

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



April 14, 2016

Advice Letters: 3597-G, 3597-G-A

Pacific Gas and Electric Company
Attn: Erik Jacobson, Director, Regulatory Relations
Senior Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

SUBJECT: Gas One-Time Bill Credit Plan in Compliance with Decision 15-04-024

Dear Mr. Jacobson:

Advice Letters 3597-G and 3597-G-A are effective as of January 28, 2016, per Resolution G-3512 Ordering Paragraphs.

Sincerely,

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

Edward Randolph
Director, Energy Division



Erik Jacobson
Director
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

June 26, 2015

Advice 3597-G-A

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject: Supplemental: Gas One-Time Bill Credit Plan in Compliance with Decision 15-04-024

Pacific Gas and Electric Company (PG&E) hereby submits this supplemental advice letter to present modifications to the Gas One-Time Bill Credit Plan (Bill Credit Plan) pursuant to Decision (D.)15-04-024.

Purpose

This filing supplements PG&E's Advice 3597-G.

Attachment 1A replaces the May 21, 2015 Bill Credit Plan. Bolded language has been inserted regarding contingency, see Section 8, and the label "CPUC Mandated Gas Credit," see Section 9 of the Plan. These bolded statements are the only changes made to this version from the May 21, 2015 Bill Credit Plan.

Attachment 1B is the same as Attachment 1A (removing bold format), but also includes changes that could be made should the Commission choose to accommodate the concerns raised in the Protests. For ease of following, these modifications are shown in red-line, except for Table 1 which is a replacement. These modifications, as described in PG&E's protest reply, include providing checks for some core customers receiving their gas procurement service from a Core Transport Agent and using a twelve month period to determine volumes to which the bill credit rate would be applied.

Attachment 2 is PG&E's June 24, 2015 protest reply (provided here as a courtesy).

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than July 16, 2015, which is 20 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.

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:

Erik Jacobson
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, Section 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, Section 3.11).

Approval and Effective Date

In compliance with D.15-04-024, PG&E requests that this Tier 2 advice letter be approved and become effective on or before September 1, 2015 to ensure ample time to conduct the analysis of customer usage data, modify and test its billing system, and issue the credits to eligible customers during the March 2016 billing cycle.

In the event the Commission approves this bill credit advice letter after September 1, 2015, the Bill Credit Plan will be implemented as soon as possible following Commission approval.

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 lists for A.13-12-012, I.12-01-007, I.11-02-016, I.11-11-009, A.12-11-009, I.13-03-007, and R.11-02-019. 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/>.

/S/

Erik Jacobson
Director, Regulatory Relations

Attachments

cc: Eugene Cadenasso, Energy Division
Sam Chant, OLAM
Ted Keller, Wonderful Pistachios & Almonds, LLC
John Larrea, California League of Food Processors (CLFP) and Agricultural Energy Consumers Association (AECA)
Ken Bohn and Lori Nalley, Tiger Natural Gas
Tony Cusati, Interstate Gas Supply (IGS) Energy
Michael Rochman, School Project for Utility Rate Reduction (SPURR)
Billi Joel Lupton, United Energy Trading (UET)
Michael B. Day, Commercial Energy of California
Service Lists for A.13-12-012, I.12-01-007, I.11-02-016, I.11-11-009, A.12-11-009 (and I.13-03-007), and R.11-02-019
PG&E GO 96-B List

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) #: **3597-G-A**

Tier: 2

Subject of AL: **Supplemental: Gas One-Time Bill Credit Plan in Compliance with Decision 15-04-024**

Keywords (choose from CPUC listing): Compliance, Core, Noncore, Credit

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision 15-04-024

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: N/A

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: **September 1, 2015**

No. of tariff sheets: N/A

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: N/A

Service affected and changes proposed: 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:

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: Erik Jacobson
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

Attachment 1A**PACIFIC GAS AND ELECTRIC COMPANY
GAS ONE-TIME BILL CREDIT PLAN****1. PURPOSE**

This Gas One-Time Bill Credit Plan (Bill Credit Plan) complies with Ordering Paragraphs (OPs) 4 and 5 of D.15-04-024, issued April 9, 2015, which requires PG&E to credit PG&E's gas end-use customers their proportional share of the \$400 million bill credit on their February 2016 bills. In accordance with D.15-04-024, PG&E requests a one-month extension such that customers will receive the bill credit as a credit item on their March 2016 bills.¹ Providing the bill credit in the February billing cycle would not provide sufficient time to perform the necessary system queries, analysis of results, computation processes and system testing. Since the bill credit for many noncore customers is expected to be greater than their monthly bill, noncore customers will receive the bill credit in the form of a check in order to provide them the benefit of the bill credit in the month of March.

