

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



September 30, 2005

Advice Letter 2632-G-B/2664-E-B

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

Subject: Establishment of new memorandum accounts to record advanced metering infrastructure costs

Dear Ms de la Torre:

Advice Letter 2632-G-B/2664-E-B is effective June 30, 2005. A copy of the advice letter is returned herewith for your records. This letter corrects our previous letter to indicate that only Supplement B is effective.

Sincerely,

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

Sean H. Gallagher, Director
Energy Division



**Pacific Gas and
Electric Company®**

Brian K. Cherry
Director
Regulatory Relations

77 Beale Street, Room 1087
San Francisco, CA 94105

Mailing Address
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

415.973.4977
Internal: 223.4977
Fax: 415.973.7226
Internet: BKC7@pge.com

August 26, 2005

**Advice 2632-G-B/2664-E-B
(Pacific Gas and Electric Company ID U 39 M)**

Public Utilities Commission of the State of California

**Subject: Revised Preliminary Statements for Pacific Gas and Electric's
(PG&E) Advanced Metering Infrastructure Memorandum
Accounts (AMIMA-E and AMIMA-G)**

Purpose

Pacific Gas and Electric Company (PG&E) is filing this supplemental Advice Letter per instruction from Energy Division, with tariff sheets 25153-G** and 23442-E** that supersede those pages in Advice Letter (AL) 2632-G/2664-E, filed on May 13, 2005, and AL 2632-G-A/2664-E-A, filed on July 19, 2005.

Pursuant to final Resolution E-3937 approved on June 30, 2005 which authorized PG&E to establish the Advanced Metering Infrastructure Memorandum Accounts for electric (AMIMA-E) and gas (AMIMA-G) for the purpose of recording all necessary AMI pre-deployment costs for 2005 and 2006, and subsequent communications between PG&E and Energy Division, PG&E hereby submits the revised pages AMIMA-E and AMIMA-G Preliminary Statements.

Background

On June 30, 2005, the Commission issued Resolution E-3937 which authorized PG&E to establish AMIMA-E and AMIMA-G; however, the Energy Division, requested that PG&E submit revised Preliminary Statements for AMIMA-E and AMIMA-G to reflect the limitations adopted in that Resolution. PG&E then filed 2632-G-A/2664-E-A on July 19, 2005. On August 16, 2005, the Energy Division requested a further change to the tariffs. This filing incorporates the change requested by Energy Division.

Revisions to the Preliminary Statements

The Preliminary Statements are modified in the Disposition section to state, "Capital-related costs will be recorded after the rate base 'used and useful' standards are satisfied. "

PG&E requests the Commission approve these changes to PG&E's Preliminary Statements, as previously ordered and described herein.

Protests

Since the authority to establish the AMIMA-E and AMIMA-G was granted in Resolution E-3937, and this supplemental advice letter is submitted at the direction of the Energy Division only to revise Preliminary Statements, PG&E respectfully requests expedited treatment of this advice filing and a limitation of the protest period such that the notice period for this filing be shortened from twenty days to ten (10) calendar days after the date of this filing, pursuant to General Order 96-A, Section IV-B Effective Date and Section XV-Exceptions. PG&E requests that anyone wishing to protest this filing do so by sending a letter by **September 5, 2005**, which is 10 days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov and jnj@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: PGETariffs@pge.com

Effective Date

In accordance with Resolution E-3937, PG&E requests that this advice filing become effective on **June 30, 2005** in accordance with the approval date of Resolution E-3937.

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 R.02-06-001. 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>

Brian K. Chong

Director - Regulatory Relations

Attachments

cc: Service List R.02-06-001

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Bernard Lam

Phone #: (415) 973-4878

E-mail: bxlc@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **2632-G-B/2664-E-B**

Subject of AL: Revised Preliminary Statements for PG&E Advanced Metering Infrastructure Memorandum Accounts (AMIMA-E and AMIMA-G)

Keywords (choose from CPUC listing): Memorandum Account, Metering

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Resolution E-3937

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: Not applicable

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: 06/30/2005

No. of tariff sheets: 2

Estimated system annual revenue effect: (%): _____

Estimated system average rate effect (%): _____

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Preliminary Statements BK and DY

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: 2632-G/2664-E superseded by 2632-G-A/2664-E-B, with certain pages to be superseded by this advice letter

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
jjr@cpuc.ca.gov and jnj@cpuc.ca.gov**

**Pacific Gas and Electric Company
Attn: Brian K. Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com**

¹ Discuss in AL if more space is needed.

**ATTACHMENT 1
2632-G-B**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
23152-G*	Preliminary Statements--Part BK--Advanced Metering Infrastructure Memorandum Account-Gas	NEW
23154-G**	Preliminary Statements--Part BK (Cont.)	NEW
23154-G*	Table of Contents--Preliminary Statements	21966-G
23155-G*	Table of Contents--Rate Schedules	23135-G

**ATTACHMENT 1
2664-E-B**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
23441-E*	Preliminary Statements--Part DY--Advanced Metering Infrastructure Memorandum Account-Electric	NEW
23442-E**	Preliminary Statements--Part DY (Cont.)	NEW
23443-E*	Table of Contents--Preliminary Statements	23419-E
23444-E*	Table of Contents--Rate Schedules	23420-E

Note: Bolded entries indicate revised tariff pages in this filing.



PRELIMINARY STATEMENT
(Continued)

BK. ADVANCED METERING INFRASTRUCTURE MEMORANDUM ACCOUNT-GAS (AMIMA-G)
(Cont'd.)

(N)

4. ACCOUNTING PROCEDURE: (Cont'd.)

b. A debit entry equal to the interest on the average of the balance at the beginning of the month and the balance after the above entry 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.

5. DISPOSITION: Upon Commission approval of a cost recovery mechanism in the AMI Pre-deployment Application (A.05-03-016) or another proceeding determined by the Commission, such as PG&E's AMI Project Application (A.05-06-028), PG&E will transfer the costs, not to exceed the approved expenditure level, from the AMIMA-G to the GAMA to be recovered via the mechanism as set forth in A.05-03-016 or such other account as may be approved by the Commission at that time. Capital-related costs will be recorded after the rate base "used and useful" standards are satisfied.

(N)



PRELIMINARY STATEMENT
(Continued)

DY. ADVANCED METERING INFRASTRUCTURE MEMORANDUM ACCOUNT-ELECTRIC (AMIMA-E)
(Cont'd.)

(N)

4. ACCOUNTING PROCEDURE: (Cont'd.)

b. A debit entry equal to the interest on the average of the balance at the beginning of the month and the balance after the above entry 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.

5. DISPOSITION: Upon Commission approval of a cost recovery mechanism in the AMI Pre-deployment Application (A.05-03-016) or another proceeding determined by the Commission, such as PG&E's AMI Project Application (A.05-06-028), PG&E will transfer the costs, not to exceed the approved expenditure level, from the AMIMA-E to the AMDRA to be recovered via the mechanism as set forth in A.05-03-016 or such other account as may be approved by the Commission at that time. Capital-related costs will be recorded after the rate base "used and useful" standards are satisfied.

(N)

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

ABAG Power Pool
Accent Energy
Aglet Consumer Alliance
Agnews Developmental Center
Ahmed, Ali
Aicantar & 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 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
DGS Natural Gas Services
DMM Customer Services
Douglass & Liddell
Downey, Brand, Seymour & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynege 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, Squen, Schlotz &
Hanna & Morton
Heeg, Peggy A.
Hitachi Global Storage Technologies
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 Welsenmiller & 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
Tabora Caramanis & Associates
Tansev and Associates
Tecogen, Inc
TFS Energy
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