



GAS PRELIMINARY STATEMENT PART AE
CORE PIPELINE DEMAND CHARGE ACCOUNT

Sheet 1

AE. CORE PIPELINE DEMAND CHARGE ACCOUNT (CPDCA)

1. **PURPOSE:** The purpose of the CPDCA is to record the costs associated with backbone transmission, interstate capacity, and Canadian capacity for service to core customers taking procurement service from PG&E.

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1.
2. **APPLICABILITY:** The CPDCA balance applies to all core rate schedules and contracts subject to the jurisdiction of the CPUC, except for those schedules and contracts specifically excluded by the CPUC.
3. **REVISION DATE:** The revision date applicable to the CPDCA rate shall coincide with the revision date of the monthly core procurement rate, or at other times, as ordered by the CPUC.
4. **FORECAST PERIOD:** The forecast test period will be as specified in the current Cost Allocation Proceeding.
5. **CPDCA RATES:** CPDCA Rates are included in the effective rates set forth in each rate schedule (see Preliminary Statement, Part B), as applicable.

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(Continued)

Advice 3277-G
Decision 11-04-031

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Date Filed	<u>February 10, 2012</u>
Effective	<u>April 1, 2012</u>
Resolution	<u></u>



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Sheet 2

AE. CORE PIPELINE DEMAND CHARGE ACCOUNT (CPDCA) (Cont'd.)

- 6. ACCOUNTING PROCEDURE: PG&E shall make the following entries, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, to the CPDCA at the end of each month or when applicable:
 - a. a debit entry equal to the interstate demand charges allocated to core procurement customers, including any credit received for brokered interstate capacity;
 - b. a debit entry equal to the Backbone demand charges allocated to core procurement customers, including any credit received from brokered intrastate capacity;
 - c. a debit entry equal to the Canadian capacity costs allocated to core procurement customers, including any credit received for brokered Canadian capacity;
 - d. a credit entry equal to the capacity cost revenues associated with the sale of gas to core procurement customers during the month;
 - e. a credit entry equal to the revenues received from the interstate pipeline capacity component of the Net CTA-Rejected Capacity costs billed to Core Transport Agents (CTAs) pursuant to Schedule G-CT;
 - f. a credit entry equal to the revenues received from the Backbone pipeline capacity component of the Net CTA-Rejected Capacity costs billed to CTAs pursuant to Schedule G-CT;
 - g. a credit entry equal to the revenues received from the Canadian pipeline capacity component of the Net CTA-Rejected Capacity costs billed to CTAs pursuant to Schedule G-CT; and
 - h. an entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after entries AE.6.a. through AE.6.g., above, at a rate equal to one-twelfth the interest rate on the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

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