2. INITIAL BILL CREDIT DATE

Credits will be made to eligible gas customers on their March 2016 bills, as described in Section 4 below, based on each customer's billed consumption in their November and December 2015 billing cycles using a uniform cents per therm amount. The reduction in revenue is not to be recovered through any regulatory mechanism. PG&E needs six months to program and test the necessary modifications to its billing system to implement this credit. Accordingly, in the event the Commission does not approve the Bill Credit Plan by September 1, 2015, the Bill Credit Plan will be implemented as soon as possible following Commission approval.

3. TOTAL AMOUNT TO BE CREDITED

The total amount to be credited to PG&E eligible end-use customers is \$400 million. A contingency amount equal to one (1) percent of the total credit amount will be temporarily retained by PG&E to address disputes customers may make on their eligibility for the bill credit or of the credit amount. Table 1 provides illustrative bill credit amounts by customer class based on November and December 2014 billing data.

¹ Decision, page 88 and Ordering Paragraph 4.b.

4. CUSTOMER ELIGIBILITY

An eligible customer is a PG&E natural gas end-use customer who has usage billed in November and/or December 2015 billing cycles or a long bill beyond December 31, 2015 that would normally include these billing cycle periods, and who has an open account during the March 2016 billing cycle.

5. METHODOLOGY FOR DISTRIBUTION OF CREDITS TO ELIGIBLE CUSTOMERS

Credits will be made to PG&E's eligible end-use gas customers based on the method described below:

- a) An illustrative credit rate is provided in Table 1. The credit rate is equal to the Bill Credit Plan amount (less the 1 percent contingency) divided by the total therms billed for PG&E's natural gas customer usage for the November and December 2015 billing cycles.

Core customers are not billed on a uniform calendar basis but instead bills are issued across all non-holiday weekdays of each month. Depending on each core customer's billing serial, the usage incorporated into the credit rate and customer bill credit calculations will be a two-month period ranging from early October to late December as the core bills issued in November and December variously cover those periods.

PG&E bills for noncore gas customers are issued on the first business day of the month for usage during the previous calendar month. Therefore, in compliance with the CPUC decision stating that PG&E will use November and December billing cycles, for noncore customers this will actually mean using October and November 2015 calendar month usage when calculating the bill credit rate and the actual credit amounts for these noncore customers.

- b) PG&E will remit the credit amount due to each eligible core customer through a one-time bill credit appearing on their March 2016 bills. Since the bill credit for many noncore customers is expected to be greater than their monthly bill, noncore customers will receive the bill credit in the form of a check in order to provide them the benefit of the bill credit in the month of March.
- c) The bill credit will not be recorded as a reduction in revenue. Therefore, there will be no effect in utility user taxes or franchise fee payments to cities and counties.

d) Bills for PG&E's interdepartmental gas usage will not be eligible for this bill credit nor included in the calculation of the per therm credit rate.

6. ADJUSTMENTS OF BILL CREDITS UPON CUSTOMER INQUIRY

If any former or present customer contends, within six months after the initial implementation date of the Bill Credit Plan, that the amount received by the customer is incorrect, PG&E will investigate and make an appropriate adjustment.

7. UNCASHED CHECKS

Any uncashed checks resulting from the Bill Credit Plan will remain a liability of PG&E to the individual customer for one year after the date of the check issuance. The claim of any person legally entitled to one of the uncashed checks (whether or not the check is returned to PG&E) will be honored. Where a check has been returned, PG&E will make every reasonable effort to locate the payee.

