

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



July 15, 2019

Advice Letter 4104-G

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

**SUBJECT: Schedule G-CPX – Crossover Gas Procurement Service to Core End-Use
Customers for Rates Effective June 10, 2019**

Dear Mr. Jacobson:

Advice Letter 4104-G is effective as of June 10, 2019..

Sincerely,

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

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division



June 6, 2019

Advice 4104-G

(Pacific Gas and Electric Company ID U39 G)

Public Utilities Commission of the State of California

Subject: Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective June 10, 2019

Pacific Gas and Electric Company ("PG&E") hereby submits for submittal revisions to its gas tariffs. The affected tariff sheets are listed on the enclosed Attachment 1.

Purpose

The purpose of this submittal is to revise monthly crossover rates under Schedule G-CPX--*Crossover Gas Procurement Service to Core End-Use Customers*, effective **June 10, 2019**. 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 **June 10, 2019, through July 9, 2019**, 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)	\$0.24384
Large Commercial Customers (Schedule G-NR2)	\$0.21555
Natural Gas Vehicle Customers (Schedule G-NGV1)	\$0.21337

Workpapers showing the calculation of these rates are included in this submittal as Attachment 2.

Protests

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than June 26, 2019, which is 20 days after the date of this submittal. 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:

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.

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-3582
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 submittal become effective on June 10, 2019. The rates in this advice submittal shall remain in effect until the next such submittal 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 submittals can also be accessed electronically at: <http://www.pge.com/tariffs>.

/S/

Erik Jacobson
Director – Regulatory Relations

Attachments



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39G)

Utility type:

☐ ELC ☒ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person: Annie Ho

Phone #: (415)973-8794

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: AMHP@pge.com

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 4104-G

Tier Designation: 1

Subject of AL: Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for Rates Effective June 10, 2019

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

AL Type: ☒ Monthly ☐ Quarterly ☐ Annual ☐ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.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:

Confidential treatment requested? ☐ Yes ☒ No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? ☐ Yes ☒ No

Requested effective date: 6/10/19

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 proposed¹: Crossover Gas Procurement Service to Core End-Use Customers

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

¹Discuss in AL if more space is needed.

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

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Erik Jacobson, c/o Megan Lawson
Title: Director, Regulatory Relations
Utility Name: Pacific Gas and Electric Company
Address: 77 Beale Street, Mail Code B13U
City: San Francisco, CA 94177
State: California Zip: 94177
Telephone (xxx) xxx-xxxx: (415)973-2093
Facsimile (xxx) xxx-xxxx: (415)973-3582
Email: PGETariffs@pge.com

Name:
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Clear Form

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
35063-G	GAS SCHEDULE G-CPX CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS Sheet 1	35024-G
35064-G	GAS TABLE OF CONTENTS Sheet 1	35060-G
35065-G	GAS TABLE OF CONTENTS Sheet 2	35055-G



GAS SCHEDULE G-CPX Sheet 1
CROSSOVER GAS PROCUREMENT SERVICE TO CORE END-USE CUSTOMERS

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

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

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

<u>Procurement Charge:</u>	<u>Per Therm</u>	
Small Commercial Crossover Charge: (G-NR1)	\$0.24384	(l)
Large Commercial Crossover Charge: (G-NR2)	\$0.21555	(l)
Natural Gas Vehicle Crossover Charge: (G-NGV1)	\$0.21337	(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	35064 -G	(T)
Rate Schedules	35065 ,5061-G	(T)
Preliminary Statements.....	34990,34789-G	
Preliminary Statements, Rules	34881-G	
Rules, Maps, Contracts and Deviations.....	35062-G	
Sample Forms	34229,32986,32987,32886,34953,32888-G	

(Continued)



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Sheet 2

**SCHEDULE TITLE OF SHEET CAL P.U.C.
SHEET NO.**

**Rate Schedules
Residential**

G-1	Residential Service	35037,23487-G
G1-NGV	Residential Natural Gas Service for Compression on Customers' Premises	35043,23734-G
GL-1	Residential CARE Program Service.....	35044,32340-G
GL1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises	35045,23740-G
GM	Master-Metered Multifamily Service	34979,35046,23019-G
GML	Master-Metered Multifamily CARE Program Service	34980,35047,23027-G
GS	Multifamily Service	35048,32347,23215-G
GSL	Multifamily CARE Program Service.....	35049,35050,23216-G
GT	Mobilehome Park Service	35051,32351,31922-G
GTL	Mobilehome Park CARE Program Service.....	35052,35053,23502,31923-G
G-10	Service to Company Employees	11318-G
G-EFLIC	Energy Financing Line Item Charge (EFLIC) Pilot	32214,32215,32216,32217,32218-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge	22034-G

