

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 4, 2007

Advice Letter 2812-G/2993-E

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

RECEIVED
REGULATORY RELATIONS

JUN - 5 2007

Subject: Creation of ClimateSmart Balancing Account, Revisions to Related Preliminary Statements, and Transfer of 2006 Funds in Compliance with D. 06-12-032

Dear Ms. de la Torre:

Advice Letter 2812-G/2993-E is effective January 1, 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

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Internal: 223.4977
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Internet: BKC7@pge.com

February 26, 2007

Advice 2812-G/2993-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Creation of ClimateSmart Balancing Account, Revisions to Related Preliminary Statements, and Transfer of 2006 Funds in Compliance with Decision 06-12-032

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its gas and electric tariffs. The affected tariff sheets are included as Attachment I to this filing.

Purpose

In compliance with Decision (D.) 06-12-032, which approved, with modifications, PG&E's Climate Protection Tariff Program (now titled 'ClimateSmart'), the purpose of this advice filing is to establish the ClimateSmart Balancing Account, revise preliminary statement language to allow for recovery of the Administrative and Marketing revenue requirement, and request a transfer of the 2006 budget.

Accordingly, in this advice filing, PG&E creates gas Preliminary Statement Part BS – ClimateSmart Balancing Account – Gas, and electric Preliminary Statement Part EM – ClimateSmart Balancing Account – Electric, to track premiums from participating customers and program expenses. In addition, PG&E revises gas Preliminary Statements Part F – Core Fixed Cost Account (CFCA) and Part BL – Noncore Distribution Fixed Cost Account (NDFCA) and electric Preliminary Statement Part CZ – Distribution Revenue Adjustment Mechanism (DRAM) to record recovery of the administrative and marketing (A&M) revenue requirement from distribution customers.

Background

In January 2006, PG&E filed Application (A.) 06-01-012 proposing a Climate Protection Tariff Program that would allow customers to neutralize greenhouse gas (GHG) emissions associated with their energy use by paying a premium on

their PG&E bill. In that application, PG&E stated that the dollars collected from participating customers would be credited to a program-specific balancing account and then used to contract for GHG-reduction projects. In addition, PG&E proposed a total A&M revenue requirement of \$16.427 million, which is comprised of a program budget of \$16.260 million and corresponding expense for Franchise Fees and Uncollectibles (FF&U), through the end of 2009. PG&E also stated that the A&M revenue requirement would be recovered from all customers through distribution rates, similar to other expenses recovered in the General Rate Case (GRC) on a 30/70 gas/electric split, and recorded in the CFCA, NDFCA, and DRAM balancing accounts.

On December 14, 2006, the CPUC issued D.06-12-032 ("Decision") approving, with modifications, PG&E's application. Among other things, the Decision authorizes PG&E's total A&M program budget and associated cost recovery proposal. The CPUC also states that PG&E may not transfer A&M funds to different years nor between budgeted categories of 'Administration' or 'Marketing' without submitting an advice letter seeking such a change. In addition, it orders PG&E to pay interest at its authorized cost-of-capital rate for premiums collected from participating customers for GHG-reduction projects, but not yet spent. The CPUC also rejects PG&E's proposed backstop funding proposal, which would have allowed PG&E to recover any funds insufficient to meet the commitment of "climate-neutral or better" made to participating customers. In the Decision, the CPUC also orders PG&E to guarantee that the program produce 1.5 million tons of carbon dioxide-equivalent reductions, "for which funding to meet this guarantee may come from any source except ratepayers as a whole, unless such ratepayer funding comes from the unused A&M funds" (Ordering Paragraph 6). Therefore, through this advice letter as authorized by the Decision, PG&E submits gas and electric preliminary statement changes for the program-specific balancing account and recovery mechanism for the A&M revenue requirement, and seeks a transfer of A&M-budgeted funds between program years, as discussed below and presented in Attachment 1.

