

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

Tel. No. (415) 703-1691



February 10, 2006

Advice Letter 2767-E

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

RECEIVED  
REGULATORY RELATIONS DEPARTMENT

FEB 15 2006

Subject: Update of Schedule 1 and 3 of DWR operating agreement in compliance with D.05-12-021 and reflecting current changes

Dear Ms de la Torre:

Advice Letter 2767-E is effective February 18, 2006. 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 1067  
San Francisco, CA 94105

Mailing Address  
Mail Code B10C  
Pacific Gas and Electric Company  
P.O. Box 770030  
San Francisco, CA 94177

415.973.4977  
Internet: 223.4877  
Fax: 415.973.9572  
Internet: BKC7@pge.com

January 19, 2006

**Advice 2767-E**

(Pacific Gas and Electric Company ID U 39 E)

**Subject: Updated Schedules 1 and 3 of DWR Operating Agreement in Compliance with D. 05-12-021 and Reflecting Current Changes**

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits this Advice Letter in compliance with Decision (D.) 05-12-021, *Opinion on Reallocation of Department of Water Resources' Contracts*.

Attachment 1 to this Advice Letter contains updates to Schedules 1 and 3 of the Department of Water Resources (DWR) Operating Agreement. While D.05-12-021 ordered changes to Schedule 1, PG&E would also like to take this opportunity to provide additional updates to Schedule 1 and to revise the contact persons and contact information listed in Schedule 3.

DWR has reviewed and concurs with the changes contained in this Advice Letter.

This filing will not increase any rate of charge, cause withdrawal of service, or conflict with any other schedule or rule.

**Purpose**

The purpose of this filing is to update Schedule 1 to reflect the reallocation of DWR contracts set forth in D.05-12-021, to remove expired or cancelled contracts from Schedule 1, and to provide updated contact information in Schedule 3.

Ordering Paragraph 1 of D.05-12-021 allocates the DWR contract with the Kings River Conservation District to PG&E. Ordering Paragraph 7 directs PG&E to file

an advice letter to modify Schedule 1 of the Operating Agreement to reflect the changes from this reallocation. The attached Schedule 1 contains the addition of the Kings River Conservation District contract.

Additionally, contracts which have expired or been cancelled have been removed from the Schedule 1. These contracts are:

CDWR Contracts Allocated to PG&E	Reason for Deletion
Allegheny 2	Expired
Capitol Power	Cancelled
Constellation - Product 2	Expired
El Paso	Expired
Intercom	Expired
Santa Cruz	Cancelled
Calpine 1 - Product 2	Expired
Calpine 2 - Product 3 & 4	Expired
Calpeak (Lodi)	Cancelled
Dinuba Energy Inc.	Expired
Madera Power	Expired
Sierra Pacific, Sonora	Expired

The allocation of the City and County of San Francisco contract will be addressed, as appropriate, in a subsequent advice letter.

Finally, the contact information for the PG&E representatives listed in Schedule 3 has changed. The attached revised Schedule 3 contains the current contact information.

### **Background**

PG&E and DWR executed an Operating Agreement on April 17, 2003, adopted under D.03-04-029. The approved Operating Agreement describes and defines the respective duties of PG&E and DWR with respect to the operation and administration of the DWR contracts, including the management of gas tolling provisions and reporting requirements, consequences of default, limitations on liability, confidentiality of information, audit rights and dispute resolution.

Schedule 1 of the Operating Agreement sets forth the list of Allocated Contracts, the long-term DWR power purchase agreements operationally allocated to PG&E. PG&E performs the day-to-day scheduling and dispatch functions, including day-ahead, hour-ahead and real-time trading, scheduling of transactions with all involved parties, making surplus energy sales and obtaining relevant information for these functions such as transmission availability and others, with respect to these Allocated Contracts.

Schedule 3 lists the appointed primary and secondary contact persons responsible for coordinating Utility responsibilities.

### **Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than 20 days after the date of this filing, which is **February 8, 2006**. 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 [jnj@cpuc.ca.gov](mailto:jnj@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 also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

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)

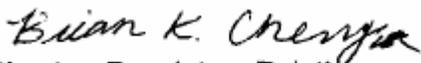
### **Effective Date**

PG&E requests that this advice filing become effective on regular notice, **February 18, 2006**, which is 30 calendar days after the date of 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 R. 04-04-003. 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 R.04-04-003