

**SUPPLEMENTAL SETTLEMENT AGREEMENT
ON SMALL LIGHT AND POWER RATE DESIGN ISSUES
IN PG&E'S APPLICATION 06-03-005**

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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 Small Light and Power Rate Design Settlement Agreement (Settling Parties, SLP Settlement) agree on a mutually acceptable outcome to the SLP rate design issues in Application (A.) 06-03-005, Application Of Pacific Gas And Electric Company To Revise Its Electric Marginal Costs, Revenue Allocation, And Rate Design. This SLP Settlement is supplemental to the Settlement in A. 06-03-005 filed in this proceeding on February 9, 2007 (February 9 Settlement), in that it uses the revenue allocation agreed to in the February 9 Settlement and addresses SLP rate issues that were not resolved in the February 9 Settlement. The Settling Parties intend that the complementary outcomes of this SLP Settlement and the February 9 Settlement be consolidated in the Commission's final decision in this proceeding. The details of this SLP Settlement are set forth herein.

II. SETTLING PARTIES

The Settling Parties are as follows:

- California City-County Street Light Association
- California Solar Energy Industries Association (CAL SEIA)
- Division of Ratepayer Advocates (DRA)
- Pacific Gas and Electric Company (PG&E)
- PV Now (PV Now)
- The Utility Reform Network (TURN)
- Vote Solar

III. SETTLEMENT CONDITIONS

This SLP Settlement resolves the issues raised by the Settling Parties in A.06-03-005 on SLP rate design, subject to the conditions set forth below:

1. This SLP Settlement embodies the entire understanding and agreement of the Settling Parties with respect to the matters described, and it supersedes prior oral or written agreements, principles, negotiations, statements, representations, or understandings among the Settling Parties with respect to those matters. This SLP Settlement builds on the underlying marginal cost and revenue allocation in the February 9 Settlement and incorporates that agreement by reference.
2. This SLP Settlement represents a compromise among the Settling Parties' respective litigation positions, not agreement to or endorsement of disputed facts and law presented by the Settling Parties in this proceeding. This SLP Settlement does not constitute precedent regarding any principle or issue in this proceeding or in any future proceeding.
3. The Settling Parties agree that this SLP Settlement is reasonable in light of the testimony submitted, consistent with law, and in the public interest.
4. The Settling Parties agree that no provision of this SLP Settlement shall be construed against any Settling Party because that Settling Party or its counsel or advocate drafted the provision.
5. This SLP Settlement may be amended or changed only by a written agreement signed by the Settling Parties.
6. The Settling Parties shall jointly request Commission approval of this SLP Settlement and shall actively support its prompt approval. Active support shall include written and oral testimony if testimony is required, 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.

7. The Settling Parties intend the SLP Settlement to be interpreted and treated as a unified, integrated agreement incorporating the February 9 Settlement, which forms the foundation for the SLP rate design agreed to herein. In the event the Commission rejects or modifies this SLP Settlement or the underlying February 9 Settlement, the Settling Parties reserve their rights under CPUC Rule 12.4.

IV. SETTLEMENT HISTORY

In its Test Year 2007 General Rate Case (GRC) Application 05-12-002, PG&E proposed that the proceeding be separated into two distinct phases: Phase 1, which would cover the revenue requirement testimony submitted with that application, and Phase 2, which would cover electric marginal costs, revenue allocation, and rate design. The Assigned Commissioner's Ruling and Scoping Memo in A.05-12-002 directed PG&E to file its marginal costs, revenue allocation, and rate design proposals as a new application rather than as a separate phase.

Consistent with the Assigned Commissioner's Ruling in A.05-12-022, PG&E filed Application 06-03-005 on March 2, 2006, related to electric marginal costs, revenue allocation, and rate design. According to its application, PG&E's marginal cost, revenue allocation and rate design proposals were intended to "continue progress toward cost based, efficient pricing, while taking into consideration equity among customers and customer acceptance." The application was protested on March 27, 2006, by DRA.

A prehearing conference was held in the proceeding on May 3, 2006 before Administrative Law Judge (ALJ) Fukutome and Assigned Commissioner Rachelle Chong. The scope of the proceeding and procedural schedule were set forth in the Assigned Commissioner's Ruling and Scoping Memo dated May 25. In compliance with the Scoping Memo, PG&E updated its showing on June 26. DRA served prepared testimony on September 13. Intervenors AECA, BOMA, CAC, CAL-SLA, CFBF,

CLECA, CLFP, CMTA-ICP, DACC, EPUC, FEA, PV Now, TURN, Vote Solar, and WMA served their prepared testimony on October 27.