Preliminary Statement Changes (See Attachment 1)

ClimateSmart Balancing Accounts (CSBA) – Gas Preliminary Statement Part BS and Electric Preliminary Statement Part EM

PG&E creates gas and electric preliminary statements for CSBA to track premiums from participating customers and program expenses. Each of the CSBAs (CSBA – Gas and CSBA – Electric) contains two subaccounts: (1) 'Premium Subaccount' to compare premiums collected from participating ClimateSmart customers with expenses for GHG-reduction projects; and (2) a one-way 'Administrative and Marketing Subaccount' to compare A&M expenses with the authorized budget amount.

Core Fixed Cost Account (CFCA) – Gas Preliminary Statement Part F

PG&E revises the Distribution Cost Subaccount of the CFCA to add a debit entry to record gas core customers' share of the ClimateSmart A&M revenue requirement. The gas share is allocated between core and noncore customers in accordance with Preliminary Statement C Part 3 – Cost Allocation Factors, filed in compliance with the Biennial Cost Allocation Proceeding decision (D.05-06-029).

Noncore Distribution Fixed Cost Account (NDFCA) – Gas Preliminary Statement Part BL

PG&E revises the NDFCA to add a debit entry to record gas noncore customers' share of the ClimateSmart A&M revenue requirement, which is allocated between gas core and noncore customers as described in the previous section.

Distribution Revenue Adjustment Mechanism (DRAM) – Electric Preliminary Statement Part CZ

PG&E revises the DRAM to add a debit entry to record electric customers' share of the ClimateSmart A&M revenue requirement from distribution customers.

Transfer of 2006 Funds

In compliance with the Decision, PG&E seeks to transfer 2006 A&M-budgeted funds of \$1.314 million, which includes \$1.3 million for A&M-related expenses and corresponding FF&U, to the 2007 budget. PG&E requests this transfer as the Decision was issued so late in 2006, and PG&E did not pursue activities scheduled for 2006 until CPUC approval on December 14, 2006. Costs for the activities that continue to exist in 2007 include those for market research, program pre-launch and roll-out, and the California Climate Action Registry. PG&E believes this transfer of unspent 2006 A&M funds is necessary to ensure successful program launch and implementation, and allow PG&E to pursue the activities authorized by the CPUC.

Protests

Anyone wishing to protest this filing may do so by sending a letter by **March 19, 2007**, which is 21 days from the date of this filing.¹ 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:

¹ The 20 day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.

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

Facsimile: (415) 703-2200
E-mail: ijnj@cpuc.ca.gov and 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

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

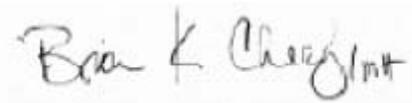
Effective Date

PG&E requests this advice letter be approved effective **January 1, 2007**, in order to coincide with the date recovery of the A&M revenue requirement began.

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 to the service list for A. 06-01-012. 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 that reads "Brian K. Chappin". The signature is written in a cursive style and is positioned above the title "Vice President - Regulatory Relations".

Vice President - Regulatory Relations

Attachments

cc: Service List – A. 06-01-012

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: Megan Hughes

Phone #: (415) 973-1877

E-mail: MEHr@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) #: **2812-G/2993-E**

Subject of AL: Creation of ClimateSmart Balancing Account, Revisions to Related Preliminary Statements, and Transfer of 2006 Funds in Compliance with Decision 06-12-032

Keywords (choose from CPUC listing): Balancing Account, compliance

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

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

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: **January 1, 2007**

No. of tariff sheets: 12

Estimated system annual revenue effect: (%)

Estimated system average rate effect (%):

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: Electric Preliminary Statements CZ and EM, Gas Preliminary Statements F, BL, and BS.

