

**SUPPLEMENTAL SETTLEMENT AGREEMENT ON  
AGRICULTURAL RATE DESIGN ISSUES  
IN PG&E'S APPLICATION 10-03-014**

**I. INTRODUCTION**

In accordance with Article 12 of the Rules of Practice and Procedure of the California Public Utilities Commission (CPUC), the parties to this Agricultural (Ag) Rate Design Settlement Agreement (Ag Settling Parties) agree on a mutually acceptable outcome to the rate design issues for the Ag class<sup>1</sup> in Application (A.) 10-03-014, of Pacific Gas and Electric Company to Revise Its Electric Marginal Costs, Revenue Allocation, and Rate Design.

This Ag Settlement is supplemental to the Settlement in A.10-03-014 filed with the CPUC on March 14, 2011 (March 14 Settlement), in that it uses the revenue allocation agreed to in the March 14 Settlement and addresses Ag rate design issues that were not resolved in the March 14 Settlement. The Ag Settling Parties respectfully request that the Commission consolidate its decision on this Ag Settlement with its decision on the March 14 Settlement because this Ag Settlement is an extension of and is complementary to the March 14 Settlement Agreement. The details of this Ag Settlement are set forth herein.

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<sup>1</sup> The Ag customer class encompasses and is defined as PG&E customers taking service under Schedules AG-1A/B, AG-4A/B/C, AG-5A/B/C, AG-RA/B, AG-VA/B, and AG-ICE, as described in Exhibit (PG&E-14) Chapter 6. Schedule E-37 is implicitly part of the agricultural class even though Schedule E-37 customers are not agricultural customers. Rate design and rates for Schedules AG-5B and E-37 are identical and are based on the combined billing determinants of Schedule AG-5B and Schedule E-37 customers.

## II. AG SETTling PARTIES

The Ag Settling Parties<sup>2</sup> are as follows:

- Agricultural Energy Consumers Association (AECA)
- California Farm Bureau Federation (CFBF)
- Energy Producers and Users Coalition (EPUC)
- Pacific Gas and Electric Company (PG&E)
- South San Joaquin Irrigation District (SSJID)

## III. AG SETTLEMENT CONDITIONS

This Ag Settlement resolves the issues raised by the Ag Settling Parties in A.10-03-014 on Ag rate design, subject to the conditions set forth below:

1. This Ag Settlement embodies the entire understanding and agreement of the Ag Settling Parties with respect to the matters described, and it supersedes prior oral or written agreements, principles, negotiations, statements, representations, or understandings among the Ag Settling Parties with respect to those matters. This Ag Settlement supplements and is an extension to the March 14 settlement filing, and thus incorporates by reference the terms, boilerplate and all language of that document.
2. This Ag Settlement represents a negotiated compromise among the Ag Settling Parties' respective litigation positions on the matters described, and the Settling Parties have assented to the terms of this Settlement only to

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<sup>2</sup> Although they are not signatories to the Ag Settlement, the California Large Energy Consumers Association (CLECA), Division of Ratepayer Advocates (DRA) and The Utility Reform Network (TURN) participated in the Ag settlement conferences to monitor for potential revenue allocation effects on other classes. These three parties have indicated that they do not oppose the Ag Settlement.

arrive at the agreement embodied herein. Nothing contained in this Ag Settlement should be considered an admission of, acceptance of, agreement to, or endorsement of any disputed fact, principle, or position previously presented by any of the Ag Settling Parties on these matters in this proceeding. Pursuant to Rule 12 of the Commission's Rules of Practice and Procedure, this Ag Settlement does not constitute and should not be used as a precedent regarding any principle or issue in this proceeding or in any future proceeding.

3. The Ag Settling Parties agree that this Ag Settlement is reasonable in light of the testimony submitted, consistent with law, and in the public interest.
4. The Ag Settling Parties agree that no provision of this Ag Settlement shall be construed against any Settling Party because that Settling Party or its counsel or advocate drafted the provision.
5. This Ag Settlement may be amended or changed only by a written agreement signed by the Ag Settling Parties.
6. The Ag Settling Parties shall jointly request Commission approval of this Ag Settlement and shall actively support its prompt approval. Active support shall include written and oral testimony if testimony is required,<sup>3</sup> briefing if briefing is required, comments and reply comments on the proposed decision, advocacy to Commissioners and their advisors as needed, and other appropriate means as needed to obtain the requested approval.

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<sup>3</sup> Any oral or written testimony that the CPUC might require may be prepared jointly among parties with similar interests.

7. The Ag Settling Parties intend the Ag Settlement to be interpreted and treated as a unified, integrated agreement incorporating the March 14 Settlement, which forms the foundation for the Ag rate design agreed to herein. In the event the Commission rejects or modifies this Ag Settlement or the underlying March 14 Settlement, the Ag Settling Parties reserve their rights under CPUC Rule 12.4.

#### **IV. PROCEDURAL AND SETTLEMENT HISTORY**

The overall procedural and settlement history of A.10-03-014 is set forth in Section IV of the March 14 Settlement on Marginal Cost and Revenue Allocation (MCRA) issues in this proceeding. This supplement to the March 14 settlement filing incorporates by reference the terms and boilerplate language of that document.

#### **V. AG SETTLEMENT TERMS**

##### **A. General Terms**

The Ag Settling Parties agree that the primary purpose of rate design for the Ag class is to take the revenue allocations reached for this class in the March 14 Settlement and ensure that they are fully recovered through Ag rates in a manner that is just and reasonable, is in the public interest, is reasonably based on the marginal costs from the March 14 Settlement, and reflects a reasonable compromise of Ag Settling Parties' proposals.

The Ag Settling Parties agree that the illustrative rates set forth herein are consistent with the revenue allocation set forth in Tables 1 and 2 of the March 14 Settlement, which were based on the January 1, 2011 effective rates and revenue requirements. The Ag Settling Parties agree that the actual rates derived at the time of implementation of this Ag Settlement, once adopted by the CPUC, shall be designed to

collect the then-current revenue, modified as prescribed by the MCRA Settlement Agreement.<sup>4</sup> Adopted revenue requirements in effect at the time of settlement implementation shall be applied to determine initial settlement rates. Therefore, the actual rates that will result when the Phase 2 rate changes are implemented will vary from those shown in Exhibit A. However, these actual rates shall be based on the rate design methods described in this Ag Settlement Agreement.

The Ag Settling Parties agree that all testimony served prior to the date of this Ag Settlement that addresses the issues resolved by this Ag Settlement should be admitted into evidence without cross-examination by the parties. However although PG&E believes that at most a protest to the filed Ag Settlement and a corresponding response are necessary to dispose of any contested issues and approval of the Ag Settlement in full, in the event the ALJ orders new testimony or hearings on such issues, testimony on contested Ag Settlement issues, and only those issues, would be subject to cross-examination.

The Ag Settling Parties further agree that this Ag Settlement resolves all Ag rate design issues in A.10-03-014.

**B. Ag Settlement Rates**

**1. Illustrative Ag Settlement Rates**

The Ag Settling Parties agree that rates to collect the revenue allocated to the Ag customer classes under the March 14 Settlement shall be designed consistent with the illustrative rates set forth below and in Exhibit A, for Schedules AG-1A/B, AG-4A/B/C,

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<sup>4</sup> See also Ag Settlement's methodologies relating to revenue allocation issues, in sections of this Settlement further below.

AG-5A/B/C, AG-RA, AG-RB, AG-VA, AG-VB, and E-37.<sup>5</sup> The agreed basic rate designs reflect the MCRA Settling Parties' prior agreement, in the March 14 MCRA Settlement, to a 1.5 percent increase to all schedule average total rates for the agricultural class.

The Ag Settling Parties further agree that the same methods used to determine the illustrative rates provided herein will be applied to the revenue requirement in effect when this Settlement is implemented, as described in Section A. above.

## **2. Methods Used To Develop Illustrative Settlement Rates**

The Ag Settling Parties agree that the basic rate designs for each of the applicable Ag rate schedules will be updated upon implementation of this Ag Settlement using the methods underlying development of the illustrative settlement rates for Schedules AG-1A/B, AG-4A/B/C, AG-5A/B/C, AG-RA, AG-RB, AG-VA, AG-VB, and E-37 set forth in this supplemental Ag Settlement Agreement.

The Ag Settling Parties agree that customer charges for all Ag schedules will increase by 20 percent for all AG-A and AG-B rate schedules, but that AG-4C and AG-5C will remain at their current level. The Ag Settling Parties agree that demand charges and connected load charges shall generally increase by 5 percent, except in certain cases implicit in Exhibit A where distribution and generation revenue assignments to demand charges do not allow a 5 percent increase. The Ag Settling Parties agree that unbundled

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<sup>5</sup> The Lamont PUD proposed to allow non-Ag water pumping accounts to be eligible for Schedule E-37, which, although it is not an Ag rate schedule, currently serves oil pumping customers whom Lamont asserted may have certain similarities with other non-Ag water pumping accounts. Thus, this E-37-related issue was the subject of a compromise set forth in this Ag Settlement. In addition, this Ag Settlement does not include AG-ICE rate design, which is handled separately through annual advice letters, pursuant to D.05-06-016, as stated at pages 6-4 to 6-5 of Exhibit (PG&E-14).

energy charges will be set residually, based on current Distribution and Generation seasonal and Time-Of-Use (TOU) relationships

The above methods shall be used to set initial rates upon implementation of this settlement at then-current revenue requirements using the MCRA Settlement Agreement's revenue allocation principles. All subsequent rate changes until a decision in the next GRC Phase 2 proceeding shall be governed by the principles set forth in the March 14 MCRA Settlement in Section VIII, Section 3, for Rate Changes Between GRCs, except to the extent necessary to assure that all subsequent rate changes adhere to the TOU revenue neutrality methodology set forth in this Ag Settlement (*see* Section 3 below).

### **3. TOU Revenue Neutrality**

The Ag Settling Parties agree that it will be reasonable to adjust the revenue amounts assigned to the AG-4A and AG-4B rate schedules (or other destination TOU rate schedules) over the course of the 2011 General Rate Case cycle to account for those revenue shortfalls that result as current AG-1A and AG-1B customers are reassigned to TOU rate schedules. The revenue adjustment amount will be symmetric if there are net revenue increases rather than revenue shortfalls due to TOU migration. Similarly, the adjustments will be based on all default TOU migrating customers, and will not use only those who saved on their new TOU rate. The adjustments will track those revenue shortfalls that result strictly from structural differences between the current groups of non-TOU versus TOU agricultural rate schedules, net of any shortfalls that should be attributed to customer TOU usage shifts in response to their assignment to TOU rate schedules.

Illustrative revenue adjustments for AG-1A customers defaulting to AG-4A and for AG-1B customers defaulting to AG-4B, for achieving revenue neutrality, are shown in the Excel file *Ag-PGE-Settlement-TOU-Adjust.xls* (provided as Exhibit B hereto). The revenue shortfall amounts will be calculated annually based on 12-month record periods ending September 30, and then applied as adjustments to the following year's rates as set in PG&E's Annual Electric True-Up (AET) proceeding.

The Settling Parties agree that the TOU revenue-neutrality adjustments will be made using the following methodology:

1. The revenues that would have been billed to the migrating customers under both the pre-migration schedule and their new TOU schedules will be calculated. The net difference, accounting for both positive and negative revenue amounts, will be used to develop the initial or "nominal" shortfall amounts for each TOU schedule.
2. A comparison of the pre-migration and post-migration TOU load shapes for the migrating customers will be used to estimate the change in revenue due to load shapes. Any changes in revenues due to TOU load shape changes will be used to adjust the nominal revenue shortfalls for each TOU schedule, resulting in the Adjusted Shortfall Amounts to be applied as adjustments in the AET. For customers migrating to AG-4B, AG-5B (if applicable), or AG-5C (if applicable), these adjustments will also consider changes in revenues attributable to changes in summer on-peak demand utilization.
3. The "original peak TOU shares" of the migrated customers (and original ratios of summer-season kWh to on-peak kW, for the customers migrating to AG-4B, AG-5B, or AG-5C) will be calculated using actual peak-period TOU shares and demand utilization ratios from the 12-month period before the customers were assigned to their new TOU rate. For each subsequent year, the baseline usage will be from the 12 months prior to the migration, even if a migrated customer has been on a TOU schedule for more than a year.
4. Revenues associated with peak day pricing discounts and revenues shall be excluded from this analysis.
5. The TOU revenue-neutrality adjustment will only apply to load billed before the 2014 GRC Phase 2 rates take effect. Settling Parties anticipate that adjustments will be applied only to the 2014 and 2015 AET rates. The 2014 AET adjustment will reflect those customers assigned to new TOU rates in 2013, and will reflect

