Sheet 1

APPLICABILITY: This rule is applicable to the extension of gas Distribution Mains* necessary to furnish Permanent Service to Applicants, and will be made in accordance with the following provisions:

A. GENERAL

1. DISTRIBUTION MAIN EXTENSION BASIS

a. DESIGN. PG&E will be responsible for planning, designing, and engineering Distribution Main Extensions using PG&E's standards for material, design, and construction. Applicants may elect to use the Applicant Design Option provisions of this Rule to design that portion of the new Distribution Main Extension normally designed by PG&E.

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- b. OWNERSHIP. The Distribution Main Extension facilities installed under the provisions of this Rule shall be owned, operated, and maintained by PG&E, except for Substructures and enclosures that are on, under, within, or part of a building or structure.
- c. PRIVATE LINES. PG&E shall not be required to serve any Applicant from Distribution Main Extension facilities that are not owned, operated, and maintained by PG&E.

2. DISTRIBUTION MAIN EXTENSION LOCATIONS

- a. RIGHTS-OF-WAY. PG&E will own, operate, and maintain Distribution Main Extension facilities only:
 - along public streets, alleys, roads, highways, and other publicly dedicated ways and places which PG&E has the legal right to occupy (franchise areas), and
 - 2) on public lands and private property across which easements and permits satisfactory to PG&E may be obtained without cost to or condemnation by PG&E.
- b. NORMAL ROUTE OF LINE. The length and normal route of a Distribution Main Extension will be determined by PG&E and considered as the distance along the shortest, most practical, available, and acceptable route which is clear of obstructions from PG&E's nearest permanent and available distribution facility to the point from which the service facilities will be connected.

(Continued)

Advice Letter No: 2452-G Issued b
Decision No. 97-12-099 Karen A. Tol

Issued by

Karen A. Tomcala

Vice President

Resolution No.

Regulatory Relations

April 9, 2003 May 19, 2003

Certain words beginning with capital letters are defined either within the provisions of this rule or in Section I of this rule.

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GAS RULE NO. 15 GAS MAIN EXTENSIONS

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Sheet 2

A. GENERAL (Cont'd.)

- SPECIAL OR ADDED FACILITIES. Any special or added facilities PG&E agrees
 to install at the request of Applicant will be installed at Applicant's expense in
 accordance with Rule 2—Description of Service.
- 4. TEMPORARY SERVICE. Facilities installed for temporary service or for operations of speculative character or questionable permanency shall be made in accordance with the fundamental installation and ownership provisions of this rule, except that all charges and refunds shall be made under the provisions of Rule 13—Temporary Service.
- 5. SERVICES. Service facilities connected to the Distribution Mains to serve a customer's premises will be installed, owned, and maintained as provided in Rule 16—Gas Service Extensions.
- CONTRACTS. Each Applicant requesting a Distribution Main Extension may be required to execute a written contract(s) prior to PG&E performing its work on the Distribution Main Extension. Such contracts shall be in the form on file with the California Public Utilities Commission (Commission).

B. INSTALLATION RESPONSIBILITIES

- APPLICANT RESPONSIBILITY. In accordance with PG&E's design, specifications, and requirements, Applicant is responsible for:
 - a. SUBSTRUCTURES. Furnishing, installing, and upon acceptance by PG&E, conveying to PG&E ownership of all necessary installed Substructures; and,
 - PROTECTIVE STRUCTURES. Furnishing, installing, and upon acceptance by PG&E, conveying to PG&E ownership of all necessary Protective Structures.

(Continued)

Advice Letter No: 2081-G Decision No. 97-12-098 Issued by
Thomas E. Bottorff
Vice President
Rates Account Services

Date Filed Effective Resolution No. May 11, 1998 July 1, 1998

Sheet 3

B. INSTALLATION RESPONSIBILITIES (Cont'd.)

2. PG&E RESPONSIBILITY. PG&E is responsible for the installation of Distribution Main, valves, regulators, and other related distribution equipment required to complete the Distribution Main Extension, including all necessary Trenching, backfilling, and other digging as required.