Service affected and changes proposed¹: New ClimateSmart Program

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

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

inj@cpuc.ca.gov and mas@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
Advice 2812-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
24739-G	Preliminary Statement Part F--Core Fixed Cost Account	24439-G
24740-G	Preliminary Statement Part BL--Noncore Distribution Fixed Cost Account	23791-G
24741-G	Preliminary Statement Part BS--ClimateSmart Balancing Account	New
24742-G	Table of Contents -- Rate Schedules	24568-G
24743-G	Table of Contents -- Preliminary Statements	24604-G
24744-G	Table of Contents -- Preliminary Statements	24535-G
24745-G	Table of Contents -- Title Page	24618-G

**ATTACHMENT 1
Advice 2993-E**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
26097-E	Preliminary Statement Part CZ--Distribution Revenue Adjustment Mechanism	25957-E
26098-E	Preliminary Statement Part EM--ClimateSmart Balancing Account	New
26099-E	Table of Contents -- Rate Schedules	25660-E
26100-E	Table of Contents -- Preliminary Statements	25898-E
26101-E	Table of Contents -- Title Page	25899-E



PRELIMINARY STATEMENT
(Continued)

F. CORE FIXED COST ACCOUNT (CFCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Distribution Cost Subaccount

The following entries will be made to this subaccount at the end of each month:

- 1) a credit entry equal to California Alternate Rates for Energy (CARE) shortfall resulting from core commercial deliveries under Schedule G-CARE, and customer charges under Schedule GL1-NGV, excluding the allowance for Franchise Fees and Uncollectible Accounts Expense (F&U);
- 2) a debit entry equal to one-twelfth of the core portion of the authorized GRC distribution base revenue amount (with credits and adjustments), excluding the allowance for (F&U);
- 3) a credit entry equal to the revenue from the CFCA – Distribution Cost rate component, excluding the allowance for F&U;
- 4) a credit entry, as appropriate, to record the rebates paid to customers associated with the 2006 Winter Gas Savings Program, which has corresponding entries in the Winter Gas Savings Program Transportation Subaccount of the CFCA and Winter Gas Savings Program Procurement Subaccount of the Purchased Gas Account;
- 5) a debit entry equal to one-twelfth of the gas core portion of the ClimateSmart Administrative and Marketing revenue requirement, excluding the allowance for F&U, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account); (N)
I
I
(N)
- 6) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC;
- 7) a debit or credit entry equal to any expense adopted by the CPUC as a cost to be recovered in this subaccount; and
- 8) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after above entries, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

b. Core Cost Subaccount

The following entries will be made to this subaccount at the end of each month:

- 1) a credit entry equal to the revenue from the CFCA – Core Cost rate component, excluding the allowance for F&U;
- 2) a credit entry equal to the revenue from the local transmission rate component from core deliveries during the month, excluding the allowance for F&U;
- 3) a debit entry equal to the core portion of intervenor compensation payments authorized by the CPUC, recorded during the month;

(Continued)



PRELIMINARY STATEMENT

BL. NONCORE DISTRIBUTION FIXED COST ACCOUNT (NDFCA)

1. **PURPOSE:** The purpose of the NDFCA is to recover 75 percent of the noncore distribution base revenue requirement with PG&E's risk for noncore gas distribution throughput set at 25 percent of revenues as authorized in D.05-06-029. This account recovers 75 percent of the distribution base revenue adopted in PG&E's General Rate Case (GRC), including Annual Attrition Adjustments, and the Cost of Capital Proceedings, that are allocated to noncore transportation customers based on the distribution base revenue allocation adopted in the Cost Allocation Proceeding. The balance in this account will be transferred to another regulatory account to be recovered 100 percent in noncore distribution rates in the Annual Gas True-up of Balancing Accounts.

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1. Refer to Section C.3 for the cost allocation factors used to determine the noncore portion of distribution costs recovered in this account.