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
<b>AG RA</b>						
<b>DEMAND CHARGE (\$/hp of connected load)</b>						
Summer						
Maximum	210,552	\$4.84	1,019,072	210,552	\$5.08	1,070,025
Winter						
Maximum	210,552	\$0.78	164,231	210,552	\$0.82	172,442
Revenue from Demand Charges			1,183,302			1,242,467
Revenue from Demand as % of Total			22.07%			22.83%
<b>ENERGY CHARGE (\$/kWh)</b>						
Summer						
Peak	1,158,207	\$0.37715	436,818	1,158,207	\$0.39183	453,824
Off-Peak	16,904,121	\$0.13495	2,281,211	16,904,121	\$0.14000	2,366,538
Winter						
Part-Peak	2,611,673	\$0.13787	360,071	2,611,673	\$0.14277	372,863
Off-Peak	4,397,326	\$0.11474	504,549	4,397,326	\$0.11826	520,042
Revenue from Energy Charges			3,582,650			3,713,266
Revenue from Energy as % of Total			66.82%			68.23%
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>						
Ag RA	28,104	\$14.40	404,698	28,104	\$17.30	486,199
Revenue from Customer Charges			404,698			486,199
Revenue from Customer Chrg as % of Total			7.55%			8.93%
<b>METER CHARGE (\$/meter/mo.)</b>						
Ag RA	28,104	\$6.80	191,107	28,104	\$0.00	0
Revenue from Meter Charges			191,107			0
Revenue from Meter Chrg as % of Total			3.56%			0.00%
			<b>5,361,757</b>			<b>5,441,933</b>
			Total Rev			Total Rev
						1.5%

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2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
AG VA						
<b>DEMAND CHARGE (\$/hp of connected load)</b>						
Summer						
Maximum	163,503	\$4.86	794,623	163,503	\$5.10	834,354
Winter						
Maximum	163,538	\$0.81	132,466	163,538	\$0.85	139,089
Revenue from Demand Charges			927,089			973,444
Revenue from Demand as % of Total			22.24%			23.01%
<b>ENERGY CHARGE (\$/kWh)</b>						
Summer						
Peak	1,334,307	\$0.35196	469,623	1,334,307	\$0.36595	488,285
Off-Peak	12,507,735	\$0.13241	1,656,149	12,507,735	\$0.13729	1,717,131
Winter						
Part-Peak	2,023,595	\$0.13859	280,450	2,023,595	\$0.14351	290,406
Off-Peak	3,222,364	\$0.11542	371,925	3,222,364	\$0.11896	383,328
Revenue from Energy Charges			2,778,147			2,879,150
Revenue from Energy as % of Total			66.66%			68.06%
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>						
Ag VA	21,816	\$14.40	314,150	21,816	\$17.30	377,417
			(\$/meter/day) .47310			(\$/meter/day) .56838
Revenue from Customer Charges			314,150			377,417
Revenue from Customer Chrg as % of Total			7.54%			8.92%
<b>METER CHARGE (\$/meter/mo.)</b>						
	21,816	\$6.80	148,349	21,816	\$0.00	0
			(\$/meter/day) .22341			(\$/meter/day) .00000
Revenue from Meter Charges			148,349			0
Revenue from Meter Chrg as % of Total			3.56%			0.00%
			<b>4,167,735</b>			<b>4,230,011</b>
			Total Rev			Total Rev
						1.5%

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
AG 4A	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
<b>DEMAND CHARGE (\$/hp of connected load)</b>						
Summer						
Maximum	1,060,285	\$4.83	5,121,176	1,060,285	\$5.07	5,377,234
Winter						
Maximum	1,060,289	\$0.71	752,805	1,060,289	\$0.75	790,445
<b>Revenue from Demand Charges</b>			5,873,980			6,167,680
<b>Revenue from Demand as % of Total</b>			22.70%			23.48%
<b>ENERGY CHARGE (\$/kWh)</b>						
Summer						
Peak	9,748,544	\$0.28793	2,806,898	9,748,544	\$0.30051	2,929,565
Off-Peak	78,934,147	\$0.13341	10,530,605	78,934,147	\$0.13804	10,895,771
Winter						
Part-Peak	10,797,868	\$0.13800	1,490,106	10,797,868	\$0.14278	1,541,701
Off-Peak	20,567,414	\$0.11510	2,367,309	20,567,414	\$0.11854	2,438,140
<b>Revenue from Energy Charges</b>			17,194,918			17,805,177
<b>Revenue from Energy as % of Total</b>			66.44%			67.78%
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>	132,672	\$14.40	1,910,477	132,672	\$17.30	2,295,226
			(\$/meter/day) .47310			(\$/meter/day) .56838
<b>Revenue from Customer Charges</b>			1,910,477			2,295,226
<b>Revenue from Customer Chrg as % of Total</b>			7.38%			8.74%
<b>METER CHARGE (\$/meter/mo.)</b>	132,672	\$6.80	902,170	132,672	\$0.00	0
			(\$/meter/day) .22341			(\$/meter/day) .00000
<b>Revenue from Meter Charges</b>			902,170			0
<b>Revenue from Meter Chrg as % of Total</b>			3.49%			0.00%
			25,881,545			26,268,082
			Total Rev			Total Rev
						1.5%

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
AG SA						
DEMAND CHARGE (\$/hp of connected load)						
Summer						
Maximum	269,390	\$7.94	2,138,959	269,390	\$8.34	2,245,907
Winter						
Maximum	269,123	\$1.43	384,846	269,123	\$1.50	404,089
Revenue from Demand Charges			2,523,806			2,649,996
Revenue from Demand as % of Total			19.63%			20.31%
ENERGY CHARGE (\$/kWh)						
Summer						
Peak	8,801,024	\$0.22220	1,955,588	8,801,024	\$0.22889	2,014,430
Off-Peak	41,806,314	\$0.11662	4,875,452	41,806,314	\$0.11908	4,978,400
Winter						
Part-Peak	9,428,195	\$0.12239	1,153,917	9,428,195	\$0.12514	1,179,804
Off-Peak	14,634,174	\$0.10470	1,532,198	14,634,174	\$0.10663	1,560,441
Revenue from Energy Charges			9,517,155			9,733,074
Revenue from Energy as % of Total			74.02%			74.59%
CUSTOMER CHARGE (\$/meter/mo.)	38,507	\$14.40	554,497	38,507	\$17.30	666,166
			(\$/meter/day) .47310			(\$/meter/day) .56838
Revenue from Customer Charges			554,497			666,166
Revenue from Customer Chrg as % of Total			4.31%			5.11%
METER CHARGE (\$/meter/mo.)	38,507	\$6.80	261,846	38,507	\$0.00	0
			(\$/meter/day) .22341			(\$/meter/day) .00000
Revenue from Meter Charges			261,846			0
Revenue from Meter Chrg as % of Total			2.04%			0.00%
			12,857,302			13,049,236
			Total Rev			Total Rev
						1.5%

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled			Billing Determinants		
AG 1B	Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
<b>DEMAND CHARGE (\$/kW)</b>						
Summer						
Maximum	1,513,812	\$8.15	12,337,572	1,513,812	\$8.56	12,954,450
Winter						
Maximum	1,098,934	\$1.64	1,802,252	1,098,934	\$1.72	1,892,364
Revenue from Demand Charges			14,139,824			14,846,815
Revenue from Demand as % of Total			22.52%			23.30%
<b>ENERGY CHARGE (\$/kWh)</b>						
Summer	194,016,342	\$0.18140	35,194,564	194,016,342	\$0.18113	35,142,225
Winter	80,905,931	\$0.14320	11,585,729	80,905,931	\$0.14214	11,500,314
Revenue from Energy Charges			46,780,294			46,642,539
Revenue from Energy as % of Total			74.52%			73.20%
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>						
	96,772	\$19.20	1,858,023	96,772	\$23.00	2,225,756
			.63080			.75565
Revenue from Customer Charges			1,858,023			2,225,756
Revenue from Customer Chrg as % of Total			2.96%			3.49%
			62,778,140			63,715,111
			Total Rev			Total Rev
						1.5%
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>						
Summer		(\$0.88)			(\$0.92)	
Winter		(\$0.22)			(\$0.23)	

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

**JANUARY 1, 2011 RATES**

**ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT**

AG RB	Bundled				Billing Determinants			
	Billing Determinants	Total Rate	Revenue		Billing Determinants	Total Rate	Revenue	
<b>DEMAND CHARGE (\$/kW)</b>								
Summer								
Peak	67,165	\$2.63	176,643		67,165	\$2.76	185,475	
Maximum	170,149	\$6.72	1,143,405		170,149	\$7.06	1,200,575	
Winter								
Maximum	113,164	\$1.35	152,772		113,164	\$1.42	160,411	
<b>Revenue from Demand Charges</b>			1,472,820				1,546,461	
<b>Revenue from Demand as % of Total</b>			26.89%				27.82%	
<b>ENERGY CHARGE (\$/kWh)</b>								
Summer								
Peak	931,860	\$0.35633	332,050		931,860	\$0.35796	333,565	
Off-Peak	20,033,514	\$0.13118	2,627,996		20,033,514	\$0.13227	2,649,856	
Winter								
Part-Peak	2,678,140	\$0.12337	330,402		2,678,140	\$0.12442	333,218	
Off-Peak	4,457,412	\$0.10457	466,112		4,457,412	\$0.10536	469,625	
<b>Revenue from Energy Charges</b>			3,756,560				3,786,263	
<b>Revenue from Energy as % of Total</b>			68.60%				68.13%	
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>								
	9,780	\$19.20	187,776	(\$/meter/day) .63080	9,780	\$23.00	224,940	(\$/meter/day) .75565
<b>Revenue from Customer Charges</b>			187,776				224,940	
<b>Revenue from Customer Chrg as % of Total</b>			3.43%				4.05%	
<b>METER CHARGE (\$/meter/mo.)</b>								
	9,780	\$6.00	58,680	(\$/meter/day) .19713	9,780	\$0.00	0	(\$/meter/day) .00000
<b>Revenue from Meter Charges</b>			58,680				0	
<b>Revenue from Meter Chrg as % of Total</b>			1.07%				0.00%	
			<b>5,475,694</b>	<b>Total Rev</b>			<b>5,557,515</b>	<b>Total Rev</b>
							1.5%	
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>								
Summer	200	(\$0.58)	(116)		200	(\$0.61)	(122)	
Winter	122	(\$0.21)	(26)		122	(\$0.22)	(27)	

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
<b>AG VB DEMAND CHARGE (\$/kW)</b>						
Summer						
Peak	47,539	\$2.61	124,076	47,539	\$2.74	130,280
Maximum	83,210	\$6.76	562,497	83,210	\$7.10	590,622
Winter						
Maximum	59,434	\$1.33	79,048	59,434	\$1.40	83,000
Revenue from Demand Charges			765,621			803,902
Revenue from Demand as % of Total			27.89%			28.85%
<b>ENERGY CHARGE (\$/kWh)</b>						
Summer						
Peak	668,823	\$0.32838	219,628	668,823	\$0.33003	220,730
Off-Peak	9,412,573	\$0.12784	1,203,303	9,412,573	\$0.12888	1,213,116
Winter						
Part-Peak	1,646,642	\$0.12192	200,759	1,646,642	\$0.12291	202,382
Off-Peak	2,185,100	\$0.10334	225,808	2,185,100	\$0.10408	227,419
Revenue from Energy Charges			1,849,498			1,863,648
Revenue from Energy as % of Total			67.37%			66.88%
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>	5,172	\$19.20	99,302	5,172	\$23.00	118,956
			(\$/meter/day) .63080			(\$/meter/day) .75565
Revenue from Customer Charges			99,302			118,956
Revenue from Customer Chrg as % of Total			3.62%			4.27%
<b>METER CHARGE (\$/meter/mo.)</b>	5,172	\$6.00	31,032	5,172	\$0.00	0
			(\$/meter/day) .19713			(\$/meter/day) .00000
Revenue from Meter Charges			31,032			0
Revenue from Meter Chrg as % of Total			1.13%			0.00%
			<b>2,745,454</b>			<b>2,786,506</b>
			Total Rev			Total Rev
						1.5%
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>						
Summer		(\$0.63)			(\$0.66)	
Winter		(\$0.20)			(\$0.21)	

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
AG 4B						
<b>DEMAND CHARGE (\$/kW)</b>						
Summer						
Peak	1,306,719	\$3.53	4,612,718	1,306,719	\$3.71	4,843,354
Maximum	1,731,924	\$6.48	11,222,870	1,731,924	\$6.80	11,784,013
Winter						
Maximum	1,213,851	\$1.46	1,772,223	1,213,851	\$1.53	1,860,834
<b>Revenue from Demand Charges</b>			17,607,811			18,488,201
<b>Revenue from Demand as % of Total</b>			28.57%			29.56%
<b>ENERGY CHARGE (\$/kWh)</b>						
Summer						
Peak	37,082,225	\$0.21112	7,828,799	37,082,225	\$0.21276	7,889,795
Off-Peak	204,716,005	\$0.11797	24,150,347	204,716,005	\$0.11857	24,272,763
Winter						
Part-Peak	37,886,280	\$0.11796	4,469,066	37,886,280	\$0.11862	4,494,215
Off-Peak	52,898,899	\$0.10063	5,323,216	52,898,899	\$0.10113	5,349,512
<b>Revenue from Energy Charges</b>			41,771,428			42,006,285
<b>Revenue from Energy as % of Total</b>			67.78%			67.16%
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>						
	89,424	\$19.20	1,716,941	89,424	\$23.00	2,056,752
			(\$/meter/day) .63080			(\$/meter/day) .75565
<b>Revenue from Customer Charges</b>			1,716,941			2,056,752
<b>Revenue from Customer Chrg as % of Total</b>			2.79%			3.29%
<b>METER CHARGE (\$/meter/mo.)</b>						
	89,424	\$6.00	536,544	89,424	\$0.00	0
			(\$/meter/day) .19713			(\$/meter/day) .00000
<b>Revenue from Meter Charges</b>			536,544			0
<b>Revenue from Meter Chrg as % of Total</b>			0.87%			0.00%
			<b>61,631,867</b>			<b>62,550,339</b>
			Total Rev			Total Rev
						1.5%
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>						
Summer	1,020	(\$0.72)	(735)	1,020	(\$0.76)	(771)
Winter	533	(\$0.23)	(123)	533	(\$0.24)	(129)