8. REPORT ON BILL CREDIT PLAN

A preliminary report of the total amount of credits made to PG&E customers pursuant to the Bill Credit Plan will be reported to the Commission 45 days after the \$400 million bill credit has been distributed describing its calculation of the bill credit on a customer class basis, the number of customers it was distributed to on a customer class basis, and the total amount of bill credits distributed. This report cannot be considered a final report due to potential customer adjustments and corrections made pursuant to Section 6 of the Bill Credit Plan. A final report of the total amount of credits made to PG&E customers will be reported seven months after the \$400 million bill credit has been distributed to allow for adjustments of bill credits upon customer inquiry as described in Section 6. If the total amount of bill credits distributed is less or more than \$400 million, PG&E will, at the time it submits its final report to the Commission, submit a Tier 2 advice letter proposing a method of truing up the \$400 million using existing balancing accounts. **These reports will also identify the disposition of any remaining amount of the \$4 million contingency described in Item 3.**

9. CUSTOMER NOTIFICATION

A bill credit will be shown as a line item on eligible customers' bills. **The amount of the credit will be labeled as "CPUC Mandated Gas Credit."** **When necessary, here will be an additional line item on the bill for certain customers noting that they will receive the bill credit in the form of a check.** There will be a separate statement/instruction to master-metered

customers at mobile home parks and other residential complexes of their obligation to pass the bill credit on to their submetered customers in the manner required by Public Utilities Code Section 739.5(b). A sample of the statement/instruction in the form of a Master-Metered Customer Letter is attached as Exhibit 1 to this plan.

Table 1
Pacific Gas and Electric Company
Gas One-Time Bill Credit Plan (Estimate)

ILLUSTRATIVE EXAMPLE of \$400 Million Bill Credit using 2014 Recorded Data

Per CPUC Order for Equal Cents per Therm Allocation to All End-Use Customers Regardless of Service Level

Actual credit provided to end-use customers in 3/2016 to be based on end-use customer usage billed in 11/2015 and 12/2015

Recorded Billed Gas Usage (GH Sheets = Billed Therms; Excludes Interdepartmental)

Illustrative per therm rate = \$0.31/therm

	Therms Billed in 11/1/2014	Therms Billed in 12/1/2014	Total Therms Billed for Calculation of Bill Credit	% of Total Therms Billed	Bill Credit Allocated by Class (\$*)	Total Number of End-Use Customers Billed in November and December 2014	Illustrative Average Bill Credit per End-Use Customer
Residential - Individually Metered	90,311,316	179,924,063	270,235,379	21.1%	\$83,500,728	4,029,116	\$20.72
Residential - Master Metered**	11,304,391	16,986,568	28,290,959	2.2%	\$8,741,697	59,499	\$146.92
Core Commercial***	53,653,488	79,583,979	133,237,467	10.4%	\$41,169,389	223,325	\$184.35
Industrial-Distribution	21,003,560	20,814,478	41,818,038	3.3%	\$12,921,464	518	\$24,944.91
Industrial-Transmission****	147,391,999	132,654,651	280,046,650	21.9%	\$86,532,338	1,227	\$70,523.50
Electric Generation-D/T	195,760,665	146,920,123	342,680,788	26.7%	\$105,885,822	326	\$324,803.14
Electric Generation-BB Service Level	88,655,309	91,759,718	180,415,027	14.1%	\$55,746,906	12	\$4,645,575.46
Wholesale	1,909,173	2,950,671	4,859,844	0.4%	\$1,501,656	6	\$250,275.96
Totals	609,989,902	671,594,251	1,281,584,152	100.0%	\$396,000,000	4,314,029	\$91.79

*: Net of 1% Contingency Reserve

** : Residential Master-Metered Customers will pass through the credits to the ultimate units served by the Master-Metered Customer

***: Includes Small Commercial, Large Commercial, and Core NGV1 and NGV2

****: Includes G-NT-BB and Noncore NGV4-Transmission

Exhibit 1
Pacific Gas and Electric Company
Sample Master-Metered Customer Letter



Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177-1490

SAMPLE MASTER-METERED CUSTOMER LETTER

March x, 2016

«CUSTOMER_NAME»
«MAILING_ADDRESS»
«MAILING_ADDRESS2»
«MAILING_CITY», «MAILING_STATE»
«MAILING_POSTAL»

Dear Valued Customer,

In March 2016, PG&E gas customers will receive a credit on their bills. This credit is being given in compliance with the California Public Utilities Commission (CPUC's) decision on investigations related to PG&E's gas transmission pipelines (specifically, CPUC Decision 15-04-024). The one-time credit is based on billed consumption in November and December 2015 billing cycles using a uniform cents per therm rate. In total, PG&E's gas customers will receive a credit of \$400 million.

California Public Utilities Code Section 739 directs master-metered customers to pass on credits received on the master-metered bill to their sub-metered tenants.

“Every master-meter customer of a gas or electrical corporation subject to subdivision (a) who, on or after January 1, 1978, receives any rebate from the corporation shall distribute to, or credit to the account of, each current user served by the master-meter customer...”