2. **APPLICABILITY:** The NDFCA applies to all noncore transportation rate schedules and contracts subject to the jurisdiction of the CPUC, except for those schedules and contracts specifically excluded by the CPUC.
3. **REVISION DATE:** Disposition of the balance in this account shall be determined in the Annual Gas True-up of Balancing Accounts advice filing, or as otherwise authorized by the Commission.
4. **FORECAST PERIOD:** The forecast test period will be as specified in the current Cost Allocation Proceeding.
5. **NDFCA RATES:** NDFCA rates are included in the effective rates set forth in each rate schedule (see Preliminary Statement, Part B), as applicable.
6. **ACCOUNTING PROCEDURE:** PG&E shall make the following entries to this NDFCA at the end of each month, or as applicable:
 - a. a debit entry equal to 75 percent of one-twelfth of the noncore portion of the authorized GRC base revenue amount, excluding the allowance for Franchise Fees and Uncollectible Accounts Expense (F&U);
 - b. a credit entry equal to 75 percent of the NDFCA revenue, excluding the allowance for F&U;
 - c. a debit or credit entry, as appropriate, to transfer the balance to the Interim Relief and Distribution Subaccount of the Noncore Customer Class Charge Account, or other regulatory account for 100 percent rate recovery, upon approval by the Commission;
 - d. a debit entry equal to 75 percent of one-twelfth of the gas noncore portion of the ClimateSmart Administrative and Marketing revenue requirement, excluding the allowance for F&U (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account); (N)
I
(N)
 - e. a debit or credit entry equal to any expense adopted by the CPUC as a cost to be recovered in this account; and
 - f. an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after entries BL.6.a through BL.6.e, above, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (T)

(Continued)



PRELIMINARY STATEMENT

BS. CLIMATESMART BALANCING ACCOUNT – GAS (CSBA-G)

(N)

1. **PURPOSE:** The purpose of the gas ClimateSmart Balancing Account (CSBA) is track premiums and expenses related to the ClimateSmart program, as authorized in California Public Utilities Commission (CPUC) Decision (D.) 06-12-032. The 'Premium Subaccount' will compare premiums collected from participating ClimateSmart customers against expenses for greenhouse gas (GHG)-reduction projects. The 'Administration and Marketing Subaccount' will compare administration and marketing (A&M) expenses associated with PG&E's ClimateSmart program to the program budget authorized by the California Public Utilities Commission (CPUC). Pursuant to D.06-12-032, the A&M revenue requirement, including an allowance for Franchise Fees and Uncollectibles (FF&U), will be collected via distribution rates and recovered in the Core Fixed Cost Account (CFCA) and the Noncore Distribution Fixed Cost Account (NDFCA).
2. **APPLICABILITY:** The Premium Subaccount of the CSBA shall apply to all customers who sign-up for the voluntary ClimateSmart program. The Administration and Marketing Subaccount shall apply to all customer classes, except those specifically excluded by the Commission.
3. **RATES:** The gas Premium Subaccount of the CSBA has the following rate component of \$0.06528 per therm for customers participating in ClimateSmart program. The Administrative and Marketing Subaccount does not have a specific rate component.
4. **ACCOUNTING PROCEDURE:** The following entries shall be made at the end of each month:
 - a. Premium Subaccount
 - i. A credit entry equal to the gas premiums billed for the ClimateSmart program from participating customers, less an allowance for FF&U.
 - ii. A debit entry equal to the allocated gas expense for GHG-reduction projects as part of the ClimateSmart program.
 - iii. A debit or credit entry, as appropriate, to record the transfer to or from this subaccount as authorized by the CPUC.
 - iv. A debit or credit entry, as necessary, equal to the interest on the average of the balance at the beginning of the month and the balance for entries 5.a.i to 5.a.iii above at a rate equal to one-twelfth the cost-of-capital rate adopted in PG&E's latest cost-of-capital proceeding.
 - b. Administration and Marketing Subaccount
 - i. A credit entry equal to one-twelfth of the annual Administrative and Marketing amount authorized by the CPUC, excluding FF&U (see corresponding debit entries in the NDFCA and the Distribution Cost Subaccount of the CFCA).
 - ii. A debit entry equal to the allocated gas portion of administration expenses, including CPUC-authorized expenses for the California Climate Action Registry (CCAR).
 - iii. A debit entry equal to the allocated gas portion of marketing expenses.
 - iv. A debit or credit entry, as appropriate, to record the transfer to or from this subaccount as authorized by the CPUC.
 - v. A debit or credit entry, as necessary, equal to the interest on the average of the balance at the beginning of the month and the balance for entries 5.b.i to 5.b.iii 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.