(T)

The Applicant may elect to provide the trench, as discussed in Section B.3.b. If Applicant chooses to perform the Trenching, it must also secure permits from the governmental authority having jurisdiction. If Applicant qualifies for an extension allowance under Section C, PG&E will provide Applicant with a reimbursement or credit for PG&E's project-specific estimated cost-per-foot of trench.

3. INSTALLATION OPTIONS

- PG&E-PERFORMED WORK. Where requested by Applicant and mutually agreed upon, PG&E may furnish and install the Substructures and/or Protective Structures, provided Applicant pays PG&E its total estimated installed cost.
- p. APPLICANT-PERFORMED WORK. Applicant may elect to install that portion of the new Distribution Main Extension normally installed by PG&E, in accordance with PG&E's design and specifications, using qualified contractors. (See Section G, Applicant Installation Option.)

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C. EXTENSION ALLOWANCES

1. GENERAL. PG&E will complete a Distribution Main Extension without charge provided PG&E's total estimated installed cost does not exceed the allowances from bona-fide loads to be served by the Distribution Main Extension within a reasonable time, as determined by PG&E. The allowance will first be applied to the Residential Service Facilities, in accordance with Rule 16. Any excess allowance will be applied to the Distribution Main Extension to which the Service Extension is connected. The allowance for non-residential applicants will be applied to the combined refundable cost of the Distribution and Service Extensions.

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(Continued)

Advice Letter No: 2081-G Decision No. 97-12-098 Issued by **Thomas E. Bottorff** Vice President Rates Account Services Date Filed Effective Resolution No. May 11, 1998 July 1, 1998

Sheet 4

- C. EXTENSION ALLOWANCES (Cont'd.)
 - 2. BASIS OF ALLOWANCES. Allowances shall be granted to an Applicant for Permanent Service; or to an Applicant for a subdivision or development under the following conditions:
 - a. PG&E is provided evidence that construction will proceed promptly and financing is adequate; and
 - Applicant has submitted evidence of building permit(s) or fully-executed home purchase contract(s) or lease agreement(s); or
 - c. Where there is equivalent evidence of occupancy or gas usage satisfactory to PG&E.

The allowances in Section C.3 and C.4 are based on a revenue-supported methodology using the following formula:

Net Revenue
Allowance = Cost-of-Service Factor

where the Cost of Service Factor is the annualized utility-financed Cost of Ownership as stated in Gas Rule 2.

 RESIDENTIAL ALLOWANCES. The allowance for Distribution Main Extensions, Service Extensions, or a combination thereof, for Permanent Residential Service per meter or residential dwelling unit, on a per-unit basis, is as follows:

Water Heating	\$5	29	(I)
Space Heating			
Öven/Range			
Dryer Stub	\$	22	(R)

(Continued)

Advice Letter No: Decision No.

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3282-G

Issued by **Brian K. Cherry**Vice President
Regulation and Rates

Date Filed Effective Resolution No.

March 1, 2012 August 8, 2012

Sheet 5

EXTENSION ALLOWANCES (Cont'd.)

NON-RESIDENTIAL ALLOWANCES. The allowance for Distribution Main Extensions, Service Extensions, or a combination thereof, for Permanent Non-Residential service is determined by PG&E using the formula in Section C.2.

Where the Distribution Main Extension will serve a combination of residential and non-residential meters, residential allowances will be added to the non-residential allowances.

SEASONAL, INTERMITTENT, AND INSIGNIFICANT LOADS. When Applicant requests service that requires an extension to serve loads that are seasonal or intermittent, the allowance for such loads shall be determined using the formula in Section C.2. No allowance will be provided where service is used only for emergency purposes, or for Insignificant Loads.

CONTRIBUTIONS OR ADVANCES BY APPLICANT

GENERAL. Contributions or Advances by an Applicant to PG&E for the installation of a Distribution Main Extension to receive PG&E service consists of such things as cash payments, the value of the facilities deeded to PG&E, and the value of Trenching performed by Applicant.

(D)

- PROJECT-SPECIFIC COST ESTIMATES. PG&E's total estimated installed cost (D) (T)will be based on a project-specific estimated cost.
- CASH ADVANCE. A cash advance will only be required if Applicant's excess (T)allowance is less than PG&E's total estimated installed cost to complete a Distribution Main Extension.