Meanwhile, on September 20, PG&E held a meet and confer session with all parties as well as Commission staff, as directed in the Scoping Memo. After providing notice pursuant to Rule 12.1(b), PG&E conducted additional settlement discussions pursuant to Article 12 of the CPUC's rules with the active parties to the proceeding. On November 1, PG&E held a mandatory settlement conference pursuant to the Scoping Memo. Based on the settlement discussions, PG&E and the Settling Parties sought extensions of the procedural schedule, which were granted by ALJ Rulings dated November 9 and December 14, 2006.

On January 4, 2007, parties to the settlement discussions reached agreement in principle on the terms of a Settlement Agreement respecting electric marginal costs and revenue allocation. The following day, PG&E's counsel notified ALJ Fukutome that the active parties to the proceeding had reached settlement in principle regarding those issues and requested a further extension of the procedural schedule to memorialize that settlement and continue their efforts to reach agreement on rate design issues. ALJ Fukutome granted the request by written ruling dated January 10, 2007. In that ruling ALJ Fukutome allowed the parties until March 16, 2007, in which to file a settlement of rate design issues. On February 9, 2007, 22 parties filed a Settlement Agreement respecting marginal costs and revenue allocation (February 9 Settlement). They stated that discussions would continue in an effort to reach agreement on rate design issues.

After several discussions, the Settling Parties to this SLP Settlement reached an agreement in principle, building from the revenue allocation agreed to in the February 9 Settlement.

V. SLP SETTLEMENT TERMS GENERALLY

The Settling Parties agree that the rate design for the SLP class embodied in this

SLP Settlement takes the revenue allocation reached for that class in the February 9 Settlement and ensures that it is fully recovered through SLP rates in a manner that is just and reasonable, in the public interest, and that reflects a reasonable compromise of Settling Parties' proposals. The Settling Parties agree that the illustrative rates set forth herein are consistent with the revenue allocation set forth in Table 5 of the February 9 Settlement, which is based on estimated March 1, 2007 effective rates. The Settling Parties agree that the actual rates derived pursuant to this SLP Settlement shall be designed on an overall revenue-neutral basis to collect the then-current revenue allocated to the SLP class and will differ from the rates presented herein. However, these actual rates shall be based on the SLP rate structure described below. The SLP class consists of Schedules A-1, A-6, A-15 and TC-1. Illustrative allocation to these schedules is set forth in Exhibit A and Illustrative rates are set forth in Exhibit B to this SLP Settlement.

The Settling Parties agree that all testimony served prior to the date of this SLP Settlement that addresses the issues resolved by this SLP Settlement should be admitted into evidence without cross-examination by the Settling Parties.

The Settling Parties further agree that this SLP Settlement resolves all SLP rate design issues in A.06-03-005.

VI. SLP RATE DESIGN SETTLEMENT TERMS

A. Illustrative revenues and average settlement rates for the SLP rate schedules after revenue allocation and rate design are presented in Exhibit A. The allocations and average rates were developed to collect the revenue allocated to the SLP customer classes set forth in Tables 5-A and 5-B of the February 9 Settlement based on estimated March 2007 revenue requirements. Adopted revenue requirements in effect upon settlement implementation shall be applied to determine initial settlement rates. Therefore, the actual average rates and allocated revenues may vary from those shown

in Exhibit A when the Phase 2 rate changes are implemented.

B. The Settling Parties agree to establish revenue neutrality between Schedules A-1 and A-6 in two steps. First, upon settlement implementation, Schedule A-6 will move approximately two-thirds of the way toward full revenue neutrality with Schedule A-1. This step will be accomplished by capturing in Schedules A-1 and A-6 an amount equal to the termination of the Fixed Transition Amount (Trust Transfer Amount) rate component, which is expected to end December 31, 2007. If the settlement is implemented prior to January 1, 2008, the Schedule A-1 and A-6 rates will be set to achieve two-thirds movement toward revenue neutrality assuming termination of the FTA on January 1, 2008. The second step to complete the movement to full revenue neutrality will occur on January 1, 2010. In the interim between these two steps, each electric rate change will seek to maintain the ratio of the Schedule A-1 to A-6 average rate established upon initial implementation of the settlement after termination of the FTA. Similarly, PG&E will seek to maintain the full revenue neutral ratio of the Schedule A-1 to A-6 average rate established on January 1, 2010 until the next GRC Phase 2 proceeding. This term modifies and supersedes term VII. 3. (G) in the February 9 settlement, and will be implemented to the extent practicable, subject to other applicable revenue allocation or rate design constraints. Exhibits A and B are based upon implementation prior to January 1, 2008, and therefore provide illustrative results prior to elimination of the current small commercial FTA rate of \$0.00661 per kWh. Generally, movement toward and attainment of revenue neutrality between Schedules A-1 and A-6 will correct current inappropriate rate relationships whereby customers can automatically realize significant bill savings simply by switching from Schedule A-1 to

Schedule A-6 despite having poor time-of-use load profiles.

