



ELECTRIC PRELIMINARY STATEMENT PART DG
POWER CHARGE COLLECTION BALANCING ACCOUNT

Sheet 1

DG. POWER CHARGE COLLECTION BALANCING ACCOUNT (PCCBA)

- 1. PURPOSE: The purpose of the Power Charge Collection Balancing Account (PCCBA) is to track the difference between (i) the amounts collected or returned to customers by PG&E on behalf of the Department of Water Resources (DWR) as DWR's agent and remitted to or collected from DWR pursuant to the remittance formula under PG&E's applicable Servicing Order, using the Power Charge Remittance Rate, or dollar amount, established in the relevant Commission decisions, and (ii) the portion of total amounts collected from or returned to bundled customers attributable to the PCCBA rate component. PCCBA is a customer balancing account and in no way changes the remittance formula or Commission decisions or changes PG&E's obligations to segregate and hold Power Charges from customers in trust for the benefit of DWR pursuant to Water Code § 80112. To the extent that the amount derived from bundled customers under the PCCBA rate component is greater or less than the amount of DWR Power Charges remitted to or collected from DWR, that difference will be reflected in setting bundled customers' future PCCBA rate component. (T)
- A portion of the energy supplied to PG&E's customers is provided by DWR. PG&E as an agent for DWR: (T)
 - Bills its customers for this energy and forwards the revenues collected to DWR at the Power Charge Remittance Rate established in the relevant Commission decisions; or (T)
 - Returns to its customers through the PCCBA rate component the amounts collected from DWR as established in relevant Commission decisions. (N)
- The portion of the total energy provided to PG&E's customers by DWR varies from the original forecast due to normal load and DWR contract delivery fluctuations. The PCCBA allows PG&E to set a rate component based on a forecast of the portion of energy expected to be provided by DWR, and then to true-up the balance in this account annually in order to ensure that PG&E is not over- or under-collecting (from its bundled customers) for the energy that PG&E supplies due to variances in the portion of energy supplied by DWR. (T)
- 2. APPLICABILITY: The PCCBA shall apply to all bundled customers subject to the jurisdiction of the Commission, except for those specifically excluded by the Commission from DWR power charges. (T)
- 3. REVISION DATES: Disposition of the balance in this account shall be determined through the advice letter process. (T)
- 4. RATES: The PCCBA rates are set forth in electric Preliminary Statement Part I. (L)

(Continued)

<i>Advice</i>	3776-E	<i>Issued by</i>	<i>Date Filed</i>	December 10, 2010
<i>Decision</i>	10-12-006	<i>Jane K. Yura</i>	<i>Effective</i>	January 1, 2011
		<i>Vice President</i>	<i>Resolution</i>	
		<i>Regulation and Rates</i>		



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Sheet 2

- DG. POWER CHARGE COLLECTION BALANCING ACCOUNT (PCCBA) (Cont'd.) (N)
- 5. ACCOUNTING PROCEDURES: The following entries shall be made each month: (L)
 - a. A debit entry equal to the DWR bundled power charge remittances to DWR. (T) |
 - b. A credit entry equal to the receipt of DWR bundled power charge remittances from DWR and the Commission approved net negative power charge revenue requirement received from DWR. (T) |
(T) |
 - c. A debit or credit entry equal to the revenue returned to or collected from bundled customers through the PCCBA rate component. (N) |
(N) |
 - d. An entry equal to the interest on the average of the balance at the beginning of the month and the balance after the above entries at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor. (T) |
(L)