As a master-metered customer, you are required by state law to pass along any credit or rate reduction that you may receive to your tenants. The credit is the same for both CARE and non-CARE customers and should be passed on to each dwelling unit. The uniform per therm rate based on billed consumption in November and December 2015 billing cycles is \$0.xx. For example, if a dwelling were billed for 6 therms in November and 8 therms in December, totaling 14 therms for that period, then the credit would be \$x.xx (14 therms multiplied by per therm rate of \$0.xx)

Please take a moment to check the number of dwelling units PG&E has on record for your facility. This information can be found on the bill you receive for your master meter. Should the number of units need updating, please call the number below.

PG&E is committed to providing exceptional customer service. If you have questions or need further assistance, please call our **Business Customer Contact Center** at **1 (800) 468-4743**.

Please post this notice in a conspicuous place. Thank you.

Attachment 1B**PACIFIC GAS AND ELECTRIC COMPANY
GAS ONE-TIME BILL CREDIT PLAN****1. PURPOSE**

This Gas One-Time Bill Credit Plan (Bill Credit Plan) complies with Ordering Paragraphs (OPs) 4 and 5 of D.15-04-024, issued April 9, 2015, which requires PG&E to credit PG&E's gas end-use customers their proportional share of the \$400 million bill credit on their February 2016 bills. In accordance with D.15-04-024, PG&E requests a one-month extension such that customers will receive the bill credit as a credit item on their March 2016 bills.¹ Providing the bill credit in the February billing cycle would not provide sufficient time to perform the necessary system queries, analysis of results, computation processes and system testing. Since the bill credit for many noncore customers is expected to be greater than their monthly bill, noncore customers will receive the bill credit in the form of a check in order to provide them the benefit of the bill credit in the month of March.

2. INITIAL BILL CREDIT DATE

Credits will be made to eligible gas customers on their March 2016 bills, as described in Section 4 below, based on each customer's billed consumption in ~~their-between July 2014 through June 2015~~~~November and December 2015~~ billing cycles using a uniform cents per therm amount. The reduction in revenue is not to be recovered through any regulatory mechanism. PG&E needs six months to program and test the necessary modifications to its billing system to implement this credit. Accordingly, in the event the Commission does not approve the Bill Credit Plan by September 1, 2015, the Bill Credit Plan will be implemented as soon as possible following Commission approval.

3. TOTAL AMOUNT TO BE CREDITED

The total amount to be credited to PG&E eligible end-use customers is \$400 million. A contingency amount equal to one (1) percent of the total credit amount will be temporarily retained by PG&E to address disputes customers may make on their eligibility for the bill credit or of the credit amount. Table 1 provides illustrative bill credit amounts by customer class based on ~~November June 2014 through May 2015 and December 2014~~ billing data as June 2015 billing data is not yet available.

¹ Decision, page 88 and Ordering Paragraph 4.b.

4. CUSTOMER ELIGIBILITY

An eligible customer is a PG&E natural gas end-use customer who has usage ~~billed in November and/or December 2015 during the July 2014 through June 2015 period billing cycles or a long bill beyond December 31, 2015 that would normally include these billing cycle periods~~, and who has an open account during the March 2016 billing cycle.

5. METHODOLOGY FOR DISTRIBUTION OF CREDITS TO ELIGIBLE CUSTOMERS

Credits will be made to PG&E's eligible end-use gas customers based on the method described below:

- a) An illustrative credit rate is provided in Table 1. The credit rate is equal to the Bill Credit Plan amount (less the 1 percent contingency) divided by the total therms billed for PG&E's natural gas customer usage ~~for during the November and December 2015~~ July 2014 through June 2015 period billing cycles.

~~Core customers are not billed on a uniform calendar basis but instead bills are issued across all non-holiday weekdays of each month. Depending on each core customer's billing serial, the usage incorporated into the credit rate and customer bill credit calculations will be a two-month period ranging from early October to late December as the core bills issued in November and December variously cover those periods.~~

- ~~PG&E bills for noncore gas customers are issued on the first business day of the month for usage during the previous calendar month. Therefore, in compliance with the CPUC decision stating that PG&E will use November and December billing cycles, for noncore customers this will actually mean using October and November 2015 calendar month usage when calculating the bill credit rate and the actual credit amounts for these noncore customers.~~

- b) PG&E will remit the credit amount due to each eligible core customer taking bundled service through a one-time bill credit appearing on their March 2016 bills. Since the bill credit for many noncore customers is expected to be greater than their monthly bill, noncore customers will receive the bill credit in the form of a check in order to provide them the benefit of the bill credit in the month of March. For customers served by Core Transport Agents (CTAs), all commercial customers, all multi-family residential customers, and individually metered residential customers with a gross credit greater than \$30 will receive the bill credit in the form of a check. Other individually

metered residential customers served by CTAs will receive a credit on their bill.