(Continued)

Advice Letter No: 2209-G-B Decision No. 99-06-079

Issued by DeAnn Hapner Vice President Regulatory Relations Date Filed Effective Resolution No. January 12, 2001 April 1, 2001

Sheet 6

- D. CONTRIBUTIONS OR ADVANCES BY APPLICANT (Cont'd.)
 - 4. POSTPONEMENT. At PG&E's option, the payment of that portion of such an advance that PG&E estimates would be refunded within six (6) months under provisions of this rule may be postponed for six (6) months if: (1) PG&E is provided evidence the construction will proceed promptly and financing is adequate; (2) Applicant has submitted evidence of building permits(s) or fully executed home purchase contract(s) or lease agreement(s); or (3) where there is equivalent evidence of occupancy or gas usage satisfactory to PG&E; and (4) Applicant agrees in writing to pay at the end of six (6) months all amounts not previously Advanced.
 - 5. TAX. All Contributions and Advances by Applicant are taxable and shall include an Income Tax Component Contribution (ITCC) at the rate provided in PG&E's Preliminary Statement. ITCC Tax will be either refundable or non-refundable in accordance with the corresponding Contribution.
 - REFUNDABLE AND NON-REFUNDABLE AMOUNTS. Applicant shall advance or contribute, before the start of PG&E's construction, the following:
 - a. REFUNDABLE AMOUNT. Applicant's refundable amount is the portion of PG&E's total estimated installed cost, including taxes, to complete the Distribution Main Extension (including distribution regulators, PG&E's estimated value of the Distribution Trenching, and any non-residential service facilities, and excluding Betterment), that exceeds the amount of the Distribution Main Extension allowance determined in Section C; or,
 - NON-REFUNDABLE DISCOUNT OPTION. In lieu of contributing the refundable amount determined in Section D.6.a, Applicant has the option of contributing, on a non-refundable basis, fifty percent (50%) of such refundable amount, plus
 - c. OTHER NON-REFUNDABLE AMOUNTS. Applicant's non-refundable amount is PG&E's estimated value of the Substructures, Protective Structures, required by PG&E for the Distribution Main Extension under Section B.1.
 - JOINT APPLICANTS. The total Contribution or Advance from a group of Applicants will be apportioned among the members of the group in such manner as they may mutually agree.

(Continued)

Advice Letter No: 3248-G Decision No.

G Issued by **Brian K. Cherry** Vice President Regulation and Rates Date Filed Effective Resolution No. October 14, 2011 November 14, 2011

Sheet 7

- CONTRIBUTIONS OR ADVANCES BY APPLICANT (Cont'd.)
 - PAYMENT ADJUSTMENTS.
 - CONTRACT COMPLIANCE. If, after six (6) months following the date PG&E is first ready to serve residential loads for which allowances were granted (one (1) year for non-residential loads), Applicant fails to take service, or fails to use the service contracted for, Applicant shall pay PG&E an additional Contribution or Advance, based on the allowances for the revenues actually generated.
 - EXCESS FACILITIES. If the loads provided by Applicant(s) result in PG&E installing facilities which are in excess of those needed to serve the actual loads. and PG&E elects to reduce such excess facilities, Applicant shall pay PG&E its estimated total cost to remove, abandon, or replace its excess facilities, less the estimated salvage value of any removed facilities.

E. REFUND BASIS

GENERAL. Refunds are based on the allowances and conditions in effect at the time the contract is signed. Residential Allowances: the allowance in excess of that needed for the Residential Service Extension in accordance with Rule 16 will be applied to the Distribution Main Extension to which the Service Extension is connected. Non-Residential Allowances: the allowances for non-residential applicants will be applied to the combined refundable cost of the Distribution and Service Extension.

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- TOTAL REFUNDABLE AMOUNT. The total amount subject to refund is the sum of the refundable amounts made under Section D.7.
- REFUND PERIOD. The total refundable amount is subject to refund for a period of ten (10) years after the Distribution Main Extension is first ready for service.
- RESIDENTIAL. Refunds will be made on the basis of a new customer's Permanent Load which produces additional revenues to PG&E. The refund will be deducted from the total refundable amount, and the remaining amount subject to refund represents that portion of the Distribution Main Extension cost not supported by revenues. (See Section E.11 for series refund provisions.)
- NON-RESIDENTIAL. PG&E shall be responsible for reviewing Applicant's actual base annual revenue for the first three (3) years from the date PG&E is first ready to serve. Applicant shall be responsible for notifying PG&E if new, permanent load is added from the fourth (4th) through the tenth (10th) year from the date first ready to serve. Such review shall determine if the additional revenue supports any refunds to the Applicant. (See Section E.11 for series refund provisions.)