**Rate Schedules
Non-Residential**

G-NR1	Gas Service to Small Commercial Customers	34596,35041-G
G-NR2	Gas Service to Large Commercial Customers	34597,35042-G
G-CP	Gas Procurement Service to Core End-Use Customers	34971-G
G-CPX	Crossover Gas Procurement Service To Core End-Use Customers.....	35063-G
G-NT	Gas Transportation Service to Noncore End-Use Customers.....	34355,34931,34357,22038-G
G-EG	Gas Transportation Service to Electric Generation	34346,34928,34348,34349,34350-G
G-ESISP	Exchange Service Through ISP Facilities	24364,24365-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers	34932,34778,22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers	29782,24457, 29783,33941,22048,24458,24459,24460,26610,24461,20042,24462,24463,27708-G
G-SFS	Standard Firm Storage Service	33954,22140,30677,22300-G
G-NFS	Negotiated Firm Storage Service	33948,30870-G
G-NAS	Negotiated As-Available Storage Service	33947-G
G-CFS	Core Firm Storage	34016,32818,32819,32820-G
G-AFT	Annual Firm Transportation On-System.....	30655,33939,30656-G

(T)

(Continued)

Attachment 2

**Schedule G-CPX -- Crossover Gas Procurement Service to Core End-Use Customers for
Rates Effective June 10, 2019**

Work Papers

Crossover Rate Calculation

Jun-19

AECO Monthly Index (C\$/GJ)	CAD 0.8628
Exchange Rate (US\$/C\$)	0.7423
AECO monthly commodity index (US\$/Dth)	0.6757

Foothills fuel rate	1.4778%
GTN fuel rate	1.4699%
Combined GTN/Foothills fuel rate	0.9707
Foothills + GTN combined in-kind fuel rate	0.0293
Foothills + GTN in-kind fuel charge	0.0204

Foothills volumetric rate	\$0.0000
GTN volumetric rate	\$0.0111
Intrastate Transmission volumetric rate	\$0.0940

AECO at Border	\$0.7072
Southern Border-PG&E	\$1.8150
Core WACOG at Border	\$1.3041

Gas Prices Net Forward to CG

Gas Price Index	Price at CG
AECO (CGPR)	\$0.8012
Southern Border-PG&E (NGI)	\$1.9090
Core WACOG	\$1.3981

Crossover Price at PG&E CG (\$/Dth)	\$1.9090
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6/4/19

Effective: 6/10/2019

Advice Letter No. 4104-G

Calculation of the G-CPX Crossover Core Procurement Rate

Gas Prices		
		Border Price (\$/Dth)
	AECO C	\$.7072
	PG&E Topock (Source NGI)	\$1.8150
	Core WACOG	\$1.3041