C. The Settling Parties agree that the basic rate designs for each of the applicable SLP rate schedules will be updated upon settlement implementation using the methods underlying development of the illustrative settlement rates for Schedules A-1, A-6, A-15, and TC-1 presented in Exhibit B. These methods reflect approaches proposed by PG&E in its Rate Update testimony, Exhibit (PG&E-4), filed June 26, 2006, as updated to incorporate the revenue allocation proposals and updated marginal costs agreed upon in the February 9 Settlement, and other revenue allocation or rate design revisions discussed herein.

D. The Settling Parties agree to a pilot program that increases the maximum demand limit for Schedule A-6 customers that install a solar photovoltaic system from 500 kilowatts to 1,000 kilowatts. However, in light of the fact that extension of net energy metering to larger customers, and specifically under the provisions of Schedule A-6, will increase the degree of cost shifting to other customers, this provision will be limited to no more than a cumulative 20 megawatts (MW) of installed solar system output, as identified in the Pacific Gas and Electric Company Permission to Operate letter to Net Energy Metering customers. The change would allow a customer whose maximum billing demand has been between 499 and 999 kilowatts for at least three consecutive months during the most recent 12-month period, or that otherwise is currently taking service, or would be required to take service, on Schedule E-19 on a mandatory basis, and that installs a solar photovoltaic system that meets at least 20 percent of the measured maximum demand, to voluntarily move to the Schedule A-6 tariff. Such customers will be eligible to take net energy metering service under

Schedule NEM, subject to the terms and conditions therein. The maximum demand measurement would be based on facility load before the installation of any solar system. This expansion of Schedule A-6 eligibility to 999 kW shall apply to solar customers only. For net energy metering customers currently taking service on a mandatory basis on Schedule E-19 as of the date of settlement implementation, PG&E shall provide a one-time option during the first 90 days after the effective date of implementation of this settlement for these customers to migrate to net energy metering service on Schedule A-6. Any such existing net energy metering Schedule E-19 customers' solar system size transferring to Schedule A-6 shall count toward the 20 MW pilot program cap. Appropriate tariff revisions shall be made to the applicability sections of Schedule A-6 and E-19.

E. The Settling Parties agree that the increases to SLP fixed monthly customer charges reflected in Exhibit B are reasonable. The Settling Parties agree further that at such time as the customer's existing TOU meter is replaced as part of the Advanced Meter Infrastructure (AMI) Project, pursuant to D.06-07-027, and the new meter is activated and used for billing, the current ongoing monthly TOU meter charges applicable to customers taking voluntary TOU service under Schedule A-6 will cease.

F. The calculation of the CARE discount for commercial CARE customers under Schedule E-CARE shall be based on a rate per kWh discount, rather than the currently effective methodology tied to a percentage discount, surcharges, and prior June 10, 1996 rates. The new method will improve customer understanding, simplify billing, avoid calculation of a bundled bill for direct access commercial CARE customers, and maintain parity between residential and commercial CARE average discount

percentages. The commercial CARE discount per kWh on each rate schedule shall be pegged to the overall percentage distribution and generation discount for the residential CARE customer class, and assigned to the commercial distribution rate component, with the additional waiver of the Department of Water Resources Bond charge, and the CARE Surcharge portion of the Public Purpose Program rate component otherwise applicable to each commercial rate schedule. The commercial CARE rate per kWh discount shall be listed in Schedule E-CARE, and will vary by rate schedule. These Schedule E-CARE rates will be updated with each future electric rate change. Should commercial CARE customers take service on a rate not listed in Schedule E-CARE, PG&E shall use the most appropriate rate schedule currently listed, until such time as a new corresponding rate per kWh discount is developed and available for billing purposes.

G. The special facility charge related to direct current electrical service on Schedule A-15 shall increase from \$15 to \$20 per month.

