

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 27, 2016

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas & Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

Advice Letter 3747-G/3747-G-A

Subject: Expedited Advice Letter 3747-G/3747-G-A Pre-Approval to Extend Four Natural Gas Transport Contracts

Dear Mr. Jacobson:

Pacific Gas and Electric (PG&E) Advice Letter (AL) 3747-G-A is approved and effective October 3, 2016.

Background

On August 16, 2016, via AL 3747-G, PG&E sought California Public Utilities Commission (CPUC) pre-approval to extend, for a period of three years, four existing firm transportation agreements with Nova Gas Transmission Ltd. (NGTL), Foothills Pipe Line Ltd. (Foothills), and Gas Transmission Northwest (GTN) to transport natural gas from Canadian gas production areas on behalf of core customers. The Office of Ratepayer Advocates (ORA) approved, following the guidelines described in Decision (D.) 04-09-022 and D.12-12-006. The Utility Reform Network (TURN) declined to participate.

In the non-confidential version of the AL, PG&E requested that these proposed contracts were to be maintained as confidential for an “indefinite” period of time because they were market-sensitive data.

Under the expedited advice letter process established in D.04-09-022 for review of interstate pipeline capacity contracts, protests are due within ten days following the filing of the expedited advice letter.

Shell's Protest

On August 26, 2016, Shell Energy North America, L.P. (Shell) filed a timely protest to AL 3747-G, claiming that PG&E's request for indefinite confidentiality violated D.06-06-066, which limited the confidentiality of energy procurement information to three years. Shell argued that PG&E therefore could not claim more than three years of confidentiality for the non-GTN contracts in AL 3747-G. Shell argued that for GTN, an interstate pipeline, the confidentiality expires once the terms of the contract are posted on the interstate pipeline's electronic bulletin board, pursuant to 18 C.F.R. Section 284.13. Shell therefore argues that FERC's rules provide for disclosure of all key contract terms, including price, duration, quantity, receipt and delivery points, and any special terms and conditions that may deviate from the pipeline's tariff.

PG&E's Response to Shell's Protest

On September 2, 2016, PG&E filed a reply to Shell's protest. PG&E argued that the Foothills and NGTL were outside of FERC jurisdiction (in Canada), and that NGTL does not disclose any information regarding shipper or contract terms on a routine basis. Nevertheless, PG&E acquiesced to Shell's demands by filing substitute sheets to limit the confidential period on GTN to the time before the contract terms are posted on GTN's website, and three years from contract execution date for the other contracts.

PG&E Supplemental AL 3747-G-A

On September 9, 2016 Energy Division staff suspended AL 3747-G and requested that PG&E file a supplemental AL 3747-G-A with a shortened protest period of five business days.

On September 12, 2016, PG&E filed a supplemental AL 3747-G-A to entirely replace AL 3747-G in order to address Shell's concerns. No protests were filed against AL 3747-G-A.

Discussion and Disposition

Procedurally, the Energy Division rejects Shell's protest to AL 3747-G because AL 3747-G has been entirely replaced by AL 3747-G-A, which a) addresses Shell's concerns, and b) was not protested.

Regarding the substance of AL 3747-G-A, CPUC Energy Division participated in discussions with ORA and PG&E leading up to the proposals made in AL 3747-G. The Energy Division also reviewed the details related to the contracts set forth in the confidential version of AL 3747-G and AL 3747-G-A.

The Energy Division hereby approves PG&E AL 3747-G-A.

Sincerely,



Edward Randolph
Director, Energy Division

cc: Franz Cheng, Energy Division
Jonathan Bromson, Legal Division
Mark Pocta, ORA
Nika Rogers, ORA
Pearlie Sabino, ORA
Marcel Hawiger, TURN
Yvonne Yang, PG&E
John Leslie, Attorney for Shell Energy

September 12, 2016

Advice 3747-G-A

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject: Supplemental: Expedited Advice Letter Pre-Approval to extend Four Natural Gas Transport Contracts

Pacific Gas and Electric Company (PG&E) respectfully requests California Public Utilities Commission (Commission or CPUC) pre-approval to extend for a period of 3-years, four existing firm transportation service agreements (FTSA) with TransCanada's NOVA Gas Transmission Ltd. (NGTL), Foothills Pipe Line Ltd. (Foothills) and Gas Transmission Northwest (GTN) pipelines which connect the supply basins in Western Canada to the California/Oregon border at Malin, Oregon.

PG&E initially filed this advice letter on August 16, 2016. On September 2, 2016, PG&E filed substitute sheets to revise PG&E's Confidentiality Matrix to reflect a confidentiality period of 3 years and corrected the proceedings in the headers of the Confidentiality Declaration and Matrix to match the proceedings that were served the advice letter. On September 9, 2016, the Commission's Energy Division requested that PG&E file a supplemental advice letter with a 5 day protest period containing the revised Confidentiality Declaration and Matrix. Accordingly, this supplemental advice letter supersedes original advice letter 3747-G in its entirety, and is filed for the purpose of providing the revised Confidentiality Declaration and Matrix.