(Continued)

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Issued by Brian K. Cherry Vice President Regulation and Rates

Date Filed Effective Resolution No.

October 14, 2011 November 14, 2011

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Sheet 8

E. REFUNBASIS (Cont'd.)

- 6. UNSUPPORTEDTREUTIONMAINEXTENSIONOST. Whenany portion of a refundable amount has not qualified for a refund at the end of thirty-six (36) months from the date PG&Es first ready to serve, Applicant will pay to PG&Es monthly Cost of Ownershipcharge (Gas Rule 2 applicant-financed Cost (T) of Ownershippercentage) on the remaining refundable balance. Monthly Cost of Ownershipcharges are in addition to the refundable amount, and will normally(Tipe accumulated and deducted from refunds due Applicant. This provision does not apply to individual residential Applicants.
- REFUNDIMING. Refunds will be madewithout interest within ninety (90) days
 after the date of first service to new permanent loads, except that refunds may be
 accumulated to a fifty dollar (\$50) minimum,or the total refundable balance, if
 less than fifty dollars (\$50).
- 8. MAXIMUMEFUND. No refund shall be made in excess of the refundable amount nor after a period of ten (10) years from the date PG&Es first ready to serve. Any unrefunded amount remaining at the end of the ten (10) year period shall becomethe property of PG&E.
- PREVIOURULES. Refundable amounts paid, Contributed, or Advanced under conditions of a rule previously in effect will be refunded in accordance with the provisions of such earlier rule.
- 10. JOINTAPPLICANTS.Whentwo (2) or more parties make joint Contributions or Advances on the same Distribution Main Extension, refunds will be distributed to these parties in the same proportion as their individual Contributions or Advances bear to the total refundable amount, or as they may mutually agree.
- 11. SERIESOF DISTRIBUTIONMAINEXTENSIONS. Wherethere are a series of Distribution Main Extensions, commencing with a Distribution Main Extension having an outstanding amount subject to refund, and each Distribution Main Extension is dependent upon the previous Distribution Main Extension as a direct source of supply, a series refund will be madeas follows:
 - a. Additional service connections supplied from a Distribution Main Extension on which there is a refundable amount will provide refunds first to the Distribution Main Extension to which they are connected; and
 - b. Whenthe amount subject to refund on a Distribution Main Extension in a series is fully refunded, the excess refundable amount will provide refunds to the Distribution Main Extension having the oldest outstanding amount subject to refund in the series.

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Advice Letter No: 2885-G-A Decision No. 07-07-019 Issued by Brian K. Cherry Vice President Regulatory Relations Date Filed
Effective
Resolution No.

February 20, 2008 May 12, 2008

Sheet 9

F. APPLICANT DESIGN OPTION

(T)

- 1. COMPETITIVE BIDDING. When Applicant selects competitive bidding, the Distribution Main Extension may be designed by Applicant's qualified contractor or sub-contractor, but the design must be in accordance with PG&E's design and construction standards. All applicant design work of gas and electric facilities must be performed by or under the direction of a licensed professional engineer and all design work submitted to PG&E must be certified by an appropriately licensed professional engineer, consistent with the applicable federal, state, and local codes and ordinances. The applicant design option is available to Applicants for new service and is not available for replacement, reinforcement, or relocation of existing systems, where there is no applicant for new line or service extension work. Under this option, the following applies:
 - a. Applicant shall notify PG&E, in a manner acceptable to PG&E.
 - b. Applicant designs shall conform to all applicable federal, state and local codes and ordinances for utility installations (such as, but not limited to the California Business and Professions Code).
 - c. PG&E may require applicant designers to meet its pre-qualification requirements prior to participating in applicant design.
 - Applicant designers shall obtain PG&E's design and construction standards and specifications prior to performing applicant design. PG&E may charge for any of these services.