G-CPX CROSSOVER CORE PROCUREMENT RATE			\$/Decatherm	\$/Therm	Components \$/Therm	Calculation
CROSSOVER COMMODITY CHARGE						
Weighed Average Cost of Gas (WACOG)						
WACOG at the Border			\$1.8150			(a)
Intrastate Backbone Volumetric Transport Charge			\$0.0940			(b)
Total WACOG			1.9090	\$1.9090		(c)=(a)+(b)
Franchise Fee	0.009521	Changes in GRC				
Uncollectible Fee	0.003430	Changes in GRC				
San Francisco Gross Receipt (SFGR)	0.000419	Added in GRC				
Subt RF&U	0.013370	X WACOG at the Border	\$0.0243			(d)=(a)*RF&U Factor
WACOG with Revenue, Franchise and Uncollectible			\$1.9333	\$1.9333		(e)=(c)+(d)
PGA Adjustment: Core Sales			(\$0.2569)	(\$0.02569)		(f)
PGA Adjustment: Hedging			\$0.0000	\$0.00000		(g)
Cycled Carrying Cost of Gas in Storage			\$0.0055	\$0.00055		(h)
Total Core Commodity Charge						
Small Commercial					\$1.16819	(i)
Large Commercial					\$1.16819	(j)
Natural Gas Vehicle					\$1.16819	(k)
CORE FIRM STORAGE COSTS (Including RF&U)						
CFSA Adjustment: Core Firm Storage Account			(\$0.0349)	(\$0.00349)		(l)
Small Commercial			\$0.2228	\$0.02228	\$0.01879	(m)
Large Commercial			\$0.1545	\$0.01545	\$0.01196	(n)
Natural Gas Vehicle			\$0.1448	\$0.01448	\$0.01099	(o)
INTERSTATE & INTRASTATE CAPACITY CHARGES (Incl. RF&U)						
CPDCA Adjustment (Incl. RF&U)			(\$0.0768)	(\$0.00768)		(s)
BC System and NOVA Costs (Incl. RF&U)						
Small Commercial			\$0.0767	\$0.00767		(t)
Large Commercial			\$0.0493	\$0.00493		(u)
Natural Gas Vehicle			\$0.0477	\$0.00477		(v)
Interstate Capacity Charges						
Small Commercial			\$0.2568	\$0.02568		(w)
Large Commercial			\$0.1650	\$0.01650		(x)
Natural Gas Vehicle			\$0.1598	\$0.01598		(y)
Intrastate Backbone Capacity Charges						
Small Commercial			\$0.2666	\$0.02666	\$0.05233	(z)
Large Commercial			\$0.1712	\$0.01712	\$0.03087	(aa)
Natural Gas Vehicle			\$0.1659	\$0.01659	\$0.02966	(ab)
CORE BROKERAGE FEE			\$0.0250		\$0.00250	(af)
SHRINKAGE RATE						
Shrinkage (Incl. F&U)			\$0.0638	\$0.00638		(ag)
Based on Core Shrinkage: 3.30%			Changes in BCAP			
PGA Adjustment: Core Shrinkage (Incl. F&U)			(\$0.0435)	(\$0.00435)		(ah)
Total Shrinkage Rate					\$0.00203	(ai)=(ag)+(ah)
TOTAL G-CPX CORE PROCUREMENT CHARGE						
Small Commercial					\$0.24384	(aj)=(i)+(p)+(ac)+(af)+(ai)
Large Commercial					\$0.21555	(ak)=(j)+(q)+(ad)+(af)+(ai)
Natural Gas Vehicle					\$0.21337	(al)=(k)+(r)+(ae)+(af)+(ai)

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

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Praxair
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
	Energy Management Service	SCD Energy Solutions
Alta Power Group, LLC	Engineers and Scientists of California	
Anderson & Poole	Evaluation + Strategy for Social	SCE
	Innovation	SDG&E and SoCalGas
Atlas ReFuel	GenOn Energy, Inc.	
BART	Goodin, MacBride, Squeri, Schlotz &	SPURR
	Ritchie	San Francisco Water Power and Sewer
Barkovich & Yap, Inc.	Green Charge Networks	Seattle City Light
P.C. CalCom Solar	Green Power Institute	Sempra Utilities
California Cotton Ginners & Growers Assn	Hanna & Morton	Southern California Edison Company
California Energy Commission	ICF	Southern California Gas Company
California Public Utilities Commission	International Power Technology	Spark Energy
California State Association of Counties	Intestate Gas Services, Inc.	Sun Light & Power
Calpine	Kelly Group	Sunshine Design
	Ken Bohn Consulting	Tecogen, Inc.
Cameron-Daniel, P.C.	Keyes & Fox LLP	TerraVerde Renewable Partners
Casner, Steve	Leviton Manufacturing Co., Inc. Linde	Tiger Natural Gas, Inc.
Cenergy Power	Los Angeles County Integrated Waste	
Center for Biological Diversity	Management Task Force	TransCanada
City of Palo Alto	Los Angeles Dept of Water & Power	Troutman Sanders LLP
	MRW & Associates	Utility Cost Management
City of San Jose	Manatt Phelps Phillips	Utility Power Solutions
Clean Power Research	Marin Energy Authority	Utility Specialists
Coast Economic Consulting	McKenzie & Associates	
Commercial Energy		Verizon
County of Tehama - Department of Public	Modesto Irrigation District	Water and Energy Consulting
Works	Morgan Stanley	Wellhead Electric Company
Crossborder Energy	NLine Energy, Inc.	Western Manufactured Housing
Crown Road Energy, LLC	NRG Solar	Communities Association (WMA)
Davis Wright Tremaine LLP		Yep Energy
Day Carter Murphy		
	Office of Ratepayer Advocates	
Dept of General Services	OnGrid Solar	
Don Pickett & Associates, Inc.	Pacific Gas and Electric Company	
Douglass & Liddell	Peninsula Clean Energy	