- c) The bill credit will not be recorded as a reduction in revenue. Therefore, there will be no effect in utility user taxes or franchise fee payments to cities and counties.
- d) Bills for PG&E's interdepartmental gas usage will not be eligible for this bill credit nor included in the calculation of the per therm credit rate.

6. ADJUSTMENTS OF BILL CREDITS UPON CUSTOMER INQUIRY

If any former or present customer contends, within six months after the initial implementation date of the Bill Credit Plan, that the amount received by the customer is incorrect, PG&E will investigate and make an appropriate adjustment.

7. UNCASHED CHECKS

Any uncashed checks resulting from the Bill Credit Plan will remain a liability of PG&E to the individual customer for one year after the date of the check issuance. The claim of any person legally entitled to one of the uncashed checks (whether or not the check is returned to PG&E) will be honored. Where a check has been returned, PG&E will make every reasonable effort to locate the payee.

8. REPORT ON BILL CREDIT PLAN

A preliminary report of the total amount of credits made to PG&E customers pursuant to the Bill Credit Plan will be reported to the Commission 45 days after the \$400 million bill credit has been distributed describing its calculation of the bill credit on a customer class basis, the number of customers it was distributed to on a customer class basis, and the total amount of bill credits distributed. This report cannot be considered a final report due to potential customer adjustments and corrections made pursuant to Section 6 of the Bill Credit Plan. A final report of the total amount of credits made to PG&E customers will be reported seven months after the \$400 million bill credit has been distributed to allow for adjustments of bill credits upon customer inquiry as described in Section 6. If the total amount of bill credits distributed is less or more than \$400 million, PG&E will, at the time it submits its final report to the Commission, submit a Tier 2 advice letter proposing a method of truing up the \$400 million using existing balancing accounts. These reports will also identify the disposition of any remaining amount of the \$4 million contingency described in Item 3.

9. CUSTOMER NOTIFICATION

A bill credit will be shown as a line item on eligible customers' bills. The amount of the credit will be labeled as "CPUC Mandated Gas Credit." When necessary, there will be an additional line item on the bill for certain customers noting that they will receive the bill credit in the form of a check. There will be a separate statement/instruction to master-metered customers at mobile home parks and other residential complexes of their obligation to pass the bill credit on to their submetered customers in the manner required by Public Utilities Code Section 739.5(b). A sample of the statement/instruction in the form of a Master-Metered Customer Letter is attached as Exhibit 1 to this plan.

Table 1
Pacific Gas and Electric Company
Gas One-Time Bill Credit Plan (Estimate)

ILLUSTRATIVE EXAMPLE of \$400 Million Bill Credit using June 2014-May 2015 and March 2015 Recorded Data
Per CPUC Order for Equal Cents per Therm Allocation to All End-User Customers Regardless of Service Level
Actual credit provided to end-user customers in 3/2016 to be based on end-user customer usage billed 7/14-6/15
Recorded Billed Gas Usage (GH Sheets = Billed Therms; Excludes Interdepartmental)
Illustrative per therm bill credit rate = \$0.05298 applicable to annual billed volumes

