

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



February 23, 2007

Advice Letter 2969-E

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

Subject: Modify Balancing Account Language (Preliminary Statement BZ)

Dear Ms. de la Torre:

Advice Letter 2969-E is effective February 15, 2007. 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**  
Vice President  
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

January 16, 2007

**Advice 2969-E**  
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject:     Modify Balancing Account Language (Preliminary Statement  
BZ)**

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 1.

**Purpose**

Ordering Paragraph 3.b. of Resolution E-4032 allows PG&E to amortize over one year DRPMA (Demand-Responsiveness Program Memorandum Account) program expenses recorded through September 30, 2004, plus interest related to these expenses through December 31, 2006. PG&E is filing revised language for the DRPMA account to allow for recovery of these amounts through the advice letter process, or any other proceeding as authorized by the Commission.<sup>1</sup>

Additionally, PG&E has modified the language in the DRPMA account to conform the accounting instructions to allow for recovery of approved balances in this account. The DRPMA account does not have its own rate component and, as a result, must be transferred to another regulatory account for rate recovery. The new language that PG&E is proposing in Preliminary Statement BZ attached to this advice letter will allow for this transfer.

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<sup>1</sup> Page 12 of Resolution E-4032 states, "The AET is a forum for PG&E to recover costs recorded in a memorandum account such as the DRPMA, which have been reviewed and approved for recovery by the Commission in a separate proceeding...As such, it is appropriate for costs recorded in a memorandum account to be evaluated through a separate application or advice letter." PG&E is proposing new language in Preliminary Statement BZ to update language in the "Revision Date" section which previously referred to PG&E's now extinct Revenue Adjustment Proceeding.

**Protests**

Anyone wishing to protest this filing may do so by sending a letter by **February 5, 2007**, 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: mas@cpuc.ca.gov and 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 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  
Vice President, 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**

PG&E requests that this advice letter become effective on regular notice, **February 15, 2007**, which is 30 calendar days after the date of filing. Once effective, PG&E will make the requested accounting transfer.

**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 service list for A.05-06-006. 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>

A handwritten signature in black ink, appearing to read "Bruce K. Taylor". The signature is written in a cursive style with a large, sweeping flourish at the end.

Vice President, Regulatory Relations

Attachments

cc: Service List A.05-06-006

# 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: David Poster

Phone #: (415) 973-1082

E-mail: dxpu@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) #: 2969-E

Subject of AL: Modify Balancing Account Language (Preliminary Statement BZ)

Keywords (choose from CPUC listing): Revise Electric Tariffs

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: E-4032

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

Resolution Required?  Yes  No

Requested effective date: 02-15-2007

No. of tariff sheets: 3

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: Preliminary Statement BZ

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

Pending advice letters that revise the same tariff sheets:

**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**

[inj@cpuc.ca.gov](mailto:inj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

**Utility Info (including e-mail)**

**Pacific Gas and Electric Company**

**Attn: Brian Cherry**

**Vice President, Regulatory Relations**

**77 Beale Street, Mailcode B10C**

**P.O. Box 770000**

**San Francisco, CA 94177**

**Facsimile: (415) 973-7226**

**E-mail: [PG&ETariffs@pge.com](mailto:PG&ETariffs@pge.com)**

**ATTACHMENT 1  
Advice 2969-E**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
25900-E	Preliminary Statement Part BZ--Demand- Responsiveness Program Memorandum Account	18778-E
25901-E	Table of Contents -- Preliminary Statements	25667-E
25902-E	Table of Contents -- Title Page	25669-E



PRELIMINARY STATEMENT  
(Continued)

BZ. DEMAND-RESPONSIVENESS PROGRAM MEMORANDUM ACCOUNT (DRPMA)

1. PURPOSE:

The purpose of the DRPMA is to track the costs incurred by PG&E for conducting a pilot program to provide interactive consumption and cost information for small customers, ordered by Decisions 01-03-073, 01-07-028, 01-09-012 and 02-02-026.

2. APPLICABILITY:

The DRPMA shall apply to all customer classes, except for any classes that may be specifically excluded by the CPUC.

3. REVISION DATE:

Disposition of amounts in this account shall be determined through the advice letter process, or any other proceeding as authorized by the CPUC. (T)

4. RATES:

The DRPMA does not have a rate component.

5. ACCOUNTING PROCEDURE:

PG&E shall maintain the DRPMA by making entries at the end of each month as follows:

- a. A debit entry for administrator costs including contract administration, marketing, regulatory reporting, and program evaluation.
- b. A debit entry for service and operation costs including: 1) web development and hosting (including secure access to customer confidential historical billing data), and 2) incentives for consumers.
- c. A credit entry to transfer the balance to another regulatory account as appropriate for rate recovery, upon approval by the CPUC. (N)  
(N)
- d. 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 entries, 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.



**TABLE OF CONTENTS**

**Preliminary Statements**

<b>SCHEDULE</b>	<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>
Part A	Description of Service Area and General Requirements .....	12081-12090, 17048-E
Part E	CPUC Reimbursement Fee .....	21604-E
Part G	Catastrophic Event Memorandum Account .....	18998, 11740-E
Part H	Interest .....	10579-E
Part I	Rate Schedule Summary .....	DRAFT, 25665-E
Part J	Income Tax Component of Contributions Provision .....	20380, 11503-E
Part K	Energy Commission Tax .....	24297-E
Part M	California Alternate Rates for Energy Account.....	24312-E
Part P	Customer Energy Efficiency Adjustment.....	24031-24032, 25583, 24034-E
Part Q	Competition Transition Charge Responsibility .....	14028-E
Part R	Affiliate Transfer Fees Account .....	24313-E
Part S	Hazardous Substance Mechanism.....	22710, 15720, 22711-22712, 13420-13421-E
Part T	Qualifying Facility Contribution in Aid of Construction Memorandum Account.....	13426-E
Part U	Capital Audit Consultant Cost Memorandum Account .....	17993-E
Part Y	Electric and Magnetic Field Measurement Policy.....	13399-E
Part Z	Electric Vehicle Balancing Account.....	21664-E
Part AD	Transition Cost Audit Memorandum Account.....	15917-E
Part AE	Generation Divestiture Transaction Costs Memorandum Account.....	19902-E
Part AK	Low Income Energy Efficiency Memorandum Account .....	19227-E
Part AN	Diablo Canyon Property Tax Balancing Account .....	24058-E
Part AS	Fixed Transition Amount Charge .....	14794, 24018-E
Part AT	Rate Reduction Bond Memorandum Account.....	25365-25366-E
Part AU	Direct Access Discretionary Cost/Revenue Memorandum Account.....	14837-E
Part BB	Competition Transition Charge Responsibility for All Customers and CTC Procedure for Departing Loads.....	24070, 19906-19907, 16400, 14960-14961, 16229-16231, 24071, 14964-14969, 16401- 16402-E
Part BF	Streamlining Residual Account .....	22714-E
Part BK	Transmission Revenue Requirement Reclassification Memorandum Account .....	16761-E
Part BO	Real Property Gain/Loss on Sale Memorandum Account.....	16651-E
Part BQ	Interim PX-Based Price Tracking Account .....	16695-E
Part BU	Vegetation Management Balancing Account .....	24965-E
Part BX	Interruptible Load Programs Memorandum Account.....	24733-24734-E
Part BY	Self-Generation Program Memorandum Account .....	24471-E
Part BZ	Demand-Responsiveness Program Memorandum Account .....	<b>25900-E</b> (T)



**TABLE OF CONTENTS**

**Table of Contents**

<b>SCHEDULE</b>	<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>
Title Page	.....	25669-E
Rate Schedules	.....	25451, 25431-25432, 24755-E
Preliminary Statements	.....	<b>25901</b> , 24751, 25668, 24753-E (T)
Rules	.....	25657-E
Sample Forms	.....	25162, 25056, 25452, 24750, 25076-E

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

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