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
AG 5B / E-37						
DEMAND CHARGE (\$/kW)						
Summer						
Peak	6,066,686	\$7.08	42,952,134	6,066,686	\$7.31	44,348,078
Maximum	7,112,774	\$10.91	77,600,370	7,112,774	\$11.26	80,122,382
Winter						
Maximum	5,820,570	\$4.18	24,329,983	5,820,570	\$4.32	25,120,708
Revenue from Demand Charges			144,882,487			149,591,168
Revenue from Demand as % of Total			32.74%			33.32%
ENERGY CHARGE (\$/kWh)						
Summer						
Peak	370,116,390	\$0.16341	60,480,719	370,116,390	\$0.16391	60,666,187
Off-Peak	1,629,324,180	\$0.07087	115,470,205	1,629,324,180	\$0.07141	116,344,389
Winter						
Part-Peak	495,377,823	\$0.08632	42,761,014	495,377,823	\$0.08686	43,026,799
Off-Peak	753,387,744	\$0.06448	48,578,442	753,387,744	\$0.06502	48,982,658
Revenue from Energy Charges			267,290,379			269,020,033
Revenue from Energy as % of Total			65.95%			65.40%
CUSTOMER CHARGE (\$/meter/mo.)	146,631	\$30.00	4,398,939	146,631	\$36.00	5,278,727
			(\$/meter/day) .98563			(\$/meter/day) 1.18275
Revenue from Customer Charges			4,398,939			5,278,727
Revenue from Customer Chrg as % of Total			1.09%			1.28%
METER CHARGE (\$/meter/mo.)	146,631	\$6.00	879,788	146,631	\$0.00	0
			(\$/meter/day) .19713			(\$/meter/day) .00000
Revenue from Meter Charges			879,788			0
Revenue from Meter Chrg as % of Total			0.22%			0.00%
E-BIP Discounts			(\$630,080)			(\$630,080)
			405,275,550			411,338,641
			Total Rev			Total Rev
						1.5%
PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)						
Summer	744,863	(\$1.24)	(923,631)	744,863	(\$1.28)	(953,649)
Winter	695,495	(\$0.14)	(97,369)	695,495	(\$0.14)	(100,534)
TRANSMISSION VOLTAGE DISCOUNT (\$/kW of maximum demand)						
Summer	927,769	(\$8.14)	(7,552,042)	927,769	(\$8.40)	(7,797,483)
Winter	825,812	(\$3.60)	(2,972,922)	825,812	(\$3.72)	(3,069,542)

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
<b>AG 4C DEMAND CHARGE (\$/kW)</b>						
Summer						
Peak	134,543	\$8.35	1,123,436	134,543	\$8.77	1,179,607
Part-Peak	205,775	\$1.59	327,182	205,775	\$1.67	343,541
Maximum	295,048	\$3.29	970,709	295,048	\$3.45	1,019,245
Winter						
Part-Peak	205,952	\$0.36	74,143	205,952	\$0.38	77,850
Maximum	302,467	\$1.60	483,947	302,467	\$1.68	508,144
<b>Revenue from Demand Charges</b>			2,979,417			3,128,388
<b>Revenue from Demand as % of Total</b>			31.43%			32.52%
<b>ENERGY CHARGE (\$/kWh)</b>						
Summer						
Peak	4,705,128	\$0.19233	904,937	4,705,128	\$0.19805	931,829
Part Peak	6,492,199	\$0.11678	758,159	6,492,199	\$0.11917	773,663
Off-Peak	23,632,115	\$0.09021	2,131,853	23,632,115	\$0.09151	2,162,685
Winter						
Part-Peak	5,827,324	\$0.09874	575,390	5,827,324	\$0.10050	585,618
Off-Peak	10,361,892	\$0.08699	901,381	10,361,892	\$0.08823	914,245
<b>Revenue from Energy Charges</b>			5,271,720			5,368,040
<b>Revenue from Energy as % of Total</b>			55.61%			55.80%
<b>CUSTOMER CHARGE (\$/meter/mo.)</b>	17,348	\$64.80	1,124,177	17,348	\$64.80	1,124,177
			(\$/meter/day) 2.12895			(\$/meter/day) 2.12895
<b>Revenue from Customer Charges</b>			1,124,177			1,124,177
<b>Revenue from Customer Chrg as % of Total</b>			11.86%			11.69%
<b>METER CHARGE (\$/meter/mo.)</b>	17,348	\$6.00	104,091	17,348	\$0.00	0
			(\$/meter/day) .19713			(\$/meter/day) .00000
<b>Revenue from Meter Charges</b>			104,091			0
<b>Revenue from Meter Chrg as % of Total</b>			1.10%			0.00%
			<b>9,479,405</b> Total Rev			<b>9,620,605</b> Total Rev
						1.5%
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW)</b>						
Summer On Peak		(\$0.94)			(\$0.99)	
Winter Maximum		(\$0.20)			(\$0.21)	
<b>TRANSMISSION VOLTAGE DISCOUNT (\$/kW)</b>						
Summer On Peak		(\$5.65)			(\$4.48)	
Summer Part Peak		N/A			(\$0.90)	
Summer Maximum		N/A			(\$0.16)	
Winter Part Peak		N/A			(\$0.38)	
Winter Maximum		(\$1.49)			(\$1.18)	

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
AG 5C DEMAND CHARGE (\$/kW)						
Summer						
Peak	1,317,689	\$11.84	15,601,440	1,317,689	\$12.30	16,212,993
Part-Peak	1,541,938	\$2.46	3,793,166	1,541,938	\$2.55	3,935,873
Maximum	1,680,816	\$4.69	7,883,028	1,680,816	\$4.79	8,051,352
Winter						
Part-Peak	1,268,259	\$0.61	773,638	1,268,259	\$0.62	789,885
Maximum	1,342,313	\$3.13	4,201,440	1,342,313	\$3.20	4,291,891
Revenue from Demand Charges			32,252,713			33,281,993
Revenue from Demand as % of Total			34.21%			34.87%
ENERGY CHARGE (\$/kWh)						
Summer						
Peak	82,730,057	\$0.11988	9,917,679	82,730,057	\$0.12043	9,963,235
Part-Peak	102,551,406	\$0.08334	8,546,634	102,551,406	\$0.08388	8,602,445
Off-Peak	290,550,775	\$0.06972	20,257,200	290,550,775	\$0.07026	20,414,629
Winter						
Part-Peak	106,213,762	\$0.07381	7,839,638	106,213,762	\$0.07435	7,897,264
Off-Peak	153,276,098	\$0.06761	10,362,997	153,276,098	\$0.06815	10,445,990
Revenue from Energy Charges			56,924,148			57,323,563
Revenue from Energy as % of Total			62.35%			61.86%
CUSTOMER CHARGE (\$/meter/mo.)	18,939	\$160.00	3,030,308	18,939	\$160.00	3,030,308
Revenue from Customer Charges			3,030,308			3,030,308
Revenue from Customer Chrg as % of Total			3.32%			3.27%
METER CHARGE (\$/meter/mo.)	18,939	\$6.00	113,637	18,939	\$0.00	0
Revenue from Meter Charges			113,637			0
Revenue from Meter Chrg as % of Total			0.12%			0.00%
E-BIP Discount			(131,400)			(131,400)
			<b>91,303,673</b> Total Rev			<b>92,667,963</b> Total Rev
						1.5%
PRIMARY VOLTAGE DISCOUNT (\$/kW)						
Summer On Peak	119,279	(\$1.77)	(211,124)	106,370	(\$1.85)	(196,917)
Winter Maximum	91,252	(\$0.17)	(15,513)	91,252	(\$0.17)	(15,839)
TRANSMISSION VOLTAGE DISCOUNT (\$/kW)						
Summer On Peak	56,696	(\$10.96)	(621,388)	51,448	(\$7.54)	(388,138)
Summer Part Peak		N/A		55,898	(\$1.10)	(61,305)
Summer Maximum		N/A		56,696	(\$2.40)	(136,006)
Winter Part Peak		N/A		15,825	(\$0.62)	(9,856)
Winter Maximum	16,451	(\$2.28)	(37,508)	16,451	(\$1.73)	(28,440)

<b>ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT</b>
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	Distr	Gen	PPP	Other	Total
<b>AG 1A</b>					
<b>DEMAND CHARGE (\$/hp of connected load)</b>					
Summer	4.57	1.10	.00	.00	5.67
Winter	1.07	.00	.00	.00	1.07
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer	.08622	.07166	.02250	.02699	.20736
Winter	.05747	.05618	.02250	.02699	.16314
<b>CUSTOMER CHARGE (\$/meter/day)</b>	.56838	.00000	.00000	.00000	.56838
<hr/>					
<b>AG RA</b>					
<b>DEMAND CHARGE (\$/hp of connected load)</b>					
Summer	4.03	1.05	.00	.00	5.08
Winter	.82	.00	.00	.00	.82
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.15376	.19301	.01808	.02699	.39183
Off-Peak	.05125	.04368	.01808	.02699	.14000
Winter					
Part-Peak	.04871	.04899	.01808	.02699	.14277
Off-Peak	.03246	.04073	.01808	.02699	.11826
<b>CUSTOMER CHARGE (\$/meter/day)</b>	.56838	.00000	.00000	.00000	.56838
<hr/>					
<b>AG VA</b>					
<b>DEMAND CHARGE (\$/hp of connected load)</b>					
Summer	4.00	1.10	.00	.00	5.10
Winter	.85	.00	.00	.00	.85
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.14594	.17490	.01812	.02699	.36595
Off-Peak	.04864	.04354	.01812	.02699	.13729
Winter					
Part-Peak	.04841	.05000	.01812	.02699	.14351
Off-Peak	.03227	.04158	.01812	.02699	.11896
<b>CUSTOMER CHARGE (\$/meter/day)</b>	.56838	.00000	.00000	.00000	.56838
<hr/>					
<b>AG 4A</b>					
<b>DEMAND CHARGE (\$/hp of connected load)</b>					
Summer	3.98	1.09	.00	.00	5.07
Winter	.75	.00	.00	.00	.75
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.13767	.11782	.01804	.02699	.30051
Off-Peak	.04588	.04713	.01804	.02699	.13804
Winter					
Part-Peak	.04741	.05034	.01804	.02699	.14278
Off-Peak	.03161	.04191	.01804	.02699	.11854
<b>CUSTOMER CHARGE (\$/meter/day)</b>	.56838	.00000	.00000	.00000	.56838
<hr/>					
<b>AG 5A</b>					
<b>DEMAND CHARGE (\$/hp of connected load)</b>					
Summer	5.45	2.89	.00	.00	8.34
Winter	1.50	.00	.00	.00	1.50
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.07768	.10817	.01605	.02699	.22889
Off-Peak	.02590	.05015	.01605	.02699	.11908
Winter					
Part-Peak	.02926	.05284	.01605	.02699	.12514
Off-Peak	.01949	.04410	.01605	.02699	.10663
<b>CUSTOMER CHARGE (\$/meter/day)</b>	.56838	.00000	.00000	.00000	.56838

ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT					
	Distr	Gen	PPP	Other	Total
<b>AG 1B</b>					
<b>DEMAND CHARGE (\$/kW)</b>					
Summer	6.91	1.65	.00	.00	8.56
Winter	1.72	.00	.00	.00	1.72
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer	.06830	.06747	.01837	.02699	.18113
Winter	.04555	.05124	.01837	.02699	.14214
<b>CUSTOMER CHARGE (\$/meter/day)</b>					
	.75565	.00000	.00000	.00000	.75565
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>					
Summer	(.34)	(.59)	.00	.00	(.92)
Winter	(.23)	.00	.00	.00	(.23)
<hr/>					
<b>AG RB</b>					
<b>DEMAND CHARGE (\$/kW)</b>					
Summer					
Peak	1.09	1.67	.00	.00	2.76
Maximum	5.49	1.56	.00	.00	7.06
Winter					
Maximum	1.42	.00	.00	.00	1.42
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.10853	.20543	.01701	.02699	.35796
Off-Peak	.03617	.05211	.01701	.02699	.13227
Winter					
Part-Peak	.03317	.04726	.01701	.02699	.12442
Off-Peak	.02209	.03927	.01701	.02699	.10536
<b>CUSTOMER CHARGE (\$/meter/day)</b>					
	.75565	.00000	.00000	.00000	.75565
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>					
Summer	(.24)	(.37)	.00	.00	(.61)
Winter	(.22)	.00	.00	.00	(.22)
<hr/>					
<b>AG VB</b>					
<b>DEMAND CHARGE (\$/kW)</b>					
Summer					
Peak	.99	1.75	.00	.00	2.74
Maximum	5.66	1.44	.00	.00	7.10
Winter					
Maximum	1.40	.00	.00	.00	1.40
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.10791	.17827	.01686	.02699	.33003
Off-Peak	.03598	.04906	.01686	.02699	.12888
Winter					
Part-Peak	.03298	.04608	.01686	.02699	.12291
Off-Peak	.02197	.03826	.01686	.02699	.10408
<b>CUSTOMER CHARGE (\$/meter/day)</b>					
	.75565	.00000	.00000	.00000	.75565
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>					
Summer	(.26)	(.40)	.00	.00	(.66)
Winter	(.21)	.00	.00	.00	(.21)
<hr/>					
<b>AG 4B</b>					
<b>DEMAND CHARGE (\$/kW)</b>					
Summer					
Peak	1.76	1.94	.00	.00	3.71
Maximum	4.92	1.88	.00	.00	6.80
Winter					
Maximum	1.53	.00	.00	.00	1.53
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.08239	.08700	.01639	.02699	.21276
Off-Peak	.02746	.04774	.01639	.02699	.11857
Winter					
Part-Peak	.02887	.04638	.01639	.02699	.11862
Off-Peak	.01925	.03850	.01639	.02699	.10113
<b>CUSTOMER CHARGE (\$/meter/day)</b>					
	.75565	.00000	.00000	.00000	.75565
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>					
Summer	(.30)	(.45)	.00	.00	(.76)
Winter	(.24)	.00	.00	.00	(.24)

	ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT				
	Distr	Gen	PPP	Other	Total
<b>AG 5B / E-37</b>					
<b>DEMAND CHARGE (\$/kW)</b>					
Summer					
Peak	3.05	4.26	.00	.00	7.31
Maximum	7.79	3.48	.00	.00	11.26
Winter					
Maximum	4.32	.00	.00	.00	4.32
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.00842	.11507	.01343	.02699	.16391
Off-Peak	.00000	.03099	.01343	.02699	.07141
Winter					
Part-Peak	.00000	.04644	.01343	.02699	.08686
Off-Peak	.00000	.02460	.01343	.02699	.06502
<b>CUSTOMER CHARGE (\$/meter/day)</b>					
	1.18275	.00000	.00000	.00000	1.18275
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>					
Summer					
	(.22)	(1.06)	.00	.00	(1.28)
Winter					
	(.14)	.00	.00	.00	(.14)
<b>TRANSMISSION VOLTAGE DISCOUNT (\$/kW of maximum demand)</b>					
Summer					
	(6.47)	(1.93)	.00	.00	(8.40)
Winter					
	(3.72)	.00	.00	.00	(3.72)
<hr/>					
<b>AG 4C</b>					
<b>DEMAND CHARGE (\$/kW)</b>					
Summer					
Peak	4.27	4.49	.00	.00	8.77
Part-Peak	.90	.77	.00	.00	1.67
Maximum	3.45	.00	.00	.00	3.45
Winter					
Part-Peak	.38	.00	.00	.00	.38
Maximum	1.68	.00	.00	.00	1.68
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.05382	.10076	.01648	.02699	.19805
Part-Peak	.02151	.05419	.01648	.02699	.11917
Off-Peak	.01077	.03727	.01648	.02699	.09151
Winter					
Part-Peak	.01496	.04207	.01648	.02699	.10050
Off-Peak	.00996	.03480	.01648	.02699	.08823
<b>CUSTOMER CHARGE (\$/meter/day)</b>					
	2.12895	.00000	.00000	.00000	2.12895
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW)</b>					
Summer On Peak					
	(.22)	(.77)	.00	.00	(.99)
Winter Maximum					
	(.21)	.00	.00	.00	(.21)
<b>TRANSMISSION VOLTAGE DISCOUNT (\$/kW)</b>					
Summer On Peak					
	(\$3.02)	(\$1.46)	\$0.00	.00	(\$4.48)
Summer Part Peak					
	(\$0.90)	\$0.00	\$0.00	.00	(\$0.90)
Summer Maximum					
	(\$0.16)	\$0.00	\$0.00	.00	(\$0.16)
Winter Part Peak					
	(\$0.38)	\$0.00	\$0.00	.00	(\$0.38)
Winter Maximum					
	(\$1.18)	\$0.00	\$0.00	.00	(\$1.18)

usage of these customers for the period from March 1, 2013 to September 30, 2013 (using bills issued during the month of September). The 2015 AET adjustment will reflect usage for the period starting October 1, 2013 (using bills issued during the month of October) and continuing to the effective date of rate changes in Phase 2 of PG&E's 2014 GRC or September 30, 2014, whichever is later.

6. Each year, on approximately November 1 but no later than November 15, PG&E will provide the Agricultural representatives as well as CLECA, DRA, EPUC and TURN and any requesting parties with workpapers and analyses used to determine the revenue shortfall to be included in the final AET to be filed in late December of that year. These data will include a comparison of the migrated customers' aggregate current and prior-to-migration year's loads and load shapes, a comparison of the loads and load shapes for the same years for the non-migrating customers who are on the target schedule (e.g. Schedule AG-4A), and the workpapers corresponding to the example spreadsheet used to estimate the revenue loss. If requested, PG&E will confer with the Agricultural representatives to discuss the results before filing of the final AET.
7. If the summer on-peak TOU load shares of the non-migrating customers on the applicable schedules lie within the following deadband ranges, it will be assumed that the underlying Agricultural electricity consumption conditions are sufficiently unchanged that the approach described in Paragraphs 1 through 6 of this section can be used without further adjustments:

AG4A: 11.3 percent, plus or minus 0.5 percent (10.8%-11.8%)  
AG4B: 15.7 percent, plus or minus 0.5 percent (15.2%-16.2%)

If the summer on-peak TOU load shares are outside of the deadband, PG&E and the Agricultural representatives will confer to evaluate whether underlying consumption conditions may have changed sufficiently that the adopted methodology needs to be reviewed. (Deadbands will not be defined separately for AG5B or AG5C, but the review would also encompass these adjustments, if there are migrating customers who have chosen service under either of these two schedules.) CLECA, DRA, EPUC, TURN and any other requesting parties shall be notified of the results of such conference(s) if those conferences result in a recommendation to adjust the methodology. If either PG&E or the Agricultural representatives or the requesting parties believe further review is necessary, PG&E, the Agricultural representatives and those of the requesting parties' will confer for the purpose of determining an appropriate adjustment to the methodology.

**4. Account Aggregation**

The Ag Settling Parties agree that it is reasonable not to adopt an agricultural aggregation tariff in this proceeding as proposed by AECA. Instead the Settling Parties agree to facilitate an Agricultural Settlement Account Aggregation Study (Study), expected to be completed by the second quarter of 2013. This Study will obtain data and other information on agricultural customers' electrical usage to allow evaluation of agricultural account aggregation. The scope, framework and methodology for the Study have been expressly agreed to by PG&E, AECA, CFBF and SSJID and are set forth in detail in Exhibit C, which includes supporting documents referenced as Appendices 1 through 4, which are incorporated by reference herein.

**5. Schedule E-37 Cost Study and Enrollment Closure**

The Ag Settling Parties agree that it is reasonable to reject the proposal by the Lamont Public Utility District (Lamont) that non-Ag general water or sewerage pumping accounts, whose annual load factor is 50 percent or more, be eligible to take service on Schedule E-37. The Ag Settling Parties acknowledge that the original purpose of Schedule E-37 was to provide incentives to oil pumping accounts to return idle oil wells to production when California crude oil prices were low, as set forth in D.97-09-047 which created Schedule E-37 exclusively for customers whose North American Industry Classification System (NAICS) code is 211111 (crude petroleum and natural gas extraction). Further, the Settling Parties recognize that present cost of service for this type of customer should be considered as well as whether the original impetus for adding an incentive in 1997 specifically for these domestic oil pumping customers continues to apply to, or be necessary and appropriate for, all domestic oil pumping customers. The

Ag Settling Parties agree that allowing other types of non-Ag pumping customers, such as general water and sewerage pumping customers, to participate in an incentive rate that may no longer be suitable even for its original purpose, in all circumstances, would be inappropriate, absent further study and analysis as reflected in this Ag Settlement.

In addition, based on Lamont's October 6, 2010 direct testimony in this proceeding (at page 18), a revenue shortfall of up to \$18.4 million would occur if the Schedule E-37 applicability language were expanded to include non-Ag water and sewerage pumping customers. Since this rate would be optional and selected by only those customers that would expect to benefit, revenue reductions would be likely. The Ag Settling Parties agree that revenue reductions that would certainly result from this option would create revenue shortfalls that would be supported by other customers, and therefore create a cost to non-participating customers. While the Ag Settling Parties acknowledge some uncertainty in the magnitude of the revenue reduction, they agree that allowing additional customers on this rate without further review of the cost basis for the rate would not be appropriate.

In summary, the Ag Settling Parties reached a compromise that, absent further review confirming that Schedule E-37 is reasonable for its original purpose and is reasonably cost-based for large non-Ag water pumping customers, the applicability of the E-37 rate should not be expanded.

The Ag Settling Parties have agreed that the following steps should occur: (a) immediately close E-37 to new enrollment, (b) provide a one-way customer option for existing E-37's to migrate to A-10, A-10-TOU, or E-19/20, (c) require PG&E to study a new cost-based E-37 industrial schedule allocation for oil and non-Ag water and

sewerage pumping accounts to be filed in the 2014 GRC Phase 2, and (d) consider in the 2014 GRC Phase 2 proceeding whether E-37 should be eliminated and whether a new cost-based pumping rate, including large non-Ag pumping, should be offered. This compromise allows a more considered approach to ensure that reasonable, cost-based options are made available to non-Ag water pumping compared to simply expanding the use of a rate that was offered on a very limited basis only to oil pumping customers so that they would bring idle wells back into service as a source of domestic petroleum.

The Settling Parties agree that the requirement of item (c) above, to file a study in the next GRC, will provide the information needed to determine whether or not large non-agricultural pumping load customers should have their own rate schedule.

**6. Schedule AG-R and AG-V Enrollment Closure and Phase-Out**

The Ag Settling Parties agree that it is reasonable to immediately close both Schedule AG-R and AG-V to new enrollment. In addition, both schedules will be entirely eliminated on March 1, 2014 for customers with 12 months of interval data.

**7. Peak Day Pricing Rate Refinements**

The Ag Settling Parties agree that it is reasonable to adopt the refinements to Schedule Peak Day Pricing (PDP) rates proposed by PG&E in Chapter 6 of Exhibit (PG&E-14).

**8. Other**

Unless otherwise specifically agreed by the parties or addressed in this Ag Settlement Agreement above, the proposals, methods and explanations contained in Chapter 6 of Exhibit PG&E 14, served on January 7, 2011, shall be adopted for the purpose of implementing rates under this Settlement.

**VI. TIMING OF RATE CHANGES**

The provisions regarding the timing of this GRC rate change and rate changes between General Rate Cases agreed to in the March 14 MCRA Settlement, Term VIII, Subsections 2 and 3, shall apply to this Ag Settlement, unless specifically noted above.

Certain elements of this Ag Settlement Agreement will or may require employee training and/or changes to PG&E systems beyond those required for a normal change in rate value. Such structural and system changes will be implemented by PG&E diligently as time permits in a manner consistent with smooth operations of the systems involved. The Ag Settling Parties recognize that such changes could take several months to implement.

**VII. SETTLEMENT EXECUTION**

This document may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Ag Settlement shall become effective among the Ag Settling Parties on the date the last Settling Party executes the Ag Settlement, as indicated below. In witness whereof, intending to be legally bound, the Ag Settling Parties hereto have duly executed this Ag Settlement on behalf of the Ag Settling Parties they represent.

Exhibit A

ILLUSTRATIVE AGRICULTURAL SETTLEMENT RATES

SCHEDULES AG-1, AG-R, AG-V, AG-4, AG-5 and E-37

Pacific Gas and Electric Company  
2011 GRC Rate Design Changes - Exhibit A

	JANUARY 1, 2011 RATES			ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT		
	Bundled Billing Determinants	Total Rate	Revenue	Billing Determinants	Total Rate	Revenue
AG 1A DEMAND CHARGE (\$/hp of connected load)						
Summer						
Maximum	2,166,210	\$5.40	11,697,531	2,166,210	\$5.67	12,282,408
Winter						
Maximum	2,122,884	\$1.02	2,165,342	2,122,884	\$1.07	2,273,609
Revenue from Demand Charges			13,862,874			14,556,017
Revenue from Demand as % of Total			22.97%			23.76%
ENERGY CHARGE (\$/kWh)						
Summer						
Total	142,237,781	\$0.21282	30,271,045	142,237,781	\$0.20736	29,494,344
Winter						
Total	59,971,641	\$0.16748	10,044,050	59,971,641	\$0.16314	9,783,857
Revenue from Energy Charges			40,315,095			39,278,201
Revenue from Energy as % of Total			66.79%			64.12%
CUSTOMER CHARGE (\$/meter/mo.)						
Ag 1A	429,230	\$14.40	6,180,911	429,230	\$17.30	7,425,678
Revenue from Customer Charges			6,180,911			7,425,678
Revenue from Customer Chrg as % of Total			10.24%			12.12%
			<b>60,358,880</b>			<b>61,259,896</b>
			Total Rev			Total Rev
						1.5%

