

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



Advice Letter 3049-E

August 23, 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: Revised Electric Preliminary Statement Part DI – Procurement  
Energy Efficiency Balancing Account (PEEBA)

Dear Mr. Cherry:

Advice Letter 3049-E is effective January 1, 2004.

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

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San Francisco, CA 94105

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May 17, 2007

**Advice 3049-E**  
**(Pacific Gas and Electric Company ID 39 M)**

Public Utilities Commission of the State of California

**Subject: Revised Electric Preliminary Statement Part DI – Procurement Energy Efficiency Balancing Account (PEEBA)**

**Purpose**

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariffs (as shown in Attachment 1). PG&E proposes these changes to correct the preliminary statement language consistent with Decision (D.) 03-12-062 that requires a one-way balancing account to record actual program expenses against authorized program budgets. This change clarifies language that currently states that the PEEBA is recording actual program expenditures against program revenue requirements.

**Background**

As currently approved, the PEEBA preliminary statement includes an accounting procedure that records a monthly entry equal to 1/12 of the annual authorized revenue requirement rather than 1/12 of the authorized program budget. This procedure is not consistent with D.03-12-062 because the PEEBA account is intended to track actual expenses against the authorized program budgets, not the authorized revenue requirement, which consists of the program budget grossed up for franchise fees and uncollectibles expense (FF&U).

When PG&E previously submitted the PEEBA preliminary statement for approval, PG&E inadvertently included the authorized revenue requirement in the expense account rather than the authorized program budget. This must be revised to appropriately track actual expenditures against authorized budgets. Expenditures do not include an FF&U component, so as currently written, there is an imbalance because the revenue requirement, by definition, includes a FF&U component.

Consequently, PG&E proposes to revise the PEEBA language to record the authorized budgets rather than the authorized revenue requirements.

### **Proposed Tariff Revisions**

PG&E proposes revisions to the PEEBA preliminary statement to record the monthly authorized program budget rather than the monthly authorized revenue requirement. The effective date of the revisions to the PEEBA preliminary statement should be January 1, 2004.

### **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 **June 6, 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: [jjn@cpuc.ca.gov](mailto:jjn@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

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 **January 1, 2004**.

**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 and the parties on the service list for Application (A.) 05-06-004.<sup>1</sup> 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>



Vice President - Regulatory Relations

Attachments

cc: Service List for A.05-06-004

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<sup>1</sup> A.05-06-004, A.05-06-011, A.05-06-015, and A.05-06-016 were consolidated.

# 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: Rose de la Torre

Phone #: (415) 973-4716

E-mail: rxdd@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) #: **3049-E**

Subject of AL: Revisions to Electric Preliminary Statement Part DI

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

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.03-12-062

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: 1/1/2004

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: Electric Preliminary Statement Part DI

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

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

[ijnj@cpuc.ca.gov](mailto:ijnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto: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](mailto:PGETariffs@pge.com)

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

**ATTACHMENT 1  
Advice 3049-E**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
26373-E	Preliminary Statement Part DI--Procurement Energy Efficiency Balancing Account (PEEBA)	25391-E
26374-E	Table of Contents -- Preliminary Statements	24331-E
26375-E	Table of Contents -- Title Page	26224-E



PRELIMINARY STATEMENT  
(Continued)

DI. PROCUREMENT ENERGY EFFICIENCY BALANCING ACCOUNT (PEEBA)

1. PURPOSE:

Per Decision 03-12-062, the one-way Procurement Energy Efficiency Balancing Account (PEEBA) is to track PG&E's procurement energy efficiency costs and revenues associated with authorized programs. The PEEBA tracks actual expenditures for authorized procurement energy efficiency activities against the authorized revenue requirement for such activities.

2. APPLICABILITY:

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

3. REVISION DATE:

Pursuant to D.03-12-062, disposition of the balance in this account shall be determined in the energy efficiency proceeding, R.01-08-028 or its successor, or any other proceeding as authorized by the Commission.

4. RATES:

The PEEBA does not have a separate rate element.

5. ACCOUNTING PROCEDURE:

PG&E shall maintain the PEEBA by making entries as follows:

- a. A debit equal to the expenses related to procurement energy efficiency programs.
- b. A credit equal to one-twelfth of the annual authorized program budget for procurement energy efficiency programs. (T)
- c. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC.
- d. An entry reflecting interest on the average balance 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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Part DE	Headroom Account (HA) .....	21122-E
Part DF	Electric Reimbursable Fees Balancing Account (ERFBA) .....	22722-E
Part DG	DWR Power Charge Balancing Account .....	25086-E
Part DH	Electric Credit Facilities Fees Tracking Account (ECFFTA) .....	21125-E
Part DI	Procurement Energy Efficiency Balancing Account (PEEBA) .....	<b>26373-E</b>
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**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	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 Resource Network
Chevron USA Production Co.	Maynor, Donald H.	Wellhead Electric Company
City of Glendale	MBMC, Inc.	White & Case
City of Healdsburg	McKenzie & Assoc	WMA
City of Palo Alto	McKenzie & Associates	
City of Redding	Meek, Daniel W.	
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	