	Total Therms Billed 6/14-5/15	% of Total Therms Billed	Bill Credit Allocated by Class (\$*)	Average Number of End-User Customers Billed in 2015	Illustrative Average Bill Credit per End-User Customer	Average March 2015 Bill	Average Bill Credit as % of Average PG&E March 2015 Gas Bill
Core Bundled							
Residential - Individually Metered	1,288,009,883	17.2%	\$68,232,751	3,768,726	\$18.10	\$42.75	42.4%
Residential - Master Metered**	118,785,728	1.6%	\$6,292,713	52,910	\$118.93	\$252.87	47.0%
Core Commercial***	428,851,659	5.7%	\$22,718,559	181,972	\$124.85	\$225.92	55.3%
Core Transport Only							
Residential - Individually Metered	127,416,189	1.7%	\$6,749,915	358,990	\$18.80	\$24.18	77.7%
Residential - Master Metered**	46,820,545	0.6%	\$2,480,334	8,644	\$286.95	\$378.36	75.8%
Core Commercial***	346,512,317	4.6%	\$18,356,605	47,128	\$389.51	\$359.22	108.4%
Noncore & Wholesale Transport							
Industrial-Distribution	244,678,783	3.3%	\$12,961,940	506	\$25,599.62	\$8,030.02	318.8%
Industrial-Transmission****	1,735,699,611	23.2%	\$91,949,263	328	\$280,333.12	\$12,966.16	2162.0%
Electric Generation-D/T	2,106,880,113	28.2%	\$111,612,673	334	\$334,336.51	\$10,570.57	3162.9%
Electric Generation-BB Service Level	1,002,188,252	13.4%	\$53,091,255	12	\$4,424,271.25	\$42,641.58	10375.5%
Wholesale	29,334,281	0.4%	\$1,553,993	6	\$258,998.88	\$18,134.64	1428.2%
Totals	7,475,177,361	100.0%	\$396,000,000	4,419,556	\$89.60	\$57.97	154.6%
*: Net of 1% Contingency Reserve **: Residential Master-Metered Customers will pass through the refunds to the ultimate units served by the Master-Metered Customer ***: Includes Small Commercial, Large Commercial, and Core NGV1 and NGV2 ****: Includes G-NT-BB and Noncore NGV4-Transmission							

Exhibit 1
Pacific Gas and Electric Company
Sample Master-Metered Customer Letter



Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177-1490

SAMPLE MASTER-METERED CUSTOMER LETTER

March x, 2016

«CUSTOMER_NAME»
«MAILING_ADDRESS»
«MAILING_ADDRESS2»
«MAILING_CITY», «MAILING_STATE»
«MAILING_POSTAL»

Dear Valued Customer,

In March 2016, PG&E gas customers will receive a credit on their bills. This credit is being given in compliance with the California Public Utilities Commission (CPUC's) decision on investigations related to PG&E's gas transmission pipelines (specifically, CPUC Decision 15-04-024). The one-time credit is based on billed consumption in November and December 2015 billing cycles using a uniform cents per therm rate. In total, PG&E's gas customers will receive a credit of \$400 million.

California Public Utilities Code Section 739 directs master-metered customers to pass on credits received on the master-metered bill to their sub-metered tenants.

“Every master-meter customer of a gas or electrical corporation subject to subdivision (a) who, on or after January 1, 1978, receives any rebate from the corporation shall distribute to, or credit to the account of, each current user served by the master-meter customer...”

As a master-metered customer, you are required by state law to pass along any credit or rate reduction that you may receive to your tenants. The credit is the same for both CARE and non-CARE customers and should be passed on to each dwelling unit. The uniform per therm rate based on billed consumption in November and December 2015 billing cycles is \$0.xx. For example, if a dwelling were billed for 6 therms in November and 8 therms in December, totaling 14 therms for that period, then the credit would be \$x.xx (14 therms multiplied by per therm rate of \$0.xx)

Please take a moment to check the number of dwelling units PG&E has on record for your facility. This information can be found on the bill you receive for your master meter. Should the number of units need updating, please call the number below.

PG&E is committed to providing exceptional customer service. If you have questions or need further assistance, please call our **Business Customer Contact Center** at **1 (800) 468-4743**.

Please post this notice in a conspicuous place. Thank you.

Attachment 2

PG&E's Reply to Protests of Advice Letter 3597-G

June 24, 2015

California Public Utilities Commission - Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102

Subject: PG&E's Reply to Protests of Advice Letter 3597-G

Pacific Gas and Electric Company (PG&E) submits this reply to protests filed by Olam Spices & Vegetable Ingredients; Wonderful Pistachios & Almonds, LLC; the California Leagues of Food Processors (CLFP) and the Agricultural Energy Consumers Associations (AECA) (jointly) (collectively the Agricultural Protestors); Tiger Natural Gas; IGS energy; the School Project for Utility Rate Reduction (SPURR); United Energy Trading, LLC; and Commercial Energy of California (collectively the Core Transport Agent (CTA) Protestors) of PG&E's Advice Letter 3597-G, which requests approval of PG&E's proposed implementation of the Gas One-Time Bill Credit Plan in Compliance with Decision 15-04-024.