ILLUSTRATIVE RATES FOR AG RATE DESIGN SETTLEMENT					
	Distr	Gen	PPP	Other	Total
<b>AG 5C</b>					
<b>DEMAND CHARGE (\$/kW)</b>					
Summer					
Peak	4.50	7.80	.00	.00	12.30
Part-Peak	1.07	1.48	.00	.00	2.55
Maximum	4.79	.00	.00	.00	4.79
Winter					
Part-Peak	.62	.00	.00	.00	.62
Maximum	3.20	.00	.00	.00	3.20
<b>ENERGY CHARGE (\$/kWh)</b>					
Summer					
Peak	.00000	.08026	.01318	.02699	.12043
Part-Peak	.00000	.04372	.01318	.02699	.08388
Off-Peak	.00000	.03010	.01318	.02699	.07026
Winter					
Part-Peak	.00000	.03419	.01318	.02699	.07435
Off-Peak	.00000	.02798	.01318	.02699	.06815
<b>CUSTOMER CHARGE (\$/meter/day)</b>					
	5.25667	.00000	.00000	.00000	5.25667
<b>PRIMARY VOLTAGE DISCOUNT (\$/kW)</b>					
Summer On Peak					
	(.26)	(1.60)	.00	.00	(1.85)
Winter Maximum					
	(.17)	.00	.00	.00	(.17)
<b>TRANSMISSION VOLTAGE DISCOUNT (\$/kW)</b>					
Summer On Peak					
	(\$4.50)	(\$3.04)	.00	.00	(\$7.54)
Summer Part Peak					
	(\$1.07)	(\$0.02)	.00	.00	(\$1.10)
Summer Maximum					
	(\$2.40)	\$0.00	.00	.00	(\$2.40)
Winter Part Peak					
	(\$0.62)	\$0.00	.00	.00	(\$0.62)
Winter Maximum					
	(\$1.73)	\$0.00	.00	.00	(\$1.73)

**EXHIBIT B**

**Illustrative Revenue Neutrality Adjustments  
for AG-1A Customers Defaulting to AG-4A and  
for AG-1B Customers Defaulting to AG-4B**

**Illustrative TOU Revenue Shortfall Adjustments for AG4A Group of Schedules (AG4A, AGRA, and AGVA)**

Adjustment Cycle	Record Periods & Effective Dates		Customers Assigned to TOU		Billed Revenue Amounts		Shortfall Amounts		Savings Due to TOU Shifts	
	12 Months to	Rates Effective	Customers	kWh Used	AG1A	AG4A	Nominal	Adjusted	Summer	Winter
2014 AET	9/30/2013	1/1/2014	20,000	100,000,000	\$28,000,000	\$23,500,000	\$4,500,000	<b>\$4,177,500</b>	\$300,000	\$22,500
2015 AET	9/30/2014	1/1/2015	30,000	200,000,000	\$56,000,000	\$46,000,000	\$10,000,000	<b>\$9,095,000</b>	\$840,000	\$65,000

Notes:

1. TOU revenue shortfall adjustment amounts to be calculated based on 12-month record periods ending September 30, and applied to subsequent year AET rates
2. Record period for 2014 AET rates will start with March 1, 2013 implementation date for TOU; record period for 2015 AET rates will end with effective date of 2014 GRC Phase 2 rates
3. Customers and usage "assigned to TOU" are cumulative; they reflect record period usage of all prior-AG1A customers receiving service under an AG4A schedule during the record period
4. Billed revenue amounts will reflect record-period billing data for amounts billed under the AG4A schedules; AG1A-applicable revenue amounts to be calculated using record-period usage
5. Nominal revenue shortfall amounts reflect simple difference between AG1A versus AG4A revenue amounts; adjusted shortfall amounts are net of savings attributable to TOU usage shifts
6. Adjusted shortfall amounts to be applied as "non-allocated revenues" adjustment to AG4A group of rate schedules when AET rates are filed

Adjustment Cycle	Original Peak TOU Shares		Actual Peak TOU Shares		Seasonal kWh		kWh Shifted to Off-Peak		Off-Peak TOU Savings	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
2014 AET	20.5%	42.5%	18.0%	38.0%	80,000,000	20,000,000	2,000,000	900,000	\$0.15000	\$0.02500
2015 AET	20.5%	42.5%	17.0%	36.0%	160,000,000	40,000,000	5,600,000	2,600,000	\$0.15000	\$0.02500

Notes:

1. Original peak-period TOU usage shares will be based on TOU usage data for migrating AG1A customers in last 12 billing cycles prior to their assignment to their new TOU rate
2. Actual TOU shares and summer versus-winter billed kWh will reflect record period usage of all prior-AG1A customers receiving service under an AG4A schedule during the record period
3. Summer and winter usage shifted to off-peak TOU periods is calculated by multiplying difference between "original" and "actual" TOU shares by record-period summer and winter kWh
4. Off-peak TOU savings are illustrative and will reflect average difference between on-peak and off-peak TOU rates for AG4A schedules (weighted by loads of the new TOU customers)

Illustrative TOU Revenue Shortfall Adjustments for AG4B Group of Schedules (AG4B, AGRB, and AGVB)

Adjustment Cycle	Record Periods & Effective Dates		Customers Assigned to TOU		Billed Revenue Amounts		Shortfall Amounts		Savings Due to TOU Shifts		
	12 Months to	Rates Effective	Customers	kWh Used	AG1B	AG4B	Nominal	Adjusted	On-Peak kW	Summer kWh	Winter kWh
2014 AET	9/30/2013	1/1/2014	4,000	125,000,000	\$28,750,000	\$24,750,000	\$4,000,000	<b>\$3,468,007</b>	\$69,493	\$450,000	\$12,500
2015 AET	9/30/2014	1/1/2015	8,000	250,000,000	\$57,500,000	\$48,750,000	\$8,750,000	<b>\$7,273,338</b>	\$226,662	\$1,200,000	\$50,000

- Notes:**
1. TOU revenue shortfall adjustment amounts to be calculated based on 12-month record periods ending September 30, and applied to subsequent year AET rates
  2. Record period for 2014 AET rates will start with March 1, 2013 implementation date for TOU; record period for 2015 AET rates will end with effective date of 2014 GRC Phase 2 rates
  3. Customers and usage "assigned to TOU" are cumulative; they reflect record period usage of all prior-AG1B customers receiving service under an AG4B schedule during the record period
  4. Billed revenue amounts will reflect record-period billing data for amounts billed under the AG4B schedules; AG1B-applicable revenue amounts to be calculated using record-period usage
  5. Nominal revenue shortfall amounts reflect simple difference between AG1B versus AG4B revenue amounts; adjusted shortfalls are net of savings attributable to TOU demand and energy usage shifts
  6. Adjusted shortfall amounts to be applied as "non-allocated revenues" adjustment to AG4B group of rate schedules when AET rates are filed

1. TOU Period Usage Changes

Adjustment Cycle	Original Peak TOU Shares		Actual Peak TOU Shares		Seasonal kWh		kWh Shifted to Off-Peak		Off-Peak TOU Savings	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
2014 AET	23.0%	47.0%	20.0%	45.0%	100,000,000	25,000,000	3,000,000	500,000	\$0.15000	\$0.02500
2015 AET	23.0%	47.0%	19.0%	43.0%	200,000,000	50,000,000	8,000,000	2,000,000	\$0.15000	\$0.02500

- Notes:**
1. Original peak-period TOU usage shares will be based on TOU usage data for migrating AG1B customers in last 12 billing cycles prior to their assignment to their new TOU rate
  2. Actual TOU shares and summer versus-winter billed kWh will reflect record period usage of all prior-AG1B customers receiving service under an AG4B schedule during the record period
  3. Summer and winter usage shifted to off-peak TOU periods is calculated by multiplying difference between "original" and "actual" TOU shares by record-period summer and winter kWh
  4. Off-peak TOU savings are illustrative and will reflect average difference between on-peak and off-peak TOU rates for AG4B schedules (weighted by loads of the new TOU customers)

2. TOU Demand Changes

Adjustment Cycle	Original kWh/On-Pk kW		Actual kWh/On-Pk kW		Summer On-Peak kW		Reduced On-Peak kW		On-Peak Demand Savings	
	Summer	Winter	Summer	Winter	Original	Actual	Summer	Winter	Rate	Amount
2014 AET	176	N/A	182	N/A	568,182	549,451	18,731	N/A	\$3.71	\$69,493
2015 AET	176	N/A	186	N/A	1,136,364	1,075,269	61,095	N/A	\$3.71	\$226,662

- Notes:**
1. Original kWh/On-Pk kW ratio will be based on TOU demand and energy usage data for migrating AG1B customers in last 12 billing cycles prior to their assignment to their new TOU rate
  2. Original kWh/On-Pk kW ratio will be calculated as ratio of total summer-season billed kWh divided by total summer-season on-peak demand (kW)
  3. Actual kWh/On-Pk kW ratio will reflect record period usage of all prior-AG1B customers receiving service under an AG4B schedule during the record period
  4. Reduced summer on-peak demand is calculated as difference between demand derived from "original" demand ratio and actual billed summer on-peak demand during the record period
  5. On-Peak Demand Charge savings will be calculated by multiplying inferred on-peak demand reductions (kW) by applicable demand charge (\$/kW)

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Exhibit B

## Historic TOU Shares for AG4A and AG4B -- Calendar-Years 2006 - 2010

Default TOU Customers

Rate Group	Season	TOU Period	Calendar Year Annual Sales (MWH)					Ag 1 Customers w/SmartMeters	
			2006	2007	2008	2009	2010		
AG4A	Summer	On-Peak	11,379	13,062	14,009	13,630	13,078	3,781	
		Off-Peak	92,643	108,488	111,511	109,587	102,697	14,703	
	Winter	Part-Peak	6,989	13,129	13,211	13,236	8,007	2,700	
		Off-Peak	13,359	25,446	25,743	24,071	15,145	3,634	
	Summer	Total	104,022	121,551	125,521	123,217	115,775	18,484	
	Winter	Total	20,348	38,575	38,955	37,307	23,152	6,335	
	Annual	Total	124,370	160,126	164,475	160,524	138,928	24,819	
	AG4A	Summer	On-Peak	10.9%	10.7%	11.2%	11.1%	11.3%	20.5%
			Off-Peak	89.1%	89.3%	88.8%	88.9%	88.7%	79.5%
		Winter	Part-Peak	34.3%	34.0%	33.9%	35.5%	34.6%	42.6%
Off-Peak			65.7%	66.0%	66.1%	64.5%	65.4%	57.4%	
Summer		Total	83.6%	75.9%	76.3%	76.8%	83.3%	74.5%	
Winter		Total	16.4%	24.1%	23.7%	23.2%	16.7%	25.5%	
Annual		Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Rate Group	Season	TOU Period	Calendar Year Annual Sales (MWH)					Ag 1 Customers w/SmartMeters	
			2006	2007	2008	2009	2010		
AG4B	Summer	On-Peak	40,507	50,452	50,604	52,530	48,049	869	
		Off-Peak	228,395	278,279	281,011	282,961	257,364	2,893	
	Winter	Part-Peak	29,750	48,835	45,916	47,578	30,586	696	
		Off-Peak	40,595	67,668	64,364	65,535	41,328	792	
	Summer	Total	268,902	328,732	331,615	335,491	305,413	3,763	
	Winter	Total	70,345	116,503	110,280	113,114	71,914	1,488	
	Annual	Total	339,247	445,235	441,895	448,605	377,327	5,251	
	AG4B	Summer	On-Peak	15.1%	15.3%	15.3%	15.7%	15.7%	23.1%
			Off-Peak	84.9%	84.7%	84.7%	84.3%	84.3%	76.9%
		Winter	Part-Peak	42.3%	41.9%	41.6%	42.1%	42.5%	46.8%
Off-Peak			57.7%	58.1%	58.4%	57.9%	57.5%	53.2%	
Summer		Total	79.3%	73.8%	75.0%	74.8%	80.9%	71.7%	
Winter		Total	20.7%	26.2%	25.0%	25.2%	19.1%	28.3%	
Annual		Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Historic TOU and Max Demand Relationships for AG4B Customer Population

Default TOU Customers

Rate Group	Season	Type	Calendar Year Billing Demands (kW)					AG1 Customers w/SmartMeters
			2006	2007	2008	2009	2010	
AG4B	Summer	On-Peak	1,316,979	1,450,830	1,524,178	1,606,958	1,567,168	21,344
	Summer	Maximum	1,787,519	1,928,897	1,998,705	2,090,072	2,039,315	23,068
	Winter	Maximum	1,041,793	1,337,353	1,266,372	1,340,202	1,171,346	15,809

Rate Group	Season	Type	Billed kWh per kW of Billed Demand					AG1 Customers w/SmartMeters
			2006	2007	2008	2009	2010	
AG4B	Summer	On-Peak	30.8	34.8	33.2	32.7	30.7	40.7
	Summer	Total Use	204.2	226.6	217.6	208.8	194.9	176.3
	Summer	Maximum	150.4	170.4	165.9	160.5	149.8	163.1
	Winter	Maximum	67.5	87.1	87.1	84.4	61.4	94.1

Notes:

- Summer On-Peak = Summer On-Peak Energy (kWh) divided by On-Peak Demand (kW)
- Summer Total Use = Summer Total Energy used (kWh) divided by On-Peak Demand (kW)
- Summer Maximum = Summer Total Energy used (kWh) divided by billed Max Demand (kW)
- Winter Maximum = Winter Total Energy used (kWh) divided by billed Max Demand (kW)

**EXHIBIT C**

**Account Aggregation Study Framework  
and Supporting Documents**

Exhibit C - Ag Settlement Agreement

Agricultural Account Aggregation Study Framework

The Settling Parties agree that it is reasonable not to adopt an agricultural account aggregation tariff in this proceeding. Instead, the Settling Parties agree to facilitate a Study to obtain data and other information on agricultural customers' electrical usage to allow evaluation of agricultural account aggregation.