(N)

TABLE OF CONTENTS

**Rate Schedules
 Residential**

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Counties Served	Listing of Counties Covered Under Gas Rate Schedules.....	11271-G
G-1	Residential Service	24551, 23487-G
G-1-NGV	Residential Natural Gas Service for Compression on Customers' Premises	24552, 23734-G
GM	Master-Metered Multifamily Service	24553, 23880, 23019-G
GS	Multifamily Service	24554, 23882, 23215-G
GT	Mobilehome Park Service	24555, 23884, 23023-G
GL-1	Residential CARE Program Service.....	24556, 23886-G
GL-1-NGV	Residential CARE Program Natural Gas Service for Compression on Customers' Premises... ..	24557, 23740-G
GML	Master-Metered Multifamily CARE Program Service	24558, 23889, 23027-G
GSL	Multifamily CARE Program Service.....	24559-24560, 23216-G
GTL	Mobilehome Park CARE Program Service.....	24561-24562, 23502-G
G-MHPS	Master-Metered Mobilehome Park Safety Surcharge	22034-G

**Rate Schedules
 Non-Residential**

G-NR1	Gas Service to Small Commercial Customers	24563, 23035-G
G-NR2	Gas Service to Large Commercial Customers	24564, 23037-G
G-CP	Gas Procurement Service to Core End-Use Customers	24565-G
G-CPX	Crossover Gas Procurement Service To Core End-Use Customers.....	24616-G
G-NT	Gas Transportation Service to Noncore End-Use Customers.....	24583-24584, 22037, 22038-G
G-EG	Gas Transportation Service to Electric Generation	24585, 22895, 24455, 22173-G
G-ESISP	Exchange Service Through ISP Facilities	24364-24365-G
G-WSL	Gas Transportation Service to Wholesale/Resale Customers	24586, 22897, 22045-G
G-BAL	Gas Balancing Service for Intrastate Transportation Customers	24456-24457, 22135, 22047-22048, 24458-24460, 22137, 24461, 20042, 24462-24464-G
G-SFS	Standard Firm Storage Service	24587, 22140-22141, 22300-G
G-NFS	Negotiated Firm Storage Service	24588, 22301-G
G-NAS	Negotiated As-Available Storage Service	24589-G
G-CFS	Core Firm Storage.....	24590, 22147-22149-G
G-AFT	Annual Firm Transportation On-System.....	24465, 24591, 22903-G

TABLE OF CONTENTS

Preliminary Statements

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Part A	Description of Service Area and General Requirements	14615-14623, 18797-G
Part B	Default Tariff Rate Components	24541-24550, 23229, 24572-24580, 24526, 22024-G
Part C	Gas Accounting Terms and Definitions	23345, 24581-24582, 23346, 24430, 23347, 23760-23761, 24431, 23348, 23561, 23795, 23351, 24432-G
Part D	Purchased Gas Account	24433-24435, 24438-G
Part E	Credit Card Pilot Program memorandum Account (CCPPMA)	24229-24230-G
Part F	Core Fixed Cost Account	24144, 24739 , 24440-G
Part J	Noncore Customer Class Charge Account	23709, 24037, 23781-G
Part K	Enhanced Oil Recovery Account	23762-G
Part L	Balancing Charge Account.....	23273-23274-G
Part O	CPUC Reimbursement Fee	23910-G
Part P	Income Tax Component of Contributions Provision	21646, 13501-G
Part Q	Affiliate Transfer Fees Account	23275-G
Part S	Interest	12773-G
Part T	Tax Reform Act of 1986	12775-G
Part U	Core Brokerage Fee Balancing Account	23276-G
Part V	California Alternate Rates For Energy Account.....	23358, 24292-G
Part X	Natural Gas Vehicle Balancing Account.....	23277-G
Part Y	Customer Energy Efficiency Adjustment	23601-23602, 24491-24492-G

(T)

