

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



March 15, 2006

Advice Letter 2707-E, 2707-E-A

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

Subject: Recovery of charges from direct access customers in compliance with D.04-02-062, D.04-05-055 and D.04-06-12

Dear Ms de la Torre:

Advice Letter 2707-E, 2707-E-A is effective February 24, 2006. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director  
Energy Division

<b>REGULATORY RELATIONS</b>	
Tariffs Section	
M Brown	
R De la Torre	
B Lam	
	D Poster
	S Ramaiya
MAR 17 2006	
Return to	Records
	File
cc to	



**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: 223.4877  
Fax: 415.973.9572  
Internet: BKC7@pge.com

January 25, 2006

**Advice 2707-E-A**

(Pacific Gas and Electric Company ID U 39 E)

**Subject: Supplemental Filing -- Recovery of Charges from Direct Access Customers in Compliance with D.04-02-062, D.04-05-055 and D.04-06-012**

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits for filing a supplement to its plan filed in Advice 2707-E on September 7, 2005, to recover from direct access customers deferred charges resulting from Decision (D.) 04-02-062 (Rate Design Settlement Agreement), D.04-05-055 (Test Year 2003 General Rate Case, Phase I), and D.04-06-012 (2004 Energy Resource Recovery Account). The affected tariff sheets are listed on the enclosed Attachment I.

**Purpose**

The purpose of this filing is to supplement but not supersede Advice 2707-E. This supplemental filing modifies and clarifies certain positions PG&E took in its October 5, 2005 response to the Alliance for Retail Energy Market's (AReM) September 27, 2005 protest of Advice 2707-E. PG&E provides three main clarifications as follows:

- 1) PG&E reaffirms its protest response position that any Direct Access Revenue Shortfall Tracking Account (DARSTA) net refunds will be presented to affected customers as a one-time bill credit, rather than in the 12 monthly installments applicable to DARSTA net charges.
- 2) PG&E also reaffirms its protest response position that DARSTA reconciliation charges or refunds will be presented to affected customers regardless of whether the customer remains on DA service or returns to bundled service before or during the DARSTA billing adjustment period.

This moots AReM's concern that PG&E might waive such charges to induce DA customers to return to bundled service.

- 3) However, PG&E hereby withdraws its protest response offer to waive all DARSTA billing adjustments for medical baseline DA and California Alternate Rates for Energy (CARE) DA customers. PG&E rescinds this offer because there is no existing Commission authority to waive such charges provided in D.04-02-062 or implementing tariffs. Therefore, a waiver of DARSTA charges for medical baseline DA and CARE DA customers lacks foundation and is not warranted or reasonable.

Thus, all DARSTA bill adjustments and tariff revisions originally proposed in Advice 2707-E remain applicable, supplemented by the clarifications set forth in paragraphs 1) and 2) above.

### **Protests**

Anyone wishing to protest this filing may do so by sending a letter by **February 14, 2006**, which is 20 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, 4<sup>th</sup> Floor  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: [jjr@cpuc.ca.gov](mailto:jjr@cpuc.ca.gov) and [ijn@cpuc.ca.gov](mailto:ijn@cpuc.ca.gov)

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

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](mailto:PGETariffs@pge.com)

**Effective Date**

PG&E requests that Advice 2707-E and Advice 2707-E-A be approved upon regular notice, **February 24, 2006**, which is 30 days after this filing.

**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>**

Handwritten signature of Brian K. Cheng in black ink.

Director - Regulatory Relations

Attachments

cc: Service List - A.02-11-017

# 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) #: **2707-E-A**

Subject of AL: Supplemental Filing -- Recovery of Charges from Direct Access Customers in Compliance with D.04-02-062, D.04-05-055 and D.04-06-012

Keywords (choose from CPUC listing): Direct Access, Billings, Compliance

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

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

Decision 04-02-062, D.04-05-055 and D.04-06-012

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: \_\_\_\_\_

Resolution Required?  Yes  No

Requested effective date: **02/24/2005**

No. of tariff sheets: 2

Estimated system annual revenue effect: \$10 million rebill of prior undercharges. (%): 0.10%

Estimated system average rate effect (%): zero percent over course of two years, as reduces amounts to be amortized into next year's rates

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 Statement DL

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: AL 2707-E

**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](mailto:jjr@cpuc.ca.gov) and [inj@cpuc.ca.gov](mailto:inj@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](mailto:PGETariffs@pge.com)**

<sup>1</sup> Discuss in AL if more space is needed.

**ATTACHMENT 1  
Advice 2707-E-A**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
Delete	Preliminary Statement Part DL--DA Revenue Shortfall Tracking Account	21607-E
Delete	Preliminary Statement Part DL (Cont.)	21608-E
Delete	Preliminary Statement Part DL (Cont.)	21609-E
24300-E	Table of Contents -- Preliminary Statements	24280-E
24301-E	Table of Contents -- Rate Schedules	24299-E



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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.....	23410,23411-E
Part CF	Net Energy Metering Memorandum Account .....	18831-E
Part CG	Utility Generation Balancing Account .....	22715,22716-E
Part CH	Utility Retained Generation income Tax Memorandum Account.....	20502-E
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
Part CM	Bond Charge Balancing Account .....	20245,19556-E
Part CN	Research, Development, and Demonstration Balancing Account .....	19371-E
Part CO	Renewables Balancing Account.....	19372-E
Part CP	Energy Resource Recovery Account .....	23762,23998,23999-E
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Part CR	Common Area Balancing Account .....	19768,19769-E
Part CS	Advanced Metering and Demand Response Account.....	22751,22752,22753-E
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**PG&E Gas and Electric Advice  
Filing List  
General Order 96-A, Section III(G)**

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