**1. Scope of Study.** The Study framework and methodology below are agreed to by PG&E, AECA, CFBF, and SSJID. PG&E and Agricultural Consultants will work to reach agreement on the content of the report encompassing Parts A through D below. In general, these sections of the report should address the information and data gathered for the Study. For Part E, AECA, CFBF and SSJID will have responsibility to prepare the portion of the report addressing the analysis from the customer perspective, while PG&E will have responsibility to prepare the portion of the report addressing the analysis from the utility perspective.

- A. As provided by the Agricultural Consultant Work Scope (copy attached), AECA, CFBF, and SSJID (through the Agricultural Consultants) will identify up to fifty potential participating customers and the data they determine will be necessary to select Study participants. As customers provide the necessary authorizations/releases in accordance with Part B, PG&E will provide the required data extract for the list of up to fifty potential participating customers. The Agricultural Consultants will identify up to fifteen farm operations, and between 5 and 15 individually metered accounts for each farm operation, with a goal of recruiting a diverse set of participants in terms of crop, animal husbandry (cattle/dairy/poultry), agricultural processes (e.g. cleaning, packing, hulling, ginning) and irrigation types, as well as the location of multiple accounts owned by a single agricultural customer on the same feeder, substation transformer bank, distribution planning area, or more geographically dispersed basis. The total number of accounts will be limited to no more than 150. PG&E will review the identified accounts to ensure that the necessary data will be available for the Study period. The Study period will be up to 12 months. The Study period of up to 12 months will be selected to commence the spring of 2012. PG&E will notify the Agricultural Consultants of any potential data availability issues so that replacement accounts may be selected as needed before the Study commences.
- B. The Agricultural Consultants will be responsible for obtaining releases from participating customers pursuant to the Agricultural Consultant Work Scope. Participating customers with farm operations as noted in Part A must execute customer authorizations (copy attached) to release their usage data in a timely fashion in connection with the Study. Parties in the 2011 GRC Phase 2 or 2014 GRC Phase 2 proceeding, or other proceedings, who request to review the Study and underlying data, and who sign a non-disclosure agreement, will be provided access to the confidential portions of the Study and relevant Study data, without attributing the data to an identified customer. Individual customer names will not

be disclosed, but locations may be identified by county or zip code, by latitude and longitude, and/or relative position on PG&E's grid, (as well as possibly information about the nature of the customer's electricity demands, the customer's agricultural activities associated with the meter, and information provided pursuant to the Agricultural Consultants' scope of work or Part D below).

- C. PG&E will gather 15-minute interval data for the subject metered accounts for each participating customer for the period of the Study, and if available, for prior years. PG&E will determine the status quo billing determinants (i.e., those required under current rates and tariffs) and billing determinants if the metered accounts were aggregated, for a comparison analysis. In consultation with the Agricultural Consultants PG&E will determine the amount of the bills for each separately metered account and the amount of the bills taken on an aggregated basis. PG&E's aggregated bill calculations will be based on existing rates and will exclude any changes that might be proposed in future regulatory proceedings. The analysis will use appropriate simplifying assumptions. PG&E will make this analysis (including metered data) available to the Agricultural Consultants and other parties who have signed NDAs. This information will form the database for the analysis from the perspective of the participant.
- D. Pursuant to the Agricultural Consultant Work Scope, the Agricultural Consultants may provide information and education to Study participants as a means to obtain data on farm operations and possible resulting changes in use patterns. Such activities will be fully documented and reported in the Study. No bill adjustments will be made to customers as a result of their participation in the Study or for any usage behaviors undertaken to augment the Study. The Agricultural Consultants shall not make any representations to Study participants or any other agricultural customers that this Study in any way assures that the CPUC or PG&E would, in the future, recommend or make changes to rates, programs, cost allocation or any other matters relating to the subject of the study.
- E. AECA, CFBF and SSJID will have responsibility to prepare the portion of the report addressing the analysis from the customer perspective.

PG&E will analyze the Study data from the utility perspective, in addition to other information that PG&E deems necessary for analysis from the utility perspective (which information will be disclosed in the analysis, subject to standard confidentiality requirements), and include that analysis as part of the Study.

- F. The analysis may also investigate whether allowing agricultural customers to aggregate multiple accounts serving separate loads on an individual agricultural customer's site would affect the customer's management of its load(s).

**2. Agricultural Consultants Selected.** The Agricultural Consultants shall be M.Cubed, and the subcontractors will include but not be limited to Aspen Environmental Group, Economic Insights and MRW & Associates.

**3. Costs of the Study.** Up to \$250,000 (two hundred and fifty thousand), plus accrued interest, will be funded solely through agricultural customers' rates to facilitate the Study as outlined below:

1. Up to \$150,000 of the \$250,000 shall be used to pay incentives to customers who actually participate in the Study, with a payment equal to \$10,000 per participant to help offset the cost of participating (participation payment). The initial \$5,000 of the \$10,000 participation payment will be paid to the participant once the Agricultural Consultants have selected the participant and associated accounts, and PG&E has confirmed that interval data will be available for the Study period. A second payment of \$5,000 will be paid to the participant five months after the initial participation payment is paid, provided the participant has not withdrawn from the Study.
2. Up to \$100,000 of the \$250,000 shall be used to pay Agricultural Consultants for the work they will perform under the attached "Proposed Scope of Work for Agricultural Consultants" (Agricultural Consultant Work Scope).
3. PG&E shall not make participation payments to participants until the Commission has issued its final decision approving the 2011 GRC 2 Agricultural Settlement.
4. PG&E shall not remit payment to the Agricultural Consultants until the Commission has issued its final decision approving the 2011 GRC 2 Agricultural Settlement.

Amounts that PG&E pays to participants and Agricultural Consultants under the Agricultural Settlement, up to \$250,000 plus accrued interest, shall be immediately recoverable in agricultural rates (excluding Schedule E-37) once the Study is made available in PG&E's 2014 GRC Phase 2. The Study costs, up to \$250,000 plus accrued interest, will be recovered in agricultural customers' distribution rates via the Distribution Revenue Adjustment Mechanism and the Annual Electric True Up. This adjustment to agricultural rates will be in addition to any allocation separately established in other parts of this settlement or the related March 14, 2011 Settlement on Marginal Costs and Revenue Allocation. The Settling Parties shall support such recovery in all agricultural customers' rates by PG&E.

PG&E will provide its own staff and other resources, including information it deems necessary to undertake its study elements, which costs will not be recorded in the account accruing costs for the Study that will be recoverable from agricultural customers under the terms of the Agricultural Settlement. Other costs of participating in the Study, including all costs of advocacy for any particular position, will be borne by the individual participants and individual parties on their own account.

If the Commission does not approve the 2011 GRC 2 Agricultural Settlement all work on the Study shall cease and the Study shall not be done.

**4. Results of Study Available To Participants for Use In Future CPUC Proceedings.** The results will be available for parties to use in connection with revenue allocation and tariff design issues in the 2014 GRC Phase 2, or other proceedings, provided a final decision in the non-residential portion of the 2011 GRC Phase 2 proceeding is issued in a timely fashion to permit the Study to proceed.

**5. Agreement To Participate In Study Does Not Resolve What Proposals The Parties Will Present, Support, or Oppose In Future Rate Cases.** Whether or not to develop or present rate, program, cost allocation or other proposals in the 2014 GRC Phase 2 proceeding, or any other proceeding, however, is beyond the scope of the Study. Agreement to participate in this part of the Agricultural Settlement does not constitute support for the Study results and all parties reserve the right to litigate the merits of the Study results in any CPUC proceeding involving the Study.

**6. The Study Will Not Be The Exclusive Source Of Information On Aggregation Issues That May Be Considered In Future Rate Cases.** This analysis potentially may be used to litigate future agricultural rate design. Nothing in this Settlement precludes any party from presenting other data, information, analyses, expert opinion or other material on aggregation issues, or any other issues, in which the Study becomes involved.

In addition, Agricultural parties, PG&E and other interveners reserve all rights to file testimony on, comment on, question and otherwise test the Study in future proceedings, including without limitation, the participating customers, the data, analyses, conclusions, processes and methodologies, etc.

**7. No Warranty That Rates To Customers Will Change As A Result of This Study.** Participating customers and customers solicited to participate in the Study should understand that PG&E makes no representations regarding current or future rates, customer bill savings, customer benefits, programs, cost allocation or any other matters involving its provision of utility service in connection with the Study.

**Appendix 1 to Exhibit C - Ag Settlement Agreement**

**Agricultural Settlement Aggregation Study  
Proposed Scope of Work for Agricultural Consultants**

**Purpose of the Agricultural Settlement Aggregation Study:**

The purpose of the Agricultural Settlement Aggregation Study (Study) is to obtain data and other information on a group of agricultural customers' electrical usage to allow evaluation of these agricultural customers' usage with account aggregation and what benefits, if any, might result from aggregating multiple accounts that serve separate loads located on the agricultural customer's farm operation. The Study may also investigate whether allowing agricultural customers to aggregate such multiple accounts would affect their management of their loads.

Whether or not to develop or present rate, program, cost allocation, or other proposals is beyond the scope of the Study. Participating customers and customers solicited to participate in the Study should understand that PG&E makes no representations regarding current or future rates, programs, customer bill savings, cost allocation or any other matters involving its provision of utility service in connection with the Study.

The effect on PG&E's system of the participating agricultural customers' electrical usage, such as for changes in their usage under the Study, is outside the scope of the work for the Agricultural Consultants. Analyses of the effect on PG&E's system shall be PG&E's responsibility.

The Study, and related information and data, will be available upon request to parties in PG&E's 2011 GRC 2 and 2014 GRC 2 proceedings, or in other proceedings where the Study is considered, once the requesting party has executed the non-disclosure agreement for the Study.

Nothing in the Agricultural Settlement prohibits the Agricultural Consultants from performing analyses outside the Study scope, in a separate role as consultants to parties in proceedings involving the Study, provided they use 1) their own resources and 2) customer specific data that is obtained under the Non-Disclosure Agreement for obtaining the Study and related data. Agricultural Consultants may not use information that they obtained *exclusively* in the performance of their responsibilities under the Agricultural Settlement to 1) perform work as consultants to parties, or 2) solicit or consult for customers or anyone else.

This document establishes the scope of work to be performed by the Agricultural Consultants by agreement with PG&E and as approved by the CPUC. An estimated budget is identified for each task. However, Agricultural Consultants may shift up to 20 percent of the total budget between tasks, with written notification to PG&E.

**Agricultural Consultants:** The Agricultural Consultants shall be M.Cubed, and the subcontractors to include but not be limited to Aspen Environmental Group, Economic Insights, and MRW & Associates.

Agricultural Consultants will execute the “Agreement Implementing Agricultural Settlement Aggregation Study” before starting any work on the study.

### **Task 1. Finalizing Study Parameters, Information Needs and Task Timing**

Agricultural Consultants will work closely with PG&E to identify all final Study parameters, including but not limited to:

- Targeted timeframes
- Aggregation group definitions
- Farm operation characteristics
- Study group preferences

Targeted timeframe: TBD

Deliverables: final Study parameters

Budget: \$5,000

### **Task 2. Recruiting Study Participants**

Utilizing targeted outreach and working closely with agricultural customer representatives, Agricultural Consultants will identify up to 50 potential study participants. From this group of potential participants, the Agricultural Consultants will select a representative group of up to 15 agricultural customers to participate in the Study. The customer group should be designed to capture diversity for such factors as crops, animal husbandry (cattle/dairy/poultry), agricultural processes (e.g. cleaning, packing, hulling, ginning), irrigation types, and other appropriate characteristics such as contained in paragraph A of the Agricultural Settlement section on the Study.

Agricultural Consultants will obtain and provide to PG&E executed authorizations to release specific customer information in connection with the Study (copy attached). These releases/authorizations will permit potential participants’ data to be shared with the Agricultural Consultants and will permit the participating customers’ data to be shared in A.10-03-014 or PG&E’s 2014 GRC 2 proceeding, or in other proceedings where the Study will be considered, with parties who execute the non-disclosure agreement for the Study and request the opportunity to review the Study and the data involved.

Upon receipt of the customers’ executed authorizations and Commission approval of the Agricultural Settlement, PG&E will provide the potential participants’ account and billing data to the Agricultural Consultants. Agricultural Consultants will undertake a careful analysis of the

account and billing data to identify suitable agriculture customers to participate. PG&E will review the identified accounts to ensure that the necessary data will be available for the study period. Once the 15 final program participants are identified, Agricultural Consultants will undertake a thorough analysis of each participant's accounts and operational characteristics to identify the participants' 5 to 15 separately metered accounts that will be included in the Study. The Study shall be limited to 150 separately metered accounts. All selected separately metered accounts must be eligible for agricultural utility service. The Agricultural Consultants' analyses under this paragraph shall be provided to PG&E.

The confidential or proprietary data and information provided to Agricultural Consultants by PG&E and the Agricultural Consultants' analyses of specific customers under this Scope of Work may be used by the Agricultural Consultants only for purposes of the Study and proceedings involving the Study. The data, information, and the Agricultural Consultants' analyses of specific customers may be shared only with PG&E, the Commission staff under PUC § 583, and the qualified Reviewing Representatives for third parties who have executed the NDA for the Aggregation Study; provided, however, that the Agricultural Consultants may share with each individual customer specific data, information and analyses that are limited to that individual customer.