TABLE OF CONTENTS

Preliminary Statements

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Part AC	Catastrophic Event Memorandum Account.....	14178-14179-G
Part AE	Core Pipeline Demand Charge Account	23301-G
Part AG	Core Firm Storage Account.....	23280-G
Part AH	Air Quality Adjustment Clause	14928-14930-G
Part AI	Applicant Installation Trench Inspection Deferred Account.....	19533-G
Part AJ	Applicant Installation Trench Inspection Memorandum Account.....	19534-G
Part AK	Low Income Energy Efficiency Memorandum Account	21244-G
Part AN	Hazardous Substance Mechanism.....	23281-23283, 16693-16694-G
Part AV	Capital Audit Consultant Cost Memorandum Account	20432-G
Part AW	Self-Generation Program Memorandum Account	23782-G
Part AX	Food Service Technology Center Memorandum Account.....	20987-G
Part BA	Public Purpose Program - Energy Efficiency	23360-23361-G
Part BB	Public Purpose Program Memorandum Account	23362-23363-G
Part BC	Financial Hedging Memorandum Account (FHMA)	21818-G
Part BE	Part BE.....	21965-G
Part BF	Gas Reimbursable Fees Balancing Account.....	23763-G
Part BG	Gas Credit Facilities Fees Tracking Account	22096-G
Part BH	Public Purpose Program Surcharge - Low Income Energy Efficiency Balancing Account	23364-G
Part BI	Public Purpose Program Surcharge - Research, Development and Demonstration Balancing Account	23365-23366-G
Part BK	Advanced Metering Infrastructure Memorandum Account-Gas	23152-23153-G
Part BL	Noncore Distribution Fixed Cost Account.....	24740-G
Part BM	Gas Advanced Metering Account.....	23406-23407-G
Part BN	Pension Interest Memorandum Account (PIMA-G)	23777-G
Part BP	SmartMeter Project Balancing Account - Gas.....	24123-24124-G
Part BQ	Pension Contribution Balancing Account	24223-24224-G

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TABLE OF CONTENTS

Table of Contents

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Title Page	24618-G	
Rate Schedules	24742, 24742, 24742 , 24607-G	(T)
Preliminary Statements	24743-24744 -G	(T)
Rules	24610-G	
Maps, Contracts and Deviations	24536-G	
Sample Forms	24612, 24369, 24613-24614-G	



PRELIMINARY STATEMENT
(Continued)

CZ. DISTRIBUTION REVENUE ADJUSTMENT MECHANISM (DRAM) (Cont'd.)

5. ACCOUNTING PROCEDURES: (Cont'd.)

- f. A credit entry equal to the debit entry in the California Alternative Rates for Energy Account (CARE) that corresponds to the actual CARE revenue shortfall. The corresponding debit entry is defined in PG&E's electric Preliminary Statement Part M.
- g. A credit entry equal to the recorded amount of revenue cycle services credits given to customers for revenue cycle services provided by entities other than PG&E.
- h. A credit entry equal to the amount of Shareholder Participation, as defined in Section 6 below.
- i. A debit entry equal to the payment to fund PG&E Environmental Enhancement Corporation plus an allowance for FF&U, pursuant to the Chapter 11 Settlement Agreement Paragraph 17c adopted in Decision 03-12-035.
- j. A debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to the DRAM for recovery in rates, upon approval by the CPUC.
- k. A debit entry equal to one-twelfth of the electric portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the CPUC.
- l. A debit entry equal to one-twelfth of the electric portion of the ClimateSmart Administrative and Marketing revenue requirement, including an allowance for FF&U, as authorized by the CPUC.
- m. A debit or credit entry, as appropriate, to record any shareholder rewards or penalties under the Reliability Incentive Mechanism adopted in D. 04-10-034.
- n. A debit entry equal to the amounts paid to the Commission for reimbursement of rate case expenses billed to the Utility pursuant to Public Utilities Code Section 631, plus an allowance for Franchise Fees and Uncollectible Accounts expense.
- o. A debit entry equal to the intervenor compensation payments authorized by the Commission, recorded during the month, plus an allowance for Franchise Fees and Uncollectible Accounts expense.
- p. A debit entry equal to the franchise fees paid by PG&E associated with the revenue collected by PG&E under electric Preliminary Statement Part AS – Fixed Transition Amount Charge, calculated in proportion to total franchise-applicable revenue, plus an allowance for Franchise Fees and Uncollectible Accounts expense.
- q. A debit entry equal to the electric portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065, plus an allowance for franchise fees and uncollectibles (FF&U) accounts expense at the rates authorized in PG&E's most recent GRC for the incremental administrative costs.
- r. An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of 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.

