NOTICE OF EX PARTE COMMUNICATION OF PACIFIC GAS AND ELECTRIC COMPANY (A.09-09-013)

ATTACHMENTS

1 section in the tariff says the customer 2 nominate only to the delivery point, and you 3 stress the singular, correct? Yes. 4 Α To the left of that why then does 5 the tariff say delivery points which is 6 7 plural, to your knowledge? 8 Well, as a group of customers, the 9 G-XF group of customers have multiple 10 delivery points. That is one customer has an 11 on-system delivery point and most all the 12 other customers have off-system delivery 13 points. So they are -- under the tariff 14 there is more than one delivery point allowed 15 under the tariff. But I think the tariff 16 states that for any given shipper that they 17 were limited to the delivery points set forth in their Exhibit A. 18 Does the word "original exhibit," 19 20 let's just stick to the word "original," does 21 that appear in the section of the G-XF tariff 22 in delivery points? 23 Α Yes. 24 Did that word exist in the 1997 25 version, the earlier version of that tariff? 26 Α Are you referring to the 27 January 27th, 1997, version? 28 Yes.

Settlement Agreement:

As part of the Gas Accord, PG&E will assume 100 percent of the throughput risk associated with all PG&E intrastate transmission. One portion of this capacity is currently used by firm Expansion shippers under 30-year contracts.... Because of the significant financial risk assumed by PG&E in constructing new capacity for this purpose, implementation of the Gas Accord is not feasible for PG&E's shareholders unless the Commission supports and approves the G-XF modifications.... These modifications preserve the rights of these shippers without giving them a potential windfall due to the unbundling under the Gas Accord.²

In light of the Gas Accord, and in the interest of fairness to all customers, PG&E revised its G-XF tariff to limit each Expansion shipper to the single delivery point indicated in each respective shipper's Exhibit A. The March 1, 1998 G-XF tariff implementing the Gas Accord indicated that "Customer may nominate only to the Delivery Point set forth in Exhibit A to the Customer's FTSA." That language is the same as PG&E's current G-XF tariff. The use of the singular "Delivery Point" was deliberate, to reflect that any given shipper was limited to a single delivery point. By contrast, the heading of this section of the tariff is "Delivery Points" (plural) because:

[A]s a group of customers, the G-XF group of customers have multiple delivery points. That is one customer has an on-system delivery point and most all the other customers have off-system delivery points. . . . [U]nder the tariff there is more than one delivery point allowed under the tariff. But I think the tariff states that for any given shipper that they were limited to the delivery point set forth in their Exhibit $A.^{12}$

² A.96-08-043, Motion for Order Adopting Stipulation and Settlement Agreement and for Other Procedural Rulings, at 33-34.

¹⁰ Ex. 18, Att. 1E.

¹¹ Transcript, pp. 1197, line 28-1198, line 18 (Graham, PG&E).

¹² Transcript, p. 1198, lines 8-18 (Graham, PG&E).