PG&E prepared the Bill Credit Plan to conform as closely as possible to the requirements of Decision (D.) 15-04-024. Given they were not active parties to the gas transmission OIIs which gave rise to D.15-04-024, neither the Agricultural Protestors nor the CTA Protestors commented on the credit plan provisions proposed in the Decision Different on Fines and Remedies issued on March 13, 2015. Although some of the protests assert that the proposed Bill Credit Plan is unfair, unjust, unreasonable and discriminatory, none of the protests contend that PG&E's proposed Bill Credit Plan violates the requirements of D.15-04-024. In the sections below, PG&E provides comments on the issues raised by the protestors. Further, if the California Public Utilities Commission (Commission or CPUC) chooses to accommodate the Protestors' concerns, PG&E also discusses how the Credit Plan could be modified.

1. Reply to Issues Raised by the Agricultural Protestors

The Agricultural Protestors point out that their gas usage is dictated by the seasonality of the crops they process and that the months of highest system gas use identified in D.15-04-024 (November and December) do not represent the months of highest gas

usage in their facilities. As stated in their joint protest, “CLFPA and AECA believes that the only way to fairly and equitably provide bill credits is for the Bill Credit Plan to adjust the volumetric throughput to allow seasonal noncore industrial facilities to include the traditional months of highest volume use for food and fiber operations.” In general, the Agricultural Protestors request that the Bill Credit be applied to each customer based on that customer’s two months of highest gas usage.

PG&E’s use of two months is compliant with D.15-04-024. However, PG&E agrees that the use of November and December gas throughput does not include the months of highest gas usage of seasonal food and fiber processors and expects that, given the economic and climatic diversity across its service territory, there are other industrial, commercial, and residential customers with seasonal variations causing their highest two consumption months to be other than November and December, and not even consecutive months. It would be impractical for the Bill Credit Plan to be based on an analysis of the two highest months of gas consumption for each of PG&E’s 4.5 million gas customers as suggested by the Agricultural Protestors. Indeed, when considered on a customer by customer basis, each month of the year would be one of the two highest usage months for some number of customers.

If the Commission chooses to address the seasonality issue raised by the Agricultural Protestors, the Bill Credit could be based on each customer’s annual consumption through June 2015 rather than on the consumption during just two months. Table 1 attached to this reply provides the same information as included in the table attached to Advice 3597-G but based on annual gas consumption for the twelve months ended May 2015 as an illustration.

2. Reply to Issues Raised by the CTA Protestors

Since D.15-04-024 requires that each customer’s Bill Credit be computed based on a uniform cent per therm rate, PG&E realized that nearly all noncore customers would receive a credit greater than their monthly charges for end-use gas transportation service billed by PG&E (“transportation service”). Accordingly, PG&E’s proposed refund plan provided for the Bill Credit to be provided to the noncore customers as a check so that customers could receive the benefit of the credit in a single month.

The CTA Protestors correctly point out that the Bill Credits for some of their customers will also be greater than the transportation service portion of their bill. Under consolidated billing performed by PG&E for the CTA, CTAs express concern that a credit greater than the charge for transportation service could create uncertainty regarding the assignment of amounts paid by the customer to the CTAs for gas commodity service. The CTAs have raised this before the Commission in various complaint cases and revenue/rate applications. PG&E estimates that substantial number of customers served by CTAs will have transportation service charges less than the average Bill Credit amount for their customer class and thus potentially have net credits on their bills. Using annual consumption data through May 2015 and March

2015 bills as a proxy, PG&E created a distribution of credits and net credits to CTA customers. If the Commission chooses to address the issue of net credits to CTA customers raised by the CTA Protestors, based on this analysis, the Bill Credit for all CTA customers served on commercial and multi-family residential schedules, and to CTA customers served on single-family residential schedules whose gross credit would be \$30 or more could be provided in the form of a check. With this \$30 threshold, PG&E expects there should be relatively few CTA residential customers with net credits greater than \$5. PG&E estimates that approximately 100,000 CTA customers would receive the bill credit in the form of a check. The threshold will eliminate small checks that might not be cashed and reduce the number of checks that would go to low income customers who might not have a banking relationship and would incur costs to have their checks cashed.

However, the implementation of the \$30 threshold will require sufficient time for PG&E to modify and test its billing system to gather the relevant consumption data, compute the credit owed to each CTA single-family customer, capture those single family customers with credits greater than \$30, post this information to the customers' bills and prepare the checks. This work could not be completed using November and December consumption data with credits made in March. PG&E's ability to provide the bill credit in the form of a check to these CTA customers would be enhanced and could be given in the same timeframe as other checks if the Commission decided to use annual consumption data ending June 2015. Otherwise, PG&E is concerned that the additional analysis of the credits due to single-family CTA customers, and the associated modifications and testing of the billing system would delay the bill credits and checks to those customers past March 2016.

