

January 31, 2013

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Street, Room 5222
San Francisco, CA 94102Re: Core Procurement Incentive Mechanism
Cumulative Monthly Report - November 1-30, 2012

Dear Mr. Clanon:

The Gas Accord Decision requires PG&E to file annual and quarterly Core Procurement Incentive Mechanism (CPIM) reports.¹ However, the Division of Ratepayer Advocates (DRA) has requested that PG&E submit monthly reports. In order to fulfill to the Commission's reporting requirement and honor DRA's request, PG&E hereby submits its Cumulative Monthly CPIM Report, covering the period of November 1-30, 2012. PG&E will submit Cumulative Monthly CPIM Reports, showing data through each successive month to the end of the annual CPIM period.

The attached Cumulative Monthly CPIM Report documents gas costs, revenues and benchmark calculations from November 1, 2012 through November 30, 2012. It also includes hedging transactions in accordance with the Settlement Agreement integrating hedging into² CPIM. This report reflects the latest, necessarily final information, but calculations may be updated in subsequent reports. This report is submitted for informational purposes only. PG&E's actual CPIM performance and any resulting incentives or penalties are determined on the basis of an annual CPIM cycle.

This report also fulfills PG&E's obligation paragraph B.4. of Appendix A to Decision 02-07-037, to report short-term releases of capacity from the Natural Gas Company interstate pipeline.

¹ Sixth Interim Order, D.97-08-055, p. 65, para. 10. PG&E's first quarterly report covering the period November 1, 1998 through January 31, 1999 was submitted March 31, 1999.

² Order Instituting Rulemaking to address the Gas Utilities' Incentive Mechanisms and the Treatment of Hedging Those Incentive Mechanisms.

Mr. Paul Clanon
January 31, 2013
Page 2

This report is furnished to DRA and the Commission's Energy Division on a confidential basis pursuant to G.O. 66-C and Public Utilities Code, Section 583.

If you have any questions, please contact Redacted.

Sincerely,



Erik B. Jacobson
Sr. Director - Regulatory Relations

Attachment

cc: electronic w/pdf of attachment
Richard Myers, Energy Division (copy & electronic)
Eugene Cadenasso, Energy Division
Franz Cheng, Energy Division
Belinda Gatti, Energy Division
R. Mark Pocta, Division of Ratepayer Advocates (copy & electronic)
Nancy Gonzales, Division of Ratepayer Advocates
Kelly C. Lee, Division of Ratepayer Advocates
David Peck, Division of Ratepayer Advocate
Pearlie Sabino, Division of Ratepayer Advocates