

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



March 7, 2005

Advice Letter 2607-E

Rose de la Torre
Pacific Gas & Electric
77 Beale Street, Room 1088
Mail Code B10C
San Francisco, CA 94105

Subject: Restoration improvement Memorandum Account

Dear Ms de la Torre:

Advice Letter 2607-E is effective January 1, 2003. A copy of the advice letter is returned herewith for your records.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean H. Gallagher".

Sean H. Gallagher, Director
Energy Division



Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

Mailing Address
Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

415.973.4977
Internal: 223.4977
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January 4, 2005

Advice 2607-E

(Pacific Gas and Electric Company ID U 39 E)

**Subject: Restoration Improvement Memorandum Account
2003 General Rate Case – Decision 04-10-034**

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariffs. The affected tariff sheets are listed on the enclosed Attachment I.

Purpose

This filing requests that the Commission approve PG&E's proposal to add electric Preliminary Statement Part DS – *Restoration Improvement Memorandum Account* (RIMA) to its tariffs, as authorized in PG&E's 2003 General Rate Case Decision (D.) 04-10-034.

Background

As part of D. 04-10-034 concerning storm and reliability issues, PG&E was authorized to establish a memorandum account consistent with the memorandum account proposed in PG&E/ORA Agreement 7 to track costs associated with performing upgrades to its Outage Information System (OIS) and related operations and mapping systems. These upgrades are intended to improve PG&E's communications and restoration of service after electric outages.

As provided in Ordering Paragraph 7 of D. 04-10-034, the RIMA will record expenses associated with upgrades to OIS and related systems up to defined limits provided PG&E's recorded expenses exceed amounts adopted in PG&E's 2003 General Rate Case. The maximum amounts that can be recorded in the RIMA are shown in Attachment II to this filing.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **January 24, 2005**, which is 20 days from the date of this filing. The protest must state the

January 4, 2005

grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

IMC Branch Chief – Energy Division
California Public Utilities Commission
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Protests also should be sent by e-mail and facsimile to Mr. Jerry Royer, Energy Division, as shown above, and by U.S. mail to Mr. Royer at the above address.

The protest should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

Pacific Gas and Electric Company
Attention: Brian Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

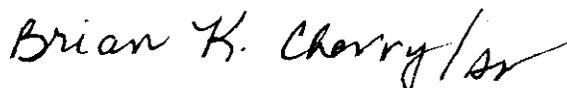
Facsimile: (415) 973-7226
E-mail: RxDd@pge.com

Effective Date

In compliance with D. 04-10-034, PG&E requests that this advice filing become effective on **January 1, 2003**.

Notice

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for A. 02-11-017. Address changes should be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>



Director - Regulatory Relations

Attachments

cc: Service List – A. 02-11-017

**ATTACHMENT I
ADVICE 2607-E**

<u>Cal. P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Cal P.U.C. Sheet No.</u>
22642-E	Preliminary Statement Part DS—Restoration Improvement Memorandum Account	New
22643-E	Table of Contents – Preliminary Statements	22637-E
22644-E	Table of Contents	22638-E



PRELIMINARY STATEMENT
(Continued)

DS. RESTORATION IMPROVEMENT MEMORANDUM ACCOUNT (RIMA)

(N)

1. **PURPOSE:** The purpose of the RIMA is to record and recover the incremental expenses associated with upgrades to PG&E's Outage Information System (OIS) and related operations and mapping systems designed to facilitate communications and restoration of service after electric outages.
2. **APPLICABILITY:** The RIMA shall apply to all customer bills for service under all rate schedules and contracts for electric distribution service subject to the jurisdiction of the Commission, except for those rate schedules or contracts specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of amounts in this account shall be determined in the Electric Annual True-up Proceeding or any other proceeding authorized by the Commission.
4. **DISTRIBUTION RATES:** There is no rate component for the RIMA.
5. **ACCOUNTING PROCEDURES:** The following entries shall be made to the RIMA:
 - a. Following the end of each calendar year, a debit entry equal to the annual incremental expenses to fund OIS upgrades determined as follows:
 - 1) For 2003, the amount by which the recorded amount in Account 588 exceeds the adopted amount for Account 588, but no more than \$4.727 million;
 - 2) For 2004, the amount by which the recorded amount for all electric distribution Operations and Maintenance accounts exceeds the adopted amount for all electric distribution Operations and Maintenance accounts, but no more than \$3.317 million;
 - 3) For 2005, the amount by which the recorded amount for all electric distribution Operations and Maintenance accounts exceeds the adopted amount for all electric distribution Operations and Maintenance accounts, but no more than \$3.316 million;
 - 4) For 2006, the amount by which the recorded amount for all electric distribution Operations and Maintenance accounts exceeds the adopted amount for all electric distribution Operations and Maintenance accounts, but no more than \$2.300 million;

In no event shall the amount computed in accordance with the above be negative.
 - b. A credit entry, if necessary, to transfer the balance in the account to the DRAM or other account in the Electric Annual True-up Proceeding or other proceeding as authorized by the Commission.