PG&E shall be allowed to attend any and all Study-related meetings between the Agricultural Consultants and Study participants. Agricultural Consultants will create and properly maintain an up-to-date meeting schedule accessible to PG&E, which PG&E can use to notify the Agricultural Consultants of meetings they would like to attend.

Targeted Timeframe: TBD

Agricultural Consultants' Deliverable(s): Documentation presenting and supporting consultants' analyses of all potential program participants' accounts and operational characteristics, including detailed information on semifinalists and the final 15 participants.

Budget: \$40,000

### **Task 3. Participant Preparation and Education**

Agricultural Consultants will work closely with participants to prepare them to engage in the Study. Farm operation characteristics influencing energy usage (e.g. water use patterns, irrigation practices, energy and irrigation infrastructure, crop types, animal husbandry, agricultural processes (e.g. cleaning, packing, hulling ginning) and labor requirements) will be compiled and reviewed to identify current operational characteristics and potential operational changes. Specific energy management practices might be recommended, and, if adopted, carefully examined to determine their outcomes and implications.

PG&E shall be allowed to attend any and all Study-related meetings between the Agricultural Consultants and Study participants. Agricultural Consultants will create and properly maintain an up-to-date meeting schedule accessible to PG&E, which PG&E can use to notify the Agricultural Consultants of meetings they would like to attend.

Agricultural Consultants shall provide PG&E in writing with (1) the information and recommendations that the Agricultural Consultants provide the participants and (2) complete descriptions of the activities the participants implement for the Study, and (3) the activities suggested to but rejected by the participants.

Targeted Timeframe: TBD

Deliverables: The material described in the preceding paragraph.

Budget: \$20,000

#### **Task 4. Ongoing Participant Support**

Agricultural Consultants will be available to work with participants during the course of the Study as a resource to review energy management practices and answer questions.

PG&E shall be allowed to attend any and all Study-related meetings between the Agricultural Consultants and Study participants. Agricultural Consultants will create and properly maintain an up-to-date meeting schedule accessible to PG&E, which PG&E can use to notify the Agricultural Consultants of meetings they would like to attend.

Agricultural Consultants shall provide PG&E with complete written descriptions of the participants' questions and concerns, the energy management practices discussed with the participants, and Agricultural Consultants' answers.

Targeted Timeframe: TBD

Deliverables: Complete written descriptions and documentation of the participants' questions and concerns, energy management practices discussed with the participants, and Agricultural Consultants' answers.

Budget: \$15,000

#### **Task 5. Ongoing Study Review**

Agricultural Consultants will meet with PG&E monthly, as necessary or upon PG&E's request, to review Study progress and review data and other information. Recommendations for adjustment to Study parameters will be presented and approved, if appropriate to ensure the accuracy and usefulness of the data being collected.

Budget: \$10,000

#### **Task 6. Study Conclusion Interviews**

Upon completion of the study period, Agricultural Consultants will conduct exit interviews with Study participants about their energy use patterns, preferences, and experiences from the Study. The exit interviews shall be fully documented and provided to PG&E.

PG&E shall be allowed to attend any and all Study-related meetings between the Agricultural Consultants and Study participants. Agricultural Consultants will create and properly maintain an up-to-date meeting schedule accessible to PG&E, which PG&E can use to notify the Agricultural Consultants of meetings they would like to attend.

Targeted Timeframe: TBD

Deliverables: Complete, written reports of the exit interviews

Budget: \$10,000

**Cost**

PG&E's agreed cost-sharing shall be limited to no more than \$100,000 of ratepayer funds to come exclusively from agricultural customers.

M.Cubed shall be responsible to remit payments owed to the subcontractor consultants for their work on the study.

The estimated hourly rate for Agricultural Consultants is approximately \$205 per hour.

**Appendix 2 to Exhibit C - Ag Settlement**

**AUTHORIZATION TO RELEASE CUSTOMER INFORMATION IN CONNECTION WITH ACCOUNT AGGREGATION STUDY**

The purpose of this agreement is to authorize the release of customer information for use in the Agricultural Settlement Account Aggregation Study (Study) contained in the Agricultural Settlement in the PG&E 2011 General Rate Case Phase 2 proceeding.

The release authorizes PG&E to release customer information under the terms of this authorization for purposes of selecting the customer participants in the Study. If the customer is not selected for participation in the Study, no additional release of customer information under this authorization will occur. If the customer is selected for the Study, additional release of customer information may occur in connection with the Study and regulatory proceedings (such as those conducted by the California Public Utilities Commission) involving the Study.

I, \_\_\_\_\_ (Name), \_\_\_\_\_ (Title),  
of \_\_\_\_\_ (Customer) have the following mailing  
address, \_\_\_\_\_ and do hereby  
authorize Pacific Gas and Electric Company to release information for the following listed  
account(s) which are under consideration for or participating in the Study under the 2011 GRC 2  
Agricultural Settlement in A.10-03-014:

Accounts included in this authorization:

1. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
2. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
3. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
4. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
5. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
6. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)

7. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
8. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
9. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
10. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
11. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
12. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
13. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
14. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
15. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
16. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
17. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
18. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
19. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
20. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
23. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)
24. \_\_\_\_\_ (service address), \_\_\_\_\_ (service account no.)

Information, Acts and Functions authorized – This authorization provides authority to PG&E to provide information about the accounts included in this authorization in connection with the Study to the Agricultural Consultants identified in the 2011 GRC 2 Agricultural Settlement in the 2011 PG&E GRC 2 proceeding, and to parties in PG&E’s 2011 GRC 2 or 2014 GRC 2 proceedings, or other regulatory proceeding in which the study and/or the underlying data are involved, who have signed a non-disclosure agreement. Agricultural Consultants may be provided with the customer’s name and service address. Information disclosed under this authorization to other parties shall not contain the customer’s name or service address, but may identify the location of each account by County or zip code, latitude and longitude, or relative

position on PG&E's grid, and the customer's agricultural activity associated with each meter in the Study.

This authorization is only granted in connection with the Study, and proceedings involving the Study. Authorization is given for the period covered by the Study and until the Study is no longer used for regulatory or other advocacy purposes.

I (customer) \_\_\_\_\_ understand that the purpose of the Study is obtain data and other information on a group of agricultural customers' electrical usage to allow evaluation of these agricultural customers' usage with account aggregation and what benefits, if any, may result from aggregating multiple accounts serving separate loads for an agricultural customer's farm operation. The Study may also investigate whether allowing farmers to aggregate such multiple accounts would affect their management of their loads. I understand that PG&E makes no representations regarding current or future rates, customer bill savings, customer benefits, programs, cost allocation or any other matters involving its provision of utility service that may arise in connection with the Study.

I (customer) \_\_\_\_\_ (print name of authorized signatory), declare under penalty of perjury under the laws of the State of California that I am authorized to execute this document on behalf of the Customer of Record. I authorize PG&E to release the information on my account, facilities and/or operations as specified above. I hereby release, hold harmless, and indemnify PG&E from any liability, claims, demands, causes of action, damages, or expenses resulting from 1) any release of information pursuant to this Authorization, and 2) the unauthorized use of this information by other parties. I understand that this Authorization will remain in place, and cannot be terminated until completion of the Study and until the Study is no longer used for regulatory or other advocacy purposes.

\_\_\_\_\_  
Authorized Customer Signature

\_\_\_\_\_  
Telephone Number

Executed this \_\_\_\_\_ day of \_\_\_\_\_  
Month Year

at \_\_\_\_\_  
City and State where executed

**Appendix 3 to Exhibit C - Ag Settlement Agreement**

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

Application of Pacific Gas and Electric Company To  
Revise Its Electric Marginal Costs, Revenue Allocation,  
and Rate Design, including Real Time Pricing, to Revise  
its Customer Energy Statements, and to Seek Recovery  
of Incremental Expenditures

(U 39 M)

(caption to change depending on case involved)

Application 10-03-014  
(filed March 22, 2010)

(Caption to change depending on  
case involved)

**NONDISCLOSURE AGREEMENT FOR AGRICULTURAL AGGREGATION STUDY  
UNDER THE AGRICULTURAL SETTLEMENT**

This Nondisclosure Agreement (“Agreement”) is effective this \_\_\_\_ day of \_\_\_\_, 20\_\_\_\_,  
by and between Pacific Gas and Electric Company (“PG&E”) and \_\_\_\_\_  
on behalf of \_\_\_\_\_ (“Receiving Party”).

**RECITALS**

- A. Certain of the information requested to be produced or disclosed by PG&E, or by the Agricultural Consultants in the performance of the Proposed Scope of Work for Agricultural Consultants under the 2011 GRC 2 Agricultural Settlement constitutes confidential information, including but not limited to, customer specific data used for the Agricultural Account Aggregation Study (“Confidential Material”).
- B. PG&E and the Receiving Party believe that this Agreement will facilitate production of the Agricultural Account Aggregation Study (“Study”) and Confidential Material in proceedings where the Study is involved.
- C. PG&E and the Receiving Party believe that this Agreement will protect legitimate confidentiality concerns.

**AGREEMENT**

In consideration of the recitals set forth above, PG&E and the Receiving Party agree that the following terms and conditions shall govern the disclosure and use of the Study and Confidential Material in proceedings where the Study is involved.

- 1. For purposes of this Non-Disclosure Agreement (NDA):

- a. The term “Confidential Material” includes data or information about customers which PG&E provided to the Agricultural Consultants for the purpose of performing the work under the Proposed Scope of Work for Agricultural Consultants, the Agricultural Consultants analyses of data, billing, farm operations, and other data regarding individual agricultural customers, data and analyses regarding other specific customers, and portions of the Study that PG&E determines to be confidential.
  - b. The term “notes of Confidential Material” means memoranda, handwritten notes, or any other form of information which copies, characterizes or discloses all or portions of Confidential Material.
  - c. The term “Reviewing Representative” is a person discussed in paragraphs 8 and 9 of this Agreement.
  - d. The term “Commission” means the California Public Utilities Commission.
2. The term of this NDA shall start from the effective date and continue through the periods for all Commission proceedings, both current and future, in which the Study may be involved (including without limitation, PG&E’s 2014 GRC 2 proceeding). Expiration or termination of this NDA shall not abrogate the Receiving Party’s obligations with respect to Confidential Material received prior to such expiration or termination. The obligations and terms of this NDA shall survive as long as the underlying legal basis (including, but not limited to, CPUC General Order 66-C and Commission decisions for maintaining the confidentiality of customer information) remain applicable and in effect.
3. Confidential Materials include memoranda, handwritten notes, spreadsheets, computer files and reports, and any other form of information (including information in electronic form) that copies, characterizes, discloses, or compiles other confidential Materials or from which such materials may be derived. (Nothing in this agreement prevents PG&E or another party from separately showing that any derivative materials are confidential.)
4. Confidential Materials shall be made available under the terms of this Agreement only to Reviewing Representatives as provided in paragraphs 8 and 9 of this Agreement.

5. Upon written request by PG&E at the end of a proceeding in which the Study has been involved, all Receiving Party and Reviewing Representatives shall return to PG&E within thirty (30) days all Confidential Material, including all copies of Confidential Material (except notes of Confidential Material). Within the time period for return of Confidential Material, the Receiving Party shall destroy all notes of Confidential Material and the Receiving Party shall submit to PG&E an affidavit stating that all confidential Material, copies thereof, and notes of Confidential Material are being returned to PG&E or have been destroyed in accordance with this paragraph. In the event that a Reviewing Representative to whom Confidential Material is disclosed ceases to be engaged to provide services to the Receiving Party, then access to such materials by that person shall be terminated. Even if no longer engaged in this proceeding, every such person shall continue to be bound by the provisions of this NDA.

6. Confidential Material shall be physically and/or electronically marked “Confidential Material or “Confidential Pursuant to Section 583 of the Public Utilities Code, or “Produced Pursuant to Section 583 of the Public Utilities Code”, or marked with words of similar purport. All Confidential Material shall be maintained by the Receiving Party and by Reviewing Representatives in a secure manner. Access to Confidential Material shall be limited to those Reviewing Representatives specifically authorized pursuant to paragraphs 8 and 9 of this Agreement.

7. Subject to the terms of this NDA, Reviewing Representatives of the Receiving Party shall be entitled to access the Protected Materials. Reviewing Representatives may make copies of Confidential Materials, but such copies become Confidential Materials. Reviewing Representatives may make notes of Confidential Materials, which shall be treated as Confidential Materials under this NDA if those notes disclose the contents of Confidential Materials.

8. Confidential Materials shall be treated as confidential by the Receiving Party and by the Reviewing Representatives, in accordance with the Nondisclosure Certificate executed pursuant to paragraph 9 of this Agreement. Confidential Materials shall not be used except as necessary for the conduct of this CPUC proceeding, or other relevant CPUC proceeding, in

which the Study is involved, and shall not be disclosed in any manner to any person except: (i) designated Reviewing Representatives of the Receiving Party; and (ii) designated Reviewing Representatives' employees and administrative personnel, such as clerks, secretaries, and word processors, to the extent necessary to assist the Reviewing Representatives, provided that they shall first ensure that such personnel are familiar with the terms of this NDA. Reviewing Representatives shall adopt suitable measures to maintain the confidentiality of Confidential Materials they have obtained pursuant to this NDA and consistent with this NDA, and shall treat such Confidential Materials in the same manner as they treat their own most highly confidential information. The Receiving Party shall be liable for any unauthorized disclosure or use by its Reviewing Representatives or by their employees or administrative staff. In the event any Reviewing Representative is requested or required by applicable laws or regulations, or in the course of administrative or judicial proceedings (in response to oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any of Confidential Materials, they shall immediately inform PG&E of the request, and PG&E may, at its sole discretion and cost, direct any challenge or defense against the disclosure requirement, and the Reviewing Representative shall cooperate in good faith with PG&E either to oppose the disclosure of the Confidential Materials consistent with applicable law, or to obtain confidential treatment of them by the person or entity who wishes to receive them prior to any such disclosure.

