003314			
<i>Changes in GRC</i>				
Subt F & U	0.017385			(d)=(a)*F&U Factor
X WACOG at the Border	\$0.0786			(e)=(c)+(d)
WACOG with Franchise and Uncollectible		\$4.6746	\$46746	(f)
PGA Adjustment: Core Sales		\$0.0546	\$00546	(g)
PGA Adjustment: Hedging		\$0.0641	\$00641	
Cycled Carrying Cost of Gas in Storage		\$0.0055	\$00055	
Total Core Commodity Charge				
Small Commercial			\$47988	(k)=(e)+(f)+(g)+(h)
Large Commercial			\$47988	(l)=(e)+(f)+(g)+(i)
Natural Gas Vehicle			\$47988	(m)=(e)+(f)+(g)+(j)
CORE FIRM STORAGE COSTS (Including F&U)				
CFSA Adjustment: Core Firm Storage Account	\$0.0315		\$00315	(n)
Small Commercial	\$0.1457		\$01457	(o)
Large Commercial	\$0.1003		\$01003	(p)
Natural Gas Vehicle	\$0.0940		\$00940	(q)
			\$01772	(r)=(n)+(o)
			\$01318	(s)=(n)+(p)
			\$01255	(t)=(n)+(q)
INTERSTATE & INTRASTATE CAPACITY CHARGES (Incl. F&U)				
CPDCA Adjustment (Incl. F&U)	\$0.1625		\$01625	(u)
BC System and NOVA Costs (Incl. F&U)				
Small Commercial	\$0.0900		\$00900	(h)
Large Commercial	\$0.0574		\$00574	(i)
Natural Gas Vehicle	\$0.0556		\$00556	(j)
Interstate Capacity Charges				
Small Commercial	\$0.3844		\$03844	(v)
Large Commercial	\$0.2408		\$02408	(w)
Natural Gas Vehicle	\$0.2338		\$02338	(x)
Intrastate Backbone Capacity Charges				
Small Commercial	\$0.1836		\$01836	(y)
Large Commercial	\$0.1170		\$01170	(z)
Natural Gas Vehicle	\$0.1134		\$01134	(aa)
			\$08205	(ab)=(u)+(v)+(y)
			\$05777	(ac)=(u)+(w)+(z)
			\$05653	(ad)=(u)+(x)+(aa)
WGSP - PROCUREMENT (Small and Large Comm'l)				
Small Commercial	-0.01130		(\$00113)	
Large Commercial	-0.05110		(\$00511)	
CORE BROKERAGE FEE				
	\$0.0250		\$00250	(ae)
SHRINKAGE RATE				
Shrinkage (Incl. F&U)	\$0.1917		\$01917	(af)
Based on Core Shrinkage: 4.10% <i>Changes in BCAP</i>				
PGA Adjustment: Core Shrinkage (Incl. F&U)	(\$0.0014)		(\$00014)	(ag)
Total Shrinkage Rate			\$01903	(ah)=(af)+(ag)
TOTAL G-CPX CORE PROCUREMENT CHARGE				
Small Commercial			\$0.60005	(ai)=(k)+(r)+(ab)+(ae)+(ah)
Large Commercial			\$0.56725	(aj)=(l)+(s)+(ac)+(ae)+(ah)
Natural Gas Vehicle			\$0.57049	(ak)=(m)+(t)+(ad)+(ae)+(ah)

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

AT&T	Division of Ratepayer Advocates	Occidental Energy Marketing, Inc.
Albion Power Company	Douglass & Liddell	OnGrid Solar
Alcantar & Kahl LLP	Downey & Brand	Pacific Gas and Electric Company
Anderson & Poole	Ellison Schneider & Harris LLP	Praxair
BART	G. A. Krause & Assoc.	Regulatory & Cogeneration Service, Inc.
Barkovich & Yap, Inc.	GenOn Energy Inc.	SCD Energy Solutions
Bartle Wells Associates	GenOn Energy, Inc.	SCE
Braun Blaising McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
California Cotton Ginners & Growers Assn	Green Power Institute	SPURR
California Energy Commission	Hanna & Morton	Seattle City Light
California Public Utilities Commission	In House Energy	Sempra Utilities
California State Association of Counties	International Power Technology	SoCalGas
Calpine	Intestate Gas Services, Inc.	Southern California Edison Company
Casner, Steve	K&L Gates LLP	Spark Energy
Cenergy Power	Kelly Group	Sun Light & Power
Center for Biological Diversity	Linde	Sunshine Design
City of Palo Alto	Los Angeles County Integrated Waste Management Task Force	Tecogen, Inc.
City of San Jose	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
Clean Power	MRW & Associates	TransCanada
Coast Economic Consulting	Manatt Phelps Phillips	Utility Cost Management
Commercial Energy	Marin Energy Authority	Utility Power Solutions
Cool Earth Solar, Inc.	McKenna Long & Aldridge LLP	Utility Specialists
County of Tehama - Department of Public Works	McKenzie & Associates	Verizon
Crossborder Energy	Modesto Irrigation District	Water and Energy Consulting
Davis Wright Tremaine LLP	Morgan Stanley	Wellhead Electric Company
Day Carter Murphy	NLine Energy, Inc.	Western Manufactured Housing Communities Association (WMA)
Defense Energy Support Center	NRG Solar	YEP Energy
Dept of General Services	Nexant, Inc.	