PG&E provides this proposal due to the unique situation arising from the implementation of this specific Bill Credit. This proposal is not a precedent and does not represent PG&E's position on any related CTA billing issues pending before the Commission in other proceedings.

3. Revised Gas One-Time Bill Credit Plan

PG&E will file a supplemental Advice letter attaching a revised Gas One-Time Bill Credit Plan which incorporates the modifications to the Plan described above.

Respectfully submitted,

_____/S/
Erik Jacobson
Director, Regulatory Relations

Attachment

cc: Eugene Cadenasso, Energy Division
Sam Chant, OLAM
Ted Keller, Wonderful Pistachios & Almonds, LLC
John Larrea, California League of Food Processors (CLFP) and Agricultural
Energy Consumers Association (AECA)
Ken Bohn and Lori Nalley, Tiger Natural Gas
Tony Cusati, Interstate Gas Supply (IGS) Energy
Michael Rochman, School Project for Utility Rate Reduction (SPURR)
Billi Joel Lupton, United Energy Trading (UET)
Michael B. Day, Commercial Energy of California
Service Lists for A.13-12-012, I.12-01-007, I.11-02-016, I.11-11-009,
A.12-11-009 (and I.13-03-007), and R.11-02-019
PG&E GO 96-B List

TABLE 1 Pacific Gas and Electric Company Gas One-Time Bill Credit Plan (Estimate)

ILLUSTRATIVE EXAMPLE of \$400 Million Bill Credit using June 2014-May 2015 and March 2015 Recorded Data

Per CPUC Order for Equal Cents per Therm Allocation to All End-User Customers Regardless of Service Level

Actual credit provided to end-user customers in 3/2016 to be based on end-user customer usage billed 7/14-6/15

Recorded Billed Gas Usage (GH Sheets = Billed Therms; Excludes Interdepartmental)

Illustrative per therm bill credit rate = \$0.05298 applicable to annual billed volumes

	Total Therms Billed 6/14-5/15	% of Total Therms Billed	Bill Credit Allocated by Class (\$*)	Average Number of End-User Customers Billed in 2015	Illustrative Average Bill Credit per End- User Customer	Average March 2015 Bill	Average Bill Credit as % of Average PG&E March 2015 Gas Bill
Core Bundled							
Residential - Individually Metered	1,288,009,883	17.2%	\$68,232,751	3,768,726	\$18.10	\$42.75	42.4%
Residential - Master Metered**	118,785,728	1.6%	\$6,292,713	52,910	\$118.93	\$252.87	47.0%
Core Commercial***	428,851,659	5.7%	\$22,718,559	181,972	\$124.85	\$225.92	55.3%
Core Transport Only							
Residential - Individually Metered	127,416,189	1.7%	\$6,749,915	358,990	\$18.80	\$24.18	77.7%
Residential - Master Metered**	46,820,545	0.6%	\$2,480,334	8,644	\$286.95	\$378.36	75.8%
Core Commercial***	346,512,317	4.6%	\$18,356,605	47,128	\$389.51	\$359.22	108.4%
Noncore & Wholesale Transport							
Industrial-Distribution	244,678,783	3.3%	\$12,961,940	506	\$25,599.62	\$8,030.02	318.8%
Industrial-Transmission****	1,735,699,611	23.2%	\$91,949,263	328	\$280,333.12	\$12,966.16	2162.0%
Electric Generation-D/T	2,106,880,113	28.2%	\$111,612,673	334	\$334,336.51	\$10,570.57	3162.9%
Electric Generation-BB Service Level	1,002,188,252	13.4%	\$53,091,255	12	\$4,424,271.25	\$42,641.58	10375.5%
Wholesale	29,334,281	0.4%	\$1,553,993	6	\$258,998.88	\$18,134.64	1428.2%
Totals	7,475,177,361	100.0%	\$396,000,000	4,419,556	\$89.60	\$57.97	154.6%

*: Net of 1% Contingency Reserve

**.: Residential Master-Metered Customers will pass through the refunds to the ultimate units served by the Master-Metered Customer

***.: Includes Small Commercial, Large Commercial, and Core NGV1 and NGV2

****.: Includes G-NT-BB and Noncore NGV4-Transmission

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