Purpose

The purpose of this expedited advice letter is to request pre-approval for contract extensions under the interstate capacity acquisition procedure approved in Decision (D.) 04-09-022.¹ Under these procedures, pipeline contracts endorsed by the Office of Ratepayer Advocates (ORA) and The Utility Reform Network (TURN) may be submitted for pre-approval to the Commission by an Expedited Advice Letter. TURN's participation in the approval process is voluntary, and TURN has declined to participate in the review of these contract extensions. PG&E has consulted with ORA and they have confirmed their support for the proposed pipeline contract extensions.

¹ Order Instituting Rulemaking to Establish Policies and Rules to Ensure Reliable, Long-Term Supplies of Natural Gas to California (Gas Capacity OIR), R.04-01-025.

Under D.04-09-022, contracts for pipeline capacity may be submitted by expedited advice letter, seeking Commission pre-approval within 21 days of the advice letter filing date. PG&E requests that the Commission approve this filing before October 3, 2016.

Description of Contract

The terms of the proposed contract extensions are confidential and are described in Confidential Appendix A. Confidential Appendix A is submitted to the Energy Division, Legal Division and ORA under the confidentiality provisions of General Order 66-C and Section 583 of the Public Utilities Code.

In addition, the confidential contract terms will be provided to PG&E's Core Transport Agents (CTAs) who agree to the terms of a nondisclosure agreement.

All costs associated with the contracts will continue to be recovered from PG&E's core gas customers, in accordance with the interstate pipeline capacity contract procedures established in D.04-09-022 and D.15-10-050, through PG&E's Core Pipeline Demand Charge Account, and PG&E's gas tariffs, and from CTAs through the provisions of Tariff G-CT.

This filing will not affect any other rate or charge, cause the withdrawal of service, or conflict with any other rate schedule or rule.

Protests – Five Day Expedited Period

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than September 19, 2016, which is five (5) business days from the date of this filing, in accordance with Energy Division's guidance provided to PG&E on September 9, 2016.

Protests should be mailed 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 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:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-1448
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).

Effective Date

In accordance with the comment and evaluation period provided in D.04-09-022, PG&E submits this advice letter as a Tier 2, and requests Commission approval of this filing effective before October 3, 2016, which is 21 days after the date of 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 service lists for R.04-01-025 and A.13-06-011. Address changes to the General Order 96-B service list should be directed to email PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at. 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

cc: **Confidential Version (with Confidential Appendix A)**

Franz Cheng - Energy Division

Belinda Gatti - Energy Division

Eugene Cadenasso – Energy Division

Jonathon Bromson - Legal Division

R. Mark Pocta - Office of Ratepayer Advocates

Nika Rogers– Office of Ratepayer Advocates

Pearlie Sabino - Office of Ratepayer Advocates

Public Version (without Confidential Appendix A)

Marcel Hawiger - The Utility Reform Network

Service list for R.04-01-025

Service list for A.13-06-011

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: Yvonne Yang

Phone #: (415) 973-2094

E-mail: Qxy1@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) #: **3747-G-A**

Tier: 2

Subject of AL: **Supplemental: Expedited Advice Letter Pre-Approval to extend Four Natural Gas Transport Contracts**

Keywords (choose from CPUC listing): Compliance, Contracts

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.04-09-022

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: Yes. See the attached matrix that identifies the confidential information

Confidential information will be made available to those who have executed a nondisclosure agreement: Yes No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: George Zahariudakis (415)973-2079

Resolution Required? Yes No

Requested effective date: **October 3, 2016**

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 5 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

c/o Megan Lawson

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

**PACIFIC GAS AND ELECTRIC COMPANY
R.04-01-025 AND A.13-06-011**

**DECLARATION OF DENNIS GEE
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION
CONTAINED IN PG&E'S ADVICE LETTER 3747-G-A**

I, Dennis Gee, declare:

1. I am a Principal Regulatory Analyst in the Core Gas Supply department within the Energy Policy and Procurement organization at Pacific Gas and Electric Company (PG&E). In this position, my responsibilities include regulatory matters and contract management pertaining to PG&E's core gas portfolio. This declaration is based on my personal knowledge of PG&E's practices and my understanding of the Commission's decisions protecting the confidentiality of market-sensitive information.

2. Based on my knowledge and experience, and in accordance with the Decisions 06-06-066, 08-04-023, and relevant Commission rules, I make this declaration seeking confidential treatment for certain data and information contained in PG&E's Advice Letter 3747-G-A.

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes confidential market sensitive data and information covered by General Order 66-C. The matrix also specifies why confidential protection is justified. Further, the data and information: (1) is not already public; and (2) cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text that is pertinent to my testimony in the attached matrix.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on August 16, 2016 at San Francisco, California.



DENNIS GEE

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

**R.04-01-025 AND A.13-06-011
ADVICE LETTER 3747-G-A**

August 16, 2016

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, or Separate Confidentiality Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
Document: Confidential Appendix A			
Document in entirety	General Order 66-C	Counterparty purchase information constitutes confidential non-utility business information protected under General Order 66-C	3 Years

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

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