(Continued)

Advice Letter No: 2452-G Decision No. 97-12-099 Issued by **Karen A. Tomcala** Vice President Regulatory Relations Date Filed Effective Resolution No. April 9, 2003 May 19, 2003

Cancelling

Sheet 10

F. APPLICANT DESIGN OPTION (Cont'd.)

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- 1. COMPETITIVE BIDDING (Cont'd.)
 - e. PG&E will perform one plan check on each applicant design project at no expense to Applicant. All subsequent plan checks will be at Applicant's expense.
 - f. For designs performed by a non-utility designer, PG&E will credit Applicant with the amount of PG&E's design bid less appropriate charges such as for plan checking, changes, or revisions.
 - g. In the case of Applicant designed projects requiring an advance, PG&E will deduct the design credit from Applicant's advance.
 - h. If no advance is required, PG&E will reimburse/refund the Applicant for the cost of the design after the Distribution Main Extension is first ready to serve.
 - PG&E shall perform all project accounting and cost estimating.

(D)

(Continued)

Advice Letter No: 2452-G Decision No. 97-12-099 Issued by **Karen A. Tomcala**Vice President
Regulatory Relations

Date Filed Effective Resolution No. April 9, 2003 May 19, 2003

Sheet 11

G. APPLICANT INSTALLATION OPTION

- 1. COMPETITIVE BIDDING. When Applicant selects competitive bidding, the Distribution Main Extension may be installed by Applicant's qualified contractor or subcontractor in accordance with PG&E design and specifications. Under this option, the following applies:
 - a. Upon completion of Applicant's installation, and acceptance by PG&E, (T) ownership of such facilities will transfer to PG&E.
 - b. Applicant shall provide to PG&E, prior to PG&E preparing the line extension contact, the Applicant's Contract Anticipated Costs subject to refund to perform the work normally provided by PG&E. The Applicant shall submit, on a form provided by PG&E, a statement of such costs. If the Applicant elects not to provide such costs to PG&E, the Applicant shall acknowledge its election on the form and PG&E will use its estimated costs.
 - Applicant shall pay to PG&E, subject to the refund and allowance provisions
 of Rules 15 and 16, PG&E's estimated cost of work performed by PG&E for
 the Distribution Main Extension, including the estimated costs of design,
 administration, and installation of any additional facilities.
 - d. The lower of PG&E's estimated refundable costs, or Applicant's Contract
 Anticipated Costs, as reported in G.1.b., for the work normally performed by
 PG&E, shall be subject to the refund and allowance provisions of Rules 15
 (N)
 and 16.
 - e. Applicant shall pay to PG&E the estimated cost of PG&E's inspection, which shall be a fixed amount not subject to reconciliation. Such inspection costs may be subject to otherwise available allowances up to the difference between the Applicant's Contract Anticipated Costs as reported in G.1.b. and PG&E's estimated costs for performing the same work, but not to exceed PG&E's estimated costs. (N)
 - f. Only duly authorized employees of PG&E are allowed, to connect to, disconnect from, or perform any work upon PG&E's facilities.

(Continued)

 Advice Letter No:
 2458-G-C
 Issued by
 Date Filed
 April 21, 2004

 Decision No.
 03-03-032 03-08-078
 Karen A. Tomcala
 Effective
 July 1, 2004

Vice President Resolution No.
Regulatory Relations

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Sheet 12

G. APPLICANT INSTALLATION OPTION (Cont'd.)

- (L)
- MINIMUM CONTRACTOR QUALIFICATIONS. Applicant's contractor or subcontractor (QC/S) shall:
 - Be licensed in California for the appropriate type of work, such as, but not limited to, gas and general.
 - Employ workmen properly qualified for the specific skills required (plastic fusion, welding, etc.).
 - Comply with applicable laws (Equal Opportunity regulations, OSHA, EPA, etc.)
- OTHER CONTRACTOR QUALIFICATIONS. An Applicant for service who intends to employ a QC/S also should consider whether the QC/S:
 - Is technically competent.
 - Has access to proper equipment.
 - Demonstrates financial responsibility commensurate with the scope of the contract.
 - Has adequate insurance coverage (worker's compensation, liability, property damage, etc.).
 - Is able to furnish a surety bond for performance of the contract, if required.