(N)
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(N)



PRELIMINARY STATEMENT

EM. CLIMATESMART BALANCING ACCOUNT – ELECTRIC (CSBA-E)

(N)

1. **PURPOSE:** The purpose of the gas ClimateSmart Balancing Account (CSBA) is track premiums and expenses related to the ClimateSmart program, as authorized in California Public Utilities Commission (CPUC) Decision (D.) 06-12-032. The 'Premium Subaccount' will compare premiums collected from participating ClimateSmart customers against expenses for greenhouse gas (GHG)-reduction projects. The 'Administration and Marketing Subaccount' will compare administration and marketing (A&M) expenses associated with PG&E's ClimateSmart program to the program budget authorized by the California Public Utilities Commission (CPUC). Pursuant to D.06-12-032, the A&M revenue requirement, including an allowance for Franchise Fees and Uncollectibles (FF&U), will be collected via distribution rates and recovered in the Distribution Revenue Adjustment Mechanism (DRAM).
2. **APPLICABILITY:** The Premium Subaccount of the CSBA shall apply to all customers who sign-up for the voluntary ClimateSmart program. The Administration and Marketing Subaccount shall apply to all customer classes, except those specifically excluded by the Commission.
3. **RATES:** The electric Premium Subaccount of the CSBA has the following rate component of \$0.00254 per kWh for customers participating in ClimateSmart program. The Administrative and Marketing Subaccount does not have a specific rate component.
4. **ACCOUNTING PROCEDURE:** The following entries shall be made at the end of each month:
 - a. Premium Subaccount
 - i. A credit entry equal to the electric premiums billed for the ClimateSmart program from participating customers, less an allowance for FF&U.
 - ii. A debit entry equal to the allocated electric expense for GHG-reduction projects as part of the ClimateSmart program.
 - iii. A debit or credit entry, as appropriate, to record the transfer to or from this subaccount as authorized by the CPUC.
 - iv. A debit or credit entry, as necessary, equal to the interest on the average of the balance at the beginning of the month and the balance for entries 5.a.i to 5.a.iii above at a rate equal to one-twelfth the cost-of-capital rate adopted in PG&E's latest cost-of-capital proceeding.
 - b. Administration and Marketing Subaccount
 - i. A credit entry equal to one-twelfth of the annual Administrative and Marketing amount authorized by the CPUC, excluding FF&U.
 - ii. A debit entry equal to the allocated electric portion of administration expenses, including CPUC-authorized expenses for the California Climate Action Registry (CCAR).
 - iii. A debit entry equal to the allocated electric portion of marketing expenses.
 - iv. A debit or credit entry, as appropriate, to record the transfer to or from this subaccount as authorized by the CPUC.
 - v. A debit or credit entry, as necessary, equal to the interest on the average of the balance at the beginning of the month and the balance for entries 5.b.i to 5.b.iii 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.