9. The Receiving Party shall identify its proposed individuals who will review the confidential Materials (Reviewing Representative(s)) to PG&E. A Reviewing Representative shall not be permitted to inspect, participate in discussions regarding, or otherwise access Confidential Material pursuant to this Agreement unless and until the Reviewing Representative has first executed and delivered to PG&E a Nondisclosure Certificate in the form set forth in Appendix A to this Agreement ("Nondisclosure Certificate"). Attorneys qualified as Reviewing Representatives are responsible for ensuring that all persons under their employment, instruction, supervision or control who require access to Confidential Material comply with this Agreement and execute and deliver to PG&E a Nondisclosure Certificate

10. A Reviewing Representative may disclose Confidential Material to any other Reviewing Representative qualified to access the Confidential Material under paragraphs 8 and 9 if appropriate, as long as both Reviewing Representatives have executed and delivered a Nondisclosure Certificate to PG&E. In the event that any Reviewing Representative to whom Confidential Material is disclosed ceases to be engaged in the Proceeding or is employed or retained for a position whereby that person is no longer qualified to be a Reviewing Representative under paragraphs 8 and 9 of this Agreement, such person shall no longer be permitted access to Confidential Material and must comply with the return and destruction requirements of paragraph 5 of this Agreement within 30 days of ceasing to be a Reviewing Representative, and without waiting for a written request from PG&E. Every person who has signed and delivered a Nondisclosure Certificate shall continue to be bound by the provisions of this Agreement and the Nondisclosure Certificate, even if such person is no longer engaged in the Proceeding.

11. If the Receiving Party intends to submit or use any Confidential Material in any proceeding involving the Study such that the submission or use would result in a public disclosure of such Confidential Material, including, without limitation, the presentation of prepared testimony, cross-examination, briefs, comments, protests, or other presentations before the Commission, counsel for the Receiving Party shall communicate with counsel for PG&E as soon as possible and, where practicable, not later than five (5) business days prior to such use, and both counsel shall constructively explore means of identifying the Confidential Material so that the confidentiality thereof may be reasonably protected (including, but not limited to, submission of testimony and briefs under seal, and clearing the hearing room during examination, discussion, or argument concerning Confidential Material), while at the same time enabling an effective presentation. If PG&E and the Receiving Party are unable to agree upon a procedure to protect the confidentiality of the Confidential Material, the Receiving Party shall request an order from the principal hearing officer in the proceeding involving the Study, and PG&E reserves the right to oppose the Receiving Party's request. Except as expressly provided for herein, no use may be made of Confidential Material that would fail to protect its

confidentiality without such an order from the principal hearing officer.

12. The principal hearing officer in any proceeding involving the Study retains the discretion to review and evaluate the facts and circumstances involved in any proposed use of Confidential Material in Commission hearings, and the flexibility to respond in whatever manner is most appropriate under the circumstances, including the holding of in camera hearings.

13. Nothing in this NDA shall be construed as precluding PG&E or the Receiving Party from objecting to the use at hearings or before the Commission of Confidential Material on any legal grounds. To the extent that Confidential Material is discussed, analyzed or is otherwise the subject of consideration during any conference or other session before the Commission, only Reviewing Representatives may be present for such sessions.

14. Failure to designate information or documents as Confidential Material prior to disclosure shall not be deemed a waiver in whole or in part of the claim of confidentiality, and PG&E shall have the right to designate or re-designate such information and documents at any time. Upon receipt of notice from PG&E of any new designation or re-designation, the Receiving Party thereafter shall treat said information or documents according to the new designation or re-designation, and/or will endeavor to return all copies of any newly designated or re-designated documents to PG&E in exchange for copies of the documents with the new designation.

15. Any waiver of any provision of this NDA, or a waiver of a breach hereof, must be in writing and signed by both Parties to be effective. Any waiver of a breach of this NDA, whether express or implied, shall not constitute a waiver of a subsequent breach hereof.

16. PG&E makes no representations regarding current or future rates, customer bill savings, customer benefits, programs, cost allocation or any other matters involving the provision of utility service that may arise in connection with the Study or Confidential Materials provided under this Non-Disclosure Agreement.

17. This Agreement shall be governed and construed according to the laws of the State of California.

18. This NDA sets forth the complete understanding of the parties hereto with respect

to the subject matter hereof as of the date set forth above. This Agreement supersedes any prior understandings, discussions, or course of conduct (oral and written). Any modification or waiver of the provisions of this NDA must be written, must be executed by both PG&E and the Receiving Party, and shall not be implied by any usage of trade or course of conduct.

19. PG&E may agree at any time to remove the "Confidential Materials" designation from Confidential Materials provided to such party if, in PG&E's opinion, confidentiality protection is no longer required. In such a case, PG&E will notify the Receiving Party of the change of designation.

20. If any provision hereof is unenforceable or invalid, it shall be given effect to the extent it may be enforceable or valid, and such unenforceability or invalidity shall not affect the enforceability or validity of any other provision of this NDA.

21. This Agreement may be executed in separate counterparts by PG&E and the Receiving Party, each of which shall be fully effective as to the party executing it.

22. The principal hearing officer in any proceeding in which the Study is involved shall resolve any disputes arising from this NDA. Prior to presenting any dispute arising from this NDA to the principal hearing officer, PG&E and the Receiving Party shall use their best efforts to resolve the dispute.

IN WITNESS WHEREOF, the undersigned have executed this Non-Disclosure Agreement as of the date entered below on behalf of PG&E and the Receiving Party.

PACIFIC GAS AND ELECTRIC COMPANY

RECEIVING PARTY

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Signature: \_\_\_\_\_

(Name of Attorney)

Law Department  
Pacific Gas and Electric Company  
Post Office Box 7442  
San Francisco, CA 94120  
Telephone: (415) 973-xxxx  
Fax: (415) 973-0516  
Email: XXX@pge.com

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attorney for  
PACIFIC GAS AND ELECTRIC COMPANY

Company/Firm: \_\_\_\_\_

Representing (name of party): \_\_\_\_\_

\_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company To  
Revise Its Electric Marginal Costs, Revenue Allocation,  
and Rate Design, including Real Time Pricing, to Revise  
its Customer Energy Statements, and to Seek Recovery  
of Incremental Expenditures

(U 39 M)

Application 10-03-014  
(filed March 22, 2010)

Caption to change depending on case

Caption to change depending on case

**NONDISCLOSURE CERTIFICATE FOR AGRICULTURAL AGGREGATION STUDY  
UNDER THE AGRICULTURAL SETTLEMENT**

I certify my understanding that access to Confidential Material is provided to me pursuant to the terms and restrictions of the Nondisclosure Agreement (“NDA”) for use in proceedings where the Study is involved. I have been given a copy of and have read the NDA and agree to be bound by it. I understand that the contents of Confidential Material, including any notes or memorandum or other form of information which copy, characterize or disclose such material, shall not be disclosed to anyone other than in accordance with the NDA and shall be used only for the purpose of the above-captioned proceeding, or any CPUC proceeding in which the Study is involved. I agree to honor the confidentiality of Confidential Material as specified in the NDA, including without limitation Paragraphs 8, 10 and 11.

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company/Firm: \_\_\_\_\_

Representing (name of party): \_\_\_\_\_

Business Address: \_\_\_\_\_

\_\_\_\_\_

Business Phone: \_\_\_\_\_

Business Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**Appendix 4 to Exhibit C - Ag Settlement**

\_\_\_\_\_, 2011

Mr. Steven Moss  
M. Cubed  
2325 Third Street, Suite 344  
San Francisco, CA 94107

Re: Letter Agreement to Implement 2011 GRC Phase 2 Agricultural Settlement, Account Aggregation Study

Dear Mr. Moss,

The purpose of this letter agreement is to confirm the arrangements for your firm to perform and receive payment for the consultant services set forth in the Agricultural Settlement Aggregation Study, Item 3, "Proposed Scope of Work for Agricultural Consultants" (Consultants Work Scope).

Your firm is identified in the 2011 GRC 2 Agricultural Settlement ("Agricultural Settlement"), Account Aggregation Study, Item 3 ("Study"), to perform the work in the Consultants Work Scope. Your subcontractors will include but not be limited to Aspen Environmental Group, Economic Insights and MRW & Associates. All work for the study by you and your subcontractors is described in the Consultants Work Scope, which is attached to this letter agreement as Appendix A. By executing this letter agreement you express your agreement with the Consultants Work Scope.

The Agricultural Settlement provides that PG&E will pay an amount not to exceed \$100,000 for the work performed by you and your subcontractors, including expenses, for services within the Consultants Work Scope. You and your subcontractors are responsible for providing documentation for charges for the services and expenses to perform the Consultants Work Scope and for which you request PG&E to pay under the Agricultural Settlement. Your invoices and documentation are required to provide the detail specified in Appendix B to this letter agreement. As the primary contractor, M.Cubed will be responsible for submitting to PG&E the invoices and documentation for your subcontractors, as well as for M.Cubed itself. PG&E will remit payments consistent with the Consultants Work Scope and this letter agreement to M.Cubed. M.Cubed will be responsible for remitting payments to each of its subcontractors for amounts owed to them.

Payment by PG&E to M.Cubed shall not be due until the Commission has issued its final decision approving the Agricultural Settlement. If the Commission does not approve the Agricultural Settlement, PG&E shall not be liable to remit any payment(s) to M.Cubed for work the Agricultural Consultants may have undertaken prior to the Commission decision.

M.Cubed and its subcontractors may not represent to any agricultural customer that PG&E is making any representations regarding current or future rates programs, cost allocation or any other matters involving its provision of utility service in connection with the Study. M.Cubed and its subcontractors agree that the Consultants Work Scope and the Study are for the purpose of developing and collecting data and other information as described in the Study.

The data and information provided to M.Cubed and its subcontractors by PG&E, as well as M.Cubed and its subcontractors' analyses regarding specific customers under this Scope of Work may only be used by M.Cubed and its subcontractors for purposes of the Study and proceedings involving the study. The data, information, and analyses regarding specific customers may only be shared with PG&E, Commission staff under Public Utilities Code § 583, and qualified Reviewing Representatives for third parties who have executed the NDA for the Aggregation Study (provided, however, that the M.Cubed and its subcontractors may share with each individual customer specific data, information and analyses that are limited to that individual customer). This provision is effective upon M.Cubed's execution of this letter agreement and remains in effect for the period(s) that the NDAs for the aggregation study remain in effect.

M.Cubed and PG&E agree to be bound by the terms and provisions of this Letter Agreement and appendices and intend that this Letter Agreement and its appendices be interpreted and treated as a unified, integrated agreement to implement the Consultants Work Scope in the Agricultural Settlement. M.Cubed further agrees that its subcontractors agree to be similarly bound.

In the event the Commission does not approve the Agricultural Settlement this agreement will become null and void, and PG&E will not be liable for any further payments to M.Cubed and its subcontractors.

Very truly yours,

(PG&E signature)

On behalf of M.Cubed, I agree to the terms of this Letter Agreement to Implement 2011 GRC 2 Agricultural Settlement, Account Aggregation Study

By: \_\_\_\_\_

Dated: \_\_\_\_\_, 2011

Attachments

Cc: Michael Boccadoro, AECA  
Wendy Illingworth (Economic Insights)  
Laura Norin (MRW & Associates)  
Richard McCann (Aspen Environmental Group)

**ATTACHMENT B**

M.Cubed and its subcontractors will provide documentation for the amounts expended under the Consultants Work Scope with the following detail

*Hourly rate:*

The hourly rate for the following individuals to provide services are:

Steve Moss	\$205 per hour
Richard McCann	\$205 per hour
Wendy Illingworth	\$190 per hour
Laura Norin	\$205 per hour
Others	Rate not to exceed \$205 per hour

*Invoices:*

Invoices shall provide the following details:

- Hourly information on types of work performed, the individual involved and the compensated requested:  
e.g., 4 hours on yy date, for customer meetings by Mr. R on operations XX dollars  
e.g. 8 hours reviewing data for study by Ms. W XX dollars
- Expenses will be detailed and accompanied by receipts for items of \$75 or more:  
e.g. Mr. R, xx hours driving to customer site, at \$\$ per mile, on yy date XX dollars  
e.g. copying or faxing on yy date XX dollars  
e.g. reimbursement for meals, on yy date for Mr. R trip to customer XX dollars

Copies of the subcontractors' invoices shall be provided to PG&E.

Unreasonable expenses shall not be reimbursed.

Requests for reimbursements to PG&E shall be expected not less frequently than on a bi-monthly basis.

Invoices and accompanying documentation shall be sent to the following address:

Amrit Singh/Dan Pease  
c/o Ann Mah  
PG&E - Analysis & Rates Department  
P.O. Box 770000, Mail Code B10B  
San Francisco, CA 94177

E-mail: alm4@pge.com

(END OF APPENDIX F)