H. PG&E's proposal to revise the franchise fee surcharge calculation, as set forth in Exhibit (PG&E-3), pages 1-15 and 1-16, shall be adopted for Direct Access and Community Choice Aggregation service.

I. The Settling Parties agree that the revised Schedule A-6 fulfills the requirements of Senate Bill (SB) 1, Public Utilities Code Section 2851 (a)(4), requiring "a time-variant tariff that creates the maximum incentive for ratepayers to install solar systems..." This Settlement does not restrict parties from taking positions they deem appropriate in a subsequent proceeding that addresses time-variant rates, provided that prior to the next GRC Phase 2 proceeding, no Settling Party may argue that Schedule A-6 does not meet the SB-1 requirement for "a time-variant tariff that creates the maximum incentive for ratepayers to install solar systems."

J. The illustrative rates shown in Exhibit B are developed to collect the same revenue allocated to the SLP class that was used for the February 9 Settlement. The

actual rates developed to implement this decision will vary based on the then current adopted revenue requirements.

K. Timing of Rate Changes: Certain elements of this SLP Settlement require employee training and/or changes to PG&E systems beyond a normal change to a rate value. These changes may include revision for expanded Schedule A-6 solar eligibility in item D, elimination of the ongoing TOU meter charge in item E, revision to the commercial CARE bill calculation in item F, and revision of the franchise fee surcharge calculation in item H. These systems and program changes will be implemented by PG&E diligently as time permits and in a manner consistent with maintaining the secure, smooth operations of the systems involved. The Settling Parties recognize that some initiatives could take several months to implement.

VII. TIMING OF RATE CHANGE

The provisions regarding the timing of this GRC rate change and rate changes between General Rate Cases agreed to in the February 9 Settlement, Section VII 2, shall apply to this SLP Settlement, unless specifically noted above.

VIII. 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 SLP Settlement shall become effective among the Settling Parties on the date the last Settling Party executes the SLP Settlement, as indicated below. In witness whereof, intending to be legally bound, the Settling Parties hereto have duly executed this SLP Settlement on behalf of the Settling Parties they represent.

The undersigned represent that they are authorized to sign on behalf of the Party represented.

California City-County Street Light Association

By: _____ /s/
Reed V. Schmidt

Title: Energy Economist _____

Date: April 27, 2007 _____

California Solar Energy Industries Association

By: _____ /s/

Title: Executive Director _____

Date: April 27, 2007 _____

Division of Ratepayer Advocates

By: _____ /s/

Title: Director _____

Date: 4/27/07 _____

Pacific Gas and Electric Company

By: _____ /s/
Dan Pease

Title: Manager, Electric Rates _____

Date: April 27, 2007 _____

Small Light and Power Rate Design Settlement

Exhibit A

Small Light and Power Bundled Intra Class Revenue Allocation

Schedule	Estimated 3/1/07 Revenue	Estimated 3/1/07 Avg Rate	Illustrative Revenue	Illustrative Avg Rate	Percent Change
A-1	\$979,441,330	\$0.16717	\$1,007,689,195	\$0.17199	2.9%
A-6	\$341,872,938	\$0.13782	\$388,557,101	\$0.15664	13.7%
A-15	\$359,168	\$0.33928	\$413,249	\$0.39037	15.1%
TC-1	\$6,337,827	\$0.17644	\$5,528,655	\$0.15391	-12.8%
Total	\$1,328,011,263	\$0.15854	\$1,402,188,199	\$0.16739	5.6%

Small Light and Power Rate Design Settlement

Exhibit B

Illustrative Small Light and Power Rate Design

Pacific Gas and Electric Company
2007 GRC Rate Design Changes - Exhibit B

A-1 Bundled	ESTIMATED MARCH 1, 2007 RATES (FEBRUARY 9 SETTLEMENT)			ILLUSTRATIVE RATES FOR SLP RATE DESIGN SETTLEMENT			Total Rev Change
	Billing Determinants	Rates	Revenue	Billing Determinants	Rates	Revenue	
ENERGY CHARGES (\$/kWh)							
Summer	3,037,697,559	\$0.18329	\$556,794,259	3,037,697,559	\$0.18868	\$573,155,520	
Winter	2,821,321,264	\$0.13331	\$376,123,169	2,821,321,264	\$0.13555	\$382,418,303	
Revenue from Energy Charges			\$932,917,428			\$955,573,823	
Revenue from Energy as % of Total			95.19%			94.78%	
CUSTOMER CHARGE (\$/meter/mo.)							
Singlephase	2,893,286	\$8.10	\$23,435,617	2,893,286	\$9.00	\$26,039,575	
Polyphase	1,972,871	\$12.00	\$23,674,447	1,972,871	\$13.50	\$26,633,753	
Revenue from Customer Charges			\$47,110,064			\$52,673,327	
Revenue from Customer Chrg as % of Total			4.81%			5.22%	
Total	5,859,018,823		\$980,027,492	5,859,018,823		\$1,008,247,150	2.88%