(N)

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Part CC	Real Time Energy Metering Memorandum Account	18307,18308-E
Part CD	Kern Restoration and Operation Memorandum Account	18509-E
Part CE	Baseline Balancing Account	21587,21588-E
Part CF	Net Energy Metering Memorandum Account	18831-E
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Part CI	Wholesale DWR/ISO Cost Memorandum Account	20503-E
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Part CK	Distribution Bypass Deferral Rate Memorandum Account	20619-E
Part CL	Distributed Energy Resources Memorandum Account	19042-E
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Advice Letter No. 2607-E
Decision No. 04-10-034

Issued by
Karen A. Tomcala
Vice President
Regulatory Relations

Date Filed January 4, 2005
Effective January 1, 2003
Resolution No. _____

PACIFIC GAS AND ELECTRIC COMPANY
2003 General Rate Case - Storm and Reliability Decision

Annual RIMA Expense Amounts
(Millions of Dollars)

	2003	2004	2005	2006	Total
a. Link OIS to mobile data terminals	1.017	1.017	1.016		3.050
b. Integrate OIS, SCADA and DOLIP	3.250				3.250
c. Enhance OIS mapping associations	0.460	2.300	2.300	2.300	7.360
Total	4.727	3.317	3.316	2.300	13.660

**PG&E Gas and Electric Advice
Filing List
General Order 96-A, Section III(G)**

ABAG Power Pool
Accent Energy
Aglert Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Alcantar & Elsesser
Anderson Donovan & Poole P.C.
Applied Power Technologies
APS Energy Services Co Inc
Arter & Hadden LLP
Avista Corp
Barkovich & Yap, Inc.
BART
Bartle Wells Associates
Blue Ridge Gas
Bohannon Development Co
BP Energy Company
Braun & Associates
C & H Sugar Co.
CA Bldg Industry Association
CA Cotton Ginners & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
California Farm Bureau Federation
California Gas Acquisition Svcs
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Assoc
Cameron McKenna
Cardinal Cogen
Cellnet Data Systems
Chevron Texaco
Chevron USA Production Co.
Childress, David A.
City of Glendale
City of Healdsburg
City of Palo Alto
City of Redding
CLECA Law Office
Constellation New Energy
Cooperative Community Energy
CPUC
Creative Technology
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright Tremaine LLP
Davis, Wright, Tremaine, LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
Dept of the Air Force
DGS Natural Gas Services
DMM Customer Services
Douglass & Liddell
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynegy Inc.
Ellison Schneider
Energy Law Group LLP
Energy Management Services, LLC
Enron Energy Services
Exelon Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
Gas Transmission Northwest Corporation
GLJ Energy Publications
Goodin, MacBride, Squeri, Schlotz &
Hanna & Morton
Heeg, Peggy A.
Hogan Manufacturing, Inc
House, Lon
Imperial Irrigation District
Integrated Utility Consulting Group
International Power Technology
Interstate Gas Services, Inc.
J. R. Wood, Inc
JTM, Inc
Kaiser Cement Corp
Korea Elec Power Corp
Luce, Forward, Hamilton & Scripps
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
Navigant Consulting
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
Northern California Power Agency
Office of Energy Assessments
Palo Alto Muni Utilities
PG&E National Energy Group
Pinnacle CNG Company
PITCO
Plurimi, Inc.
PPL EnergyPlus, LLC
Praxair, Inc.
Price, Roy
Product Development Dept
R. M. Hairston & Company
R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonestar
Sacramento Municipal Utility District
SCD Energy Solutions
Seattle City Light
Sempra
Sempra Energy
Sequoia Union HS Dist
SESCO
Sierra Pacific Power Company
Silicon Valley Power
Simpson Paper Company
Smurfit Stone Container Corp
Southern California Edison
SPURR
St. Paul Assoc
Stanford University
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tansev and Associates
Tecogen, Inc
TFS Energy
TJ Cross Engineers
Transwestern Pipeline Co
Turlock Irrigation District
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA