

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



Advice Letter 2974-E

September 7, 2007

Brian K. Cherry  
Vice President, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

Subject: Recovery of 2002 Low Income Energy Efficiency Program Costs

Dear Mr. Cherry:

Advice Letter 2974-E is effective July 26, 2007.

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

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P.O. Box 770000  
San Francisco, CA 94177

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Internet: BKC7@pge.com

January 25, 2007

**Advice 2974-E**  
**(Pacific Gas and Electric Company ID 39 E)**

Public Utilities Commission of the State of California

**Subject: Recovery of 2002 Low Income Energy Efficiency Program Costs**

By this advice letter, PG&E seeks recovery of the current balance of the Low Income Energy Efficiency Memorandum Account (LIEEMA) electric, \$5,352,881 which represents LIEE measure costs belonging to the recovery period authorized in Resolution G-3340, plus accrued interest of \$540,888, for a total of \$5,893,769.<sup>1</sup> PG&E proposes to recover these funds in the next Annual Electric True-Up via a twelve month amortization of the account balance through the Distribution Revenue Adjustment Mechanism (DRAM) or other appropriate mechanism as authorized by the Commission.

**Background**

On May 3, 2001, the California Public Utilities Commission (Commission) issued Decision (D.) 01-05-033. This decision established budgets for investor-owned utilities' Low Income Energy Efficiency (LIEE) programs for PY 2002 and came as a result of a compliance application filed by PG&E regarding low income program standards ordered in D.00-09-036. On July 31, 2002, PG&E suspended the PY 2002 LIEE program due to the fact that its entire PY 2002 funding had been either committed or expended. On August 5, 2002, the Low Income Service Providers Alliance filed an Emergency Motion to continue LIEE Weatherization Services for PG&E's Low Income Households program through the end of PY 2002. On August 20, 2002, Commissioner Wood issued an Assigned Commissioner's Ruling (ACR) in Rulemaking (R.) 01-08-027 confirming the orders in D.01-05-033 and D.02-07-033 directing PG&E to continue the LIEE program through 2002 until ordered otherwise by the Commission.

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<sup>1</sup> Interest accrued through December 31, 2006. No expenses were recorded in the LIEEMA gas.

On September 3, 2002, PG&E submitted Advice Letter (AL) 2409-G/2280-E requesting authorization to transfer \$10 million from non-low income, pre-PY 2002 unspent and uncommitted energy efficiency funds, to fund the continuation of its PY 2002 LIEE program. On September 19, 2002, the Commission denied PG&E's request in Resolution G-3340 and instead ordered PG&E to "establish a memorandum account to record costs for continuing the LIEE program through the end of PY2002, subject to reasonableness review and future collection in rates."<sup>2</sup> On February 25, 2003, the Commission approved AL 2414-G/2290-E, creating the LIEEMA gas and electric accounts to record LIEE expenses incurred from September 19 through December 31, 2002 for future collection.<sup>3</sup>

The Commission performed an audit of the LIEEMA and other low income regulatory accounts in 2004. The results of the audit have not yet been published.

### **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 **February 14, 2007**, which is 20 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division  
Tariff Files, Room 4005  
DMS Branch  
505 Van Ness Avenue  
San Francisco, California 94102

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

Brian K. Cherry  
Vice President, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

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<sup>2</sup> Resolution G-3340. Ordering Paragraph 4.

<sup>3</sup> Advice Letter 2414-G/2290-E was filed October 9, 2002 and was effective September 19, 2002.

Facsimile: (415) 973-7226  
E-mail: PGETariffs@pge.com

**Effective Date**

PG&E requests that this advice filing become effective as of the approval date.

**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 service list for A.06-06-032 et al. Address changes to the General Order 96-A service list 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.

Vice President, Regulatory Relations

cc: Service List – A.06-06-032 et al

# 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) #: **2974-E**

Subject of AL: Recovery of 2002 Low Income Energy Efficiency Program Costs

Keywords (choose from CPUC listing): Energy Efficiency, Memorandum Account

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

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

N/A

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: **Effective upon approval**

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 proposed<sup>1</sup>:

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:**

CPUC, Energy Division

Tariff Files, Room 4005

DMS Branch

505 Van Ness Ave.,

San Francisco, CA 94102

jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company

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

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

**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               |                                       |