(Continued)

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Advice Letter No: April 21, 2004 2458-G-C Issued by Date Filed Effective 03-03-032 03-08-078 Decision No. Karen A. Tomcala July 1, 2004

03-09-054 Resolution No.

Vice President Regulatory Relations



Sheet 13

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H. SPECIAL CONDITIONS

FACILITY RELOCATION OR REARRANGEMENT. Any relocation or rearrangement of PG&E's existing facilities, at the request of or to meet the convenience of an Applicant or customer, and agreed upon by PG&E, normally shall be performed by PG&E at Applicant's expense. Where new facilities can be constructed in a separate location, before abandonment or removal of any existing facilities, and Applicant requests to perform the new construction work, it can be performed under the applicable provisions of Section G, Applicant Installation Options.

In all instances, PG&E shall abandon or remove its existing facilities at the option of PG&E. Applicant or customer shall be responsible for the costs of all related relocation, rearrangement, and removal work.

PERIODIC REVIEW. PG&E will periodically review the factors it uses to determine its residential allowances, nonrefundable discount option percentage rate, and cost of service factor stated in this rule. If such review results in a change of more than five percent (5%), PG&E will submit a tariff revision proposal to the Commission for review and approval. Such proposed changes shall be submitted no sooner than six (6) months after the last revision.

Additionally, PG&E shall submit by advice letter proposed tariff revisions, which result from other relevant Commission decisions, to the allowance formula for calculating line and service extension allowances.

(Continued)

Advice Letter No: 2458-G-C Date Filed April 21, 2004 Issued by 03-03-032 03-08-078 Decision No. Karen A. Tomcala Effective July 1, 2004

> Vice President Resolution No. Regulatory Relations

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03-09-054



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Sheet 14

SPECIAL CONDITIONS (Cont'd.)

- 3. EXCEPTIONAL CASES. When the application of this rule appears impractical or unjust to either party or the ratepayers, PG&E or Applicant may refer the matter to the Commission for a special ruling, or for the approval of special condition(s) which may be mutually agreed upon.
- SERVICE FROM TRANSMISSION LINES. PG&E will not tap a gas transmission line except at its option, when conditions in its opinion justify such a tap. Such taps are made in accordance with the provisions of this rule.

DEFINITIONS FOR RULE 15 ١.

ADVANCES: Cash payments made to PG&E prior to the initiation of any work done by PG&E which is not covered by allowances.

APPLICANT: A person or agency requesting PG&E to supply gas service.

APPLICANT'S CONTRACT ANTICIPATED COST: The cost estimate provided by the Applicant's contractor to the Applicant for performing the applicable refundable work, as stated on the Statement of Applicant's Contract Anticipated Costs (Form 79-1003), or in the case where the work is performed by the Applicant, the Applicant's own cost estimate on the signed form.

(N) (N)

BETTERMENT: Facilities installed for PG&E's operating convenience such as, but not limited to the following: to improve gas flow or correct poor pressure conditions, to increase line capacity available to an existing system, to permit pressure conversion of an area, or to install proportionally larger pipe than necessary to provide for future load growth, will be installed at the expense of PG&E.

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(Continued)

Advice Letter No: 2458-G-C Date Filed April 21, 2004 Issued by 03-03-032 03-08-078 Decision No. Karen A. Tomcala Effective July 1, 2004

> Vice President Resolution No. Regulatory Relations

14C1

03-09-054

Sheet 15

DEFINITIONSFORRULE15 (Cont'd.) 1.

CONTRIBUTIONIn-kind services, and/or the value of all property conveyed to PG&Eat any time during PG&E'swork on an extension which is part of PG&E'stotal estimated installed cost of its facilities. or cash payments not covered by Applicant's allowances.

COST-OF-SERVICECTOR: The annualized utility-financed Cost of Ownership as presented in monthly format and stated in Gas Rule 2 that includes taxes, return, (T) depreciation and is applied to the Net Revenueto determine PG&E'sinvestment in distribution facilities.

DISTRIBUTION AINEXTENSION: The length of main and its related facilities required to transport gas from the existing distribution facilities to the point of connection with the service pipe.