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TABLE OF CONTENTS

**Rate Schedules
 Residential**

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Counties Served	Listing of Counties Covered Under Electric Rate Schedules	8285-E
E-1	Residential Service	25246-25247, 24770, 19910, 25089, 25713-E
E-3	Experimental Residential Critical Peak Pricing Service.....	22429, 25248-25249, 25250-25251, 24087, 25252, 24089, 25253, 21243, 24779, 22437, 24780-E
EE	Service to Company Employees	24091-E
EM	Master-Metered Multifamily Service	25254-25255, 24783, 20648, 25090, 25714-E
ES	Multifamily Service	25256-25257, 24788, 23640, 25091, 25715-E
ESR	Residential RV Park and Residential Marina Service.....	25258-25259, 24793, 20657, 25092, 25716-E
ET	Mobilehome Park Service	25260-25261, 24798, 22149, 25093, 25717-E
E-6	Residential Time-of-Use Service.....	24801, 25262-25263, 24804-24805, 25094-E
E-7	Residential Time-of-Use Service.....	25718, 25264-25265, 24811, 22909, 25095-E
E-A7	Experimental Residential Alternate Peak Time-of-Use Service	24813, 25266-25267, 24855, 22912, 25096-E
E-8	Residential Seasonal Service Option	25268-25269, 25097, 25719-E
E-9	Experimental Residential Time-of-Use Service for Low Emission Vehicle Customers.....	24820, 25270-25273, 24825, 21289, 25098, 24827-E
EL-1	Residential CARE Program Service.....	24118, 25274, 24829, 22919, 25720-E
EML	Master-Metered Multifamily CARE Program Service	24121, 25275, 24832, 25100, 25721-E
ESL	Multifamily CARE Program Service.....	25276-25277, 24836, 23641, 25101, 25722-E
ESRL	Residential RV Park and Residential Marina CARE Program Service	25278-25279, 24841, 22926, 25102, 25723-E
ETL	Mobilehome Park CARE Program Service.....	25280-25281, 24846, 22180, 25103, 25724-E
EL-6	Residential CARE Time-of-Use Service	24849, 25282-25283, 24852-24853, 25104-E
EL-7	Residential CARE Program Time-of-Use Service	25725, 24857, 25284, 24859, 25105, 24860-E
EL-A7	Experimental Residential CARE Program Alternate Peak Time-of-Use Service.....	24861, 24862, 25285, 24964, 25106, 21330-E
EL-8	Residential Seasonal CARE Program Service Option	24139, 25286, 25107, 25726-E
E-FERA	Family Electric Rate Assistance	25422, 24996, 21643-E

TABLE OF CONTENTS

Preliminary Statements

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Part CB	DWR/ISO Cost Balancing Account	20500-E
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.....	25367, 24736-E
Part CH	Utility Retained Generation Income Tax Memorandum Account.....	20502-E
Part CI	Wholesale DWR/ISO Cost Memorandum Account	20503-E
Part CJ	Negative Ongoing Transition Charge Memorandum Account	24322-E
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 (BCBA)	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	24323, 25085, 24325-E
Part CQ	Modified Transition Cost Balancing Account.....	25896-25897, 24328-24329, 24758-E
Part CR	Common Area Balancing Account	19768-19769-E
Part CS	Advanced Metering and Demand Response Account.....	24738-24739, 23926*-E
Part CT	Direct Access Shortfall Account (DASA)	22416-E
Part CU	Customer Credit Card Holding Account	21533-E
Part CV	Financial Hedging Memorandum Account (FHMA)	20631-E
Part CY	El Paso Settlement Electric Memorandum Account (EPSEMA).....	20985-E
Part CZ	Distribution Revenue Adjustment Mechanism.....	25368, 24740*, 26097, 26097-E

(T)

TABLE OF CONTENTS

Table of Contents

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Title Page	25899-E	
Rate Schedules 26099 , 25364, 25923, 25619-E		(T)
Preliminary Statements25624, 26100 , 25661, 25455-E		(T)
Rules	25924-E	
Sample Forms25874, 25630, 25875-25876, 25894, 25877-25878-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	Dynergy 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	Stanford University
California ISO	International Power Technology	Sutherland, Asbill & Brennan
Calpine	Interstate Gas Services, Inc.	Tabors Caramanis & Associates
Calpine Corp	IUCG/Sunshine Design LLC	Tecogen, Inc
Calpine Gilroy Cogen	J. R. Wood, Inc	TFS Energy
Cambridge Energy Research Assoc	JTM, Inc	Transcanada
Cameron McKenna	Luce, Forward, Hamilton & Scripps	Turlock Irrigation District
Cardinal Cogen	Manatt, Phelps & Phillips	U S Borax, Inc
Cellnet Data Systems	Marcus, David	United Cogen Inc.
Chevron Texaco	Matthew V. Brady & Associates	URM Groups
Chevron USA Production Co.	Maynor, Donald H.	Utility Cost Management LLC
City of Glendale	MBMC, Inc.	Utility Resource Network
City of Healdsburg	McKenzie & Assoc	Wellhead Electric Company
City of Palo Alto	McKenzie & Associates	Western Hub Properties, LLC
City of Redding	Meek, Daniel W.	White & Case
CLECA Law Office	Mirant California, LLC	WMA
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	