Pacific Gas and Electric Company
2007 GRC Rate Design Changes - Exhibit B

**ESTIMATED MARCH 1, 2007 RATES
(FEBRUARY 9 SETTLEMENT)**

**ILLUSTRATIVE RATES FOR SLP RATE
DESIGN SETTLEMENT**

A-6

Bundled

ENERGY CHARGES (\$/kWh)

	<u>Billing Determinants</u>	<u>Rates</u>	<u>Revenue</u>	<u>Billing Determinants</u>	<u>Rates</u>	<u>Revenue</u>
Summer						
Peak	257,489,677	\$0.31884	\$82,098,909	257,489,677	\$0.37388	\$96,269,296
Partial-Peak	323,024,447	\$0.15659	\$50,582,440	323,024,447	\$0.17800	\$57,499,929
Off-Peak	792,028,336	\$0.09292	\$73,595,852	792,028,336	\$0.11587	\$91,772,381
Winter						
Partial-Peak	468,559,417	\$0.13797	\$64,646,511	468,559,417	\$0.13899	\$65,122,974
Off-Peak	639,489,747	\$0.10178	\$65,088,814	639,489,747	\$0.11537	\$73,778,411
Revenue from Energy Charges			\$336,012,526			\$384,442,992
Revenue from Energy as % of Total			98.27%			98.93%

CUSTOMER CHARGE (\$/meter/mo.)

Singlephase	149,326	\$8.10	\$1,209,543	149,326	\$9.00	\$1,343,936
Polyphase	208,748	\$12.00	\$2,504,975	208,748	\$13.50	\$2,818,097
Revenue from Customer Charges			\$3,714,518			\$4,162,034
Revenue from Customer Chrg as % of Total			1.09%			1.07%

METER CHARGE (\$/meter/mo.)

A-6	358,074	\$6.12	\$2,191,414	358,074	NA	
Revenue from Meter Charge			\$2,191,414			\$0
Revenue from Meter Chrg as % of Total			0.64%			0.00%

Total

	2,480,591,624		\$341,918,458	2,480,591,624		\$388,605,025	Total Rev Change
						13.65%	

Pacific Gas and Electric Company
2007 GRC Rate Design Changes - Exhibit B

**ESTIMATED MARCH 1, 2007 RATES
(FEBRUARY 9 SETTLEMENT)**

**ILLUSTRATIVE RATES FOR SLP RATE
DESIGN SETTLEMENT**

A-15 Bundled	ESTIMATED MARCH 1, 2007 RATES (FEBRUARY 9 SETTLEMENT)			ILLUSTRATIVE RATES FOR SLP RATE DESIGN SETTLEMENT			Total Rev Change
	Billing Determinants	Rates	Revenue	Billing Determinants	Rates	Revenue	
ENERGY CHARGES (\$/kWh)							
Summer	529,328	\$0.17916	\$94,837	529,328	\$0.18455	\$97,688	
Winter	529,283	\$0.12918	\$68,375	529,283	\$0.13142	\$69,556	
Revenue from Energy Charges			\$163,212			\$167,244	
Revenue from Energy as % of Total			45.44%			40.47%	
CUSTOMER CHARGE (\$/meter/mo.)							
A-15	8,483	\$8.10	\$68,712	8,483	\$9.00	\$76,346	
Revenue from Customer Charges			\$68,712			\$76,346	
Revenue from Customer Chrg as % of Total			19.13%			18.47%	
FACILITIES CHARGE (\$/meter/mo.)							
A-15	8,483	\$15.00	\$127,244	8,483	\$20.00	\$169,659	
Revenue from Facilities Charges			\$127,244			\$169,659	
Revenue from Facility Chrg as % of Total			35.43%			41.05%	
Total	1,058,611		\$359,168	1,058,611		\$413,249	
						15.06%	