A Distribution Main Extension consists of new distribution facilities of PG&Hhat are required to extend service into an open area not previously supplied to serve an It is a continuation of, or branch from, the nearest available existing Main, to the point of connection of the last service. permanent Distribution PG&E's Distribution Main Extension includes any required Substructures and facilities for transmission taps but excludes service connections, services, and meters.

DISTRIBUTIONMAINS: Mains which are operated at distribution pressure, and supply three (3) or more services or run parallel to the property line in a public right-of-way.

(Continued)

Advice Letter No: 2885-G-A Decision No. 07-07-019

15C4

Issued by Brian K. Cherry Vice President Regulatory Relations

Date Filed Effective Resolution No.

February 20, 2008 May 12, 2008

Sheet 16

DEFINITIONSFORRULE15 (Cont'd.) 1.

DISTRIBUTIONMAINS: Mains which are operated at distribution pressure, and supply three (3) or more services or run parallel to the property line in a public right-of-way.

EXCAVATIONAL necessary Trenching, backfilling, and other digging to install Distribution Main Extension facilities, including furnishing of any imported backfill material and disposal of spoil as required, surface repair and replacement and landscape repair and replacement.

FRANCHISÆREA: Public streets, roads, highways, and other public ways and places where PG&Enas a legal right to occupy under franchise agreements with governmental bodies having jurisdiction.

INSIGNIFICANTOADS: Small operating loads such as log lighters, barbecues. outdoor lighting, etc.

INTERMITTENTOADS: Loads which, in the opinion of PG&E, are subject to discontinuance for a time or at intervals.

JOINTTRENCH: Excavation that intentionally provides for more than one service, such as gas, electricity, cable television, telephone, etc.

MONTHLOWNERSHOPHARGE: Cost of Ownership charges (from Gas Rule 2) (N) customer-financed Cost of Ownership percentage) as a percentage rate applied against the outstanding unrefunded refundable balance after thirty six (36) months from the date PG&Es first ready to serve. Serves to recover the cost of operating and maintaining customer-financed facilities that are not fully utilized. (N)

NETREVENUE: That portion of the total rate that supports PG&E's Distribution Main and Service Extension costs and excludes such items as fuel costs, transmission, public purpose programs, and other costs that do not support the Distribution Main and Service Extension costs.

NON-RESIDENTIALLOWANCESTREVENUMBULTIPLIER: This is a revenue-supported factor determined by PG&Ehat is applied to the net revenues expected from non-residential loads to determine non-residential allowances.

(Continued)

Advice Letter No: 2885-G-A 07-07-019 Decision No.

Issued by Brian K. Cherry Vice President Regulatory Relations

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Sheet 17

DEFINITIONS FOR RULE 15 (Cont'd.)

(T)

OWNERSHIP CHARGE: Monthly charge as a percentage rate applied against the outstanding unrefunded refundable balance after thirty-six (36) months from the date PG&E is first ready to serve. Serves to recover the cost of operating and maintaining customer-financed facilities that are not fully utilized.

PERMANENT SERVICE: Service which, in the opinion of PG&E is of a permanent and established character. This may be continuous, intermittent, or seasonal in nature.

PROTECTIVE STRUCTURES: Fences, retaining walls (in lieu of grading), barriers. posts, barricades, and other structures as required by PG&E.

RESIDENTIAL DEVELOPMENT: Five (5) or more dwelling units in two (2) or more buildings located on a single parcel of land.

RESIDENTIAL SUBDIVISION: An area of five (5) or more lots for residential dwelling units which may be identified by filed subdivision plans or an area in which a group of dwellings may be constructed about the same time, either by a builder or several builders working on a coordinated basis.

SEASONAL SERVICE: Gas service to establishments which are occupied seasonally or intermittently, such as seasonal resorts, cottages, or other part-time establishments.

SUBSTRUCTURES: The surface and subsurface structures which are necessary to contain or support PG&E's gas facilities. This includes, but is not limited to, equipment vaults and boxes, required sleeves for street crossings, and enclosures, foundations, or pads for surface-mounted equipment.

TRENCHING: See Excavation.

Advice Letter No: Decision No.

2081-G

97-12-098

Issued by Thomas E. Bottorff Vice President

Rates Account Services

Date Filed Effective Resolution No. May 11, 1998 July 1, 1998

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