

PUBLIC UTILITIES COMMISSION

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August 21, 2007

Advice Letter 2894-E

Brian K. Cherry
Director, Regulatory Relations
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

Subject: October 2006 RA Compliance Filings

Dear Mr. Cherry:

Advice Letter 2894-E is effective August 31st, 2006. Thank you for your time.

Sincerely,

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

Sean H. Gallagher
Director
Energy Division

Brian K. Cherry
Vice President
Regulatory Relations

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San Francisco, CA 94105

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August 31, 2006

Advice 2894-E

(Pacific Gas and Electric Company ID U 39 E)

**Subject: Monthly Resource Adequacy (RA) Filing for Compliance-Month
October 2006 Submitted Pursuant to Decision 05-10-042, Opinion on
RA Requirements**

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.) 05-10-042, Opinion on Resource Adequacy Requirements* (Decision). PG&E's Resource Adequacy (RA) Filing for compliance-month October 2006 is included in Confidential Attachment 2. In addition, the California Public Utilities Commission (CPUC) requested officer certification is included in Attachment 1 of the filing.

The information provided in Attachment 2 is commercially sensitive and confidential protected material and it is being submitted subject to the protections of Section 583 of the California Public Utilities Code and pursuant to the "Revised Protective Order Regarding Confidentiality of Market Sensitive Load Data and Information" that ALJ Wetzell issued in his February 10, 2006 ruling and the California Energy Commission's (CEC) agreement to adhere to that protective order, which the CEC signed on February 14, 2006.

Purpose

The purpose of this Advice Letter compliance filing is to demonstrate that PG&E has acquired sufficient resources to satisfy its 100% commitment obligation for loads plus reserve requirements for October 2006, pursuant to the Decision and subsequent CPUC guidelines¹.

¹ The CPUC's Energy Division (ED) hosted a Monthly RAR Compliance Showing workshop on March 7, 2006. Subsequently, the ED issued written guidance and a template for the RA Reporting Workbook on March 29, 2006.

This advice letter contains:

Attachment 1: Certification Form

Confidential Attachment 2: RA Reporting Workbook for October 2006

The Resource Adequacy Workbook contains commercially sensitive information indicating that PG&E has contracts for sufficient capacity to meet its Resource Adequacy Requirement.

Attachments 1 and 2 are also included in an attached CD containing electronic filings of each workbook.

Background

As specified in D.05-10-042, Section 8.5 and Finding of Fact 43, the month-ahead compliance filing should be submitted on the last day of the second month prior to the compliance month.

On March 29, 2006, the Energy Division (ED) issued a letter entitled "Guidance to all Load-Serving Entities (LSEs) Regarding the Upcoming Monthly Resource Adequacy Requirement Compliance Filings, required by D.05-10-042 in R.04-04-003," including a Monthly Resource Adequacy (RA) Guide and the Monthly Reporting Template Spreadsheet and Instructions. This Advice Letter has been prepared in accordance with the Monthly RA Guide and the Monthly Reporting Template Spreadsheet and Instructions.

This Advice Letter does not request an increase of any rate or charge, or the withdrawal of service, nor does it conflict with any other schedule or rule.

Protests

In compliance with directives provided through the Energy Division's Monthly RA Guide, dated March 29, 2006, this advice filing is not subject to protests.

Effective Date

PG&E requests that this advice filing be approved effective the date of filing, **August 31, 2006**, pursuant to instruction from the CPUC's Energy Division. Per the March 29, 2006, Energy Division Guidance, RA compliance filings do not require a resolution.

Notice

In accordance with direction from the CPUC's Energy Division, service of this filing is only provided to the CPUC, California Energy Commission (CEC), and California Independent System Operator (CAISO).

A public version of this advice letter filing can also be accessed electronically at:

<http://www.pge.com/tariffs>

Brian K. Cherry /ms

Vice President, Regulatory Relations

Attachments

cc: California Energy Commission
California Independent System Operator

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 U39M

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Michelle Brown

Phone #: (415) 973-4662

E-mail: mtt3@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) #: **2894-E**

Subject of AL: Monthly Resource Adequacy (RA) Filing for Compliance-Month October 2006 Submitted Pursuant to Decision 05-10-042, Opinion on RA Requirements

Keywords (choose from CPUC listing): Compliance, Procurement

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: D.05-10-042

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL _____

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

Resolution Required? Yes No

Requested effective date: **August 31, 2006**

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

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: N/A

Service affected and changes proposed¹: Retail Electric Service

Pending advice letters that revise the same tariff sheets: N/A

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:

Tariff Files, Room 4005

DMS Branch

Energy Division

505 Van Ness Avenue

San Francisco, CA 94102

E-mail: jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Utility Info (including e-mail)

Attn: Brian K. Cherry

Vice President, 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

Certification Form

Worksheet A. CERTIFICATION FORM

Name of Load Serving Entity (LSE):	PG&E
Energy Service Provider Registration Number (if applicable):	
Scheduling Coordinator:	PCG2
Month of Filing (June 2006, July 2006, August 2006, or September 2006):	October 2006

Certification of Information:

Consistent with Rules 1 and 2.4 of the CPUC's Rules of Practice and Procedure, this resource adequacy compliance filing has been verified by an officer of the corporation, who shall expressly certify, under penalty of perjury, the following:

1. I have responsibility for the activities reflected in this filing;
2. I have reviewed this compliance filing;
3. Based on my knowledge, this filing does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made;
4. Based on my knowledge, this [filing] contains all of the information required to be provided by CPUC orders, rules, and regulations.

Certified By Authorized LSE Representative (Name):	Roy Kuga
Title:	Vice President - Energy Supply
Date:	8/31/2006

Signature (sign the hard copy of filing):

Contact Person for Questions about this Filing:

Name:	Vincent Loh
Title:	Principal - Short Term Strategy
Email:	vk12@pge.com
Telephone:	415-972-5664
Address:	245 Market St., 1314B
Address 2:	
City:	San Francisco
State:	CA
Zip:	94105

Back-Up Contact Person for Questions about this Filing (Optional):

Name:	Terrance Robertson
Title:	Principal - Long-term Strategy
Email:	ttr4@pge.com
Telephone:	415-973-6993