Pacific Gas and Electric Company
2007 GRC Rate Design Changes - Exhibit B

	ESTIMATED MARCH 1, 2007 RATES (FEBRUARY 9 SETTLEMENT)			ILLUSTRATIVE RATES FOR SLP RATE DESIGN SETTLEMENT			
	Billing Determinants	Rates	Revenue	Billing Determinants	Rates	Revenue	
TC-1							
Bundled							
ENERGY CHARGES (\$/kWh)							
Summer	17,936,845	\$0.14703	\$2,637,182	17,936,845	\$0.12123	\$2,174,517	
Winter	17,984,426	\$0.14703	\$2,644,178	17,984,426	\$0.12123	\$2,180,286	
Revenue from Energy Charges			\$5,281,361			\$4,354,803	
Revenue from Energy as % of Total			83.33%			78.77%	
CUSTOMER CHARGE (\$/meter/mo.)							
TC-1	130,428	\$8.10	\$1,056,467	130,428	\$9.00	\$1,173,852	
Revenue from Customer Charge			\$1,056,467			\$1,173,852	
Revenue from Customer Chrg as % of Total			16.67%			21.23%	
Total	35,921,271		\$6,337,827	35,921,271		\$5,528,655	Total Rev Change
						-12.77%	

Pacific Gas and Electric Company
2007 GRC Rate Design Changes - Exhibit B

ILLUSTRATIVE FUNCTIONAL RATES FOR SLP SETTLEMENT

A-1					
BUNDLED	<u>Dist</u>	<u>Gen</u>	<u>PPP</u>	<u>Other</u>	<u>Total</u>
ENERGY CHARGES (\$/kWh)					
Summer					
Total	\$0.05735	\$0.09868	\$0.01133	\$0.02132	\$0.18868
Winter					
Total	\$0.03823	\$0.06466	\$0.01133	\$0.02132	\$0.13555
CUSTOMER CHARGES (\$/mtr/day)					
Singlephase					\$0.29569
Polyphase	\$0.29569				\$0.44353

A-6					
BUNDLED	<u>Dist</u>	<u>Gen</u>	<u>PPP</u>	<u>Other</u>	<u>Total</u>
ENERGY CHARGES (\$/kWh)					
Summer					
Peak	\$0.13487	\$0.20781	\$0.00987	\$0.02132	\$0.37388
Part-Peak	\$0.05395	\$0.09286	\$0.00987	\$0.02132	\$0.17800
Off-Peak	\$0.02697	\$0.05770	\$0.00987	\$0.02132	\$0.11587
Winter					
Part-Peak	\$0.04424	\$0.06355	\$0.00987	\$0.02132	\$0.13899
Off-Peak	\$0.02950	\$0.05468	\$0.00987	\$0.02132	\$0.11537
CUSTOMER CHARGES (\$/mtr/day)					
Singlephase					\$0.29569
Polyphase	\$0.29569				\$0.44353

A-15					
BUNDLED	<u>Dist</u>	<u>Gen</u>	<u>PPP</u>	<u>Other</u>	<u>Total</u>
ENERGY CHARGES (\$/kWh)					
Summer					
Total	\$0.05735	\$0.09868	\$0.01133	\$0.01719	\$0.18455
Winter					
Total	\$0.03823	\$0.06466	\$0.01133	\$0.01719	\$0.13142
CUSTOMER CHARGE (\$/mtr/day)					
	\$0.29569				\$0.29569
FACILITIES CHARGE (\$/mtr/day)					
	\$0.65708				\$0.65708

TC-1					
BUNDLED	<u>Dist</u>	<u>Gen</u>	<u>PPP</u>	<u>Other</u>	<u>Total</u>
ENERGY CHARGES (\$/kWh)					
Summer					
Total	\$0.03153	\$0.06653	\$0.00598	\$0.01719	\$0.12123
Winter					
Total	\$0.03153	\$0.06653	\$0.00598	\$0.01719	\$0.12123
CUSTOMER CHARGE (\$/mtr/day)					
	\$0.29569				\$0.29569

Pacific Gas and Electric Company
2007 GRC Rate Design Changes - Exhibit B

ILLUSTRATIVE FUNCTIONAL RATES FOR SLP SETTLEMENT

E-CARE Discounts (\$/kWh)

	<u>Dist</u>	<u>PPP</u>	<u>DWR Bond</u>	<u>Total</u>
A-1	\$0.06462	\$0.00487	\$0.00469	\$0.07417
A-6	\$0.05885	\$0.00487	\$0.00469	\$0.06841
A-10S	\$0.05217	\$0.00487	\$0.00469	\$0.06173
A-15	\$0.06462	\$0.00487	\$0.00469	\$0.07417
E-19VS	\$0.04322	\$0.00487	\$0.00469	\$0.05278