

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



October 31, 2007

Advice Letter 3130-E

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: Implementation of Franchise Fee Changes to  
Schedule TBCC Resulting from D.07-03-044  
in Phase 1 of PG&E's 2007 General Rate Case

Dear Mr. Cherry:

Advice Letter 3130-E is effective June 1, 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

Pacific Gas and Electric Company  
77 Beale St., Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

415.973.4977  
Fax: 415.973.7226

October 2, 2007

**Advice 3130-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Implementation of Franchise Fee Changes to Schedule TBCC Resulting from Decision 07-03-044 in Phase 1 of PG&E's 2007 General Rate Case**

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 I.

**Purpose**

Ordering Paragraph 3 of Decision (D.) 07-03-044 required that Pacific Gas and Electric Company (PG&E) file an advice letter within 10 days to provide "revised tariff sheets to implement (i) the revenue requirement authorized by this Order, and (ii) all accounting procedures, fees, and charges authorized by this order that are not addressed in the other advice letters required by this Order." On March 23, 2007, PG&E filed Advice 3014-E to comply with this Order. However, PG&E inadvertently omitted the franchise fee revision to Rate Schedule TBCC – *Transitional Bundled Commodity Cost* (TBCC) from this advice filing. This advice filing is submitted to comply with the directives of D.07-03-044.

**Tariff Revisions**

PG&E submits a revised Schedule TBCC to comply with D.07-03-044. The revised tariff is included in Attachment I to this filing.

**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 **October 22, 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: [ijnj@cpuc.ca.gov](mailto:ijnj@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

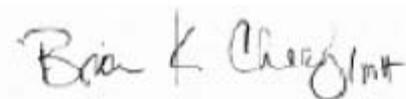
Facsimile: (415) 973-7226  
E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

### **Effective Date**

PG&E requests that the tariff change to Schedule E-TBCC become effective on **June 1, 2007**, which is the effective date of the revision to the Schedule E-FFS – *Franchise Fee Surcharge* portion of Advice 3014-E.

### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for A.05-12-002. Address changes to the General Order 96-B service list should be directed to Rose de la Torre at (415) 973-4716. Send all electronic approvals to [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>



Vice President, Regulatory Relations

### Attachments

cc: Service List A.05-12-002

# 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 M)**

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) #: 3130-E

**Tier: 1**

Subject of AL: Implementation of Franchise Fee Changes to Schedule TBCC Resulting from Decision 07-03-044 in Phase 1 of PG&E's 2007 General Rate Case

Keywords (choose from CPUC listing): Compliance, Franchise Fee

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.07-03-044

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>: \_\_\_\_\_

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement:  Yes  No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: \_\_\_\_\_

Resolution Required?  Yes  No

Requested effective date: June 1, 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: Rate Schedule TBCC

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

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

Protests, dispositions, 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**

**[jjn@cpuc.ca.gov](mailto:jjn@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)**

**ATTACHMENT 1  
Advice 3130-E**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
26688-E	Schedule TBCC--Transitional Bundled Commodity Cost	24286-E
26689-E	Table of Contents -- Rate Schedules	26319-E
26690-E	Table of Contents -- Title Page	26507-E



SCHEDULE TBCC—TRANSITIONAL BUNDLED COMMODITY COST  
 (Continued)

RATES:  
 (Cont'd.)

1. Development of the Hourly Market Prices

The hourly market price shall consist of the straight average of the six 10-minute California Independent System Operator (CAISO) Settlement Interval Average Prices for North of Path 15 (NP15), multiplied by an allowance for Unaccounted for Energy (UFE), plus an allowance for Ancillary Services and the ISO Grid Management Charges (GMC).

The UFE allowance will equal one plus the straight average of the most recent six month actual UFE percentages available from the ISO Management Report for the Board of Governors posted on the CAISO website. The UFE allowance will be revised semi-annually (January and July).

The allowance for Ancillary Services, calculated hourly, will equal the ISO's system Day Ahead and Hour Ahead Ancillary Services procurement costs divided by the total ISO control area system load. The data used to calculate the Ancillary Services rate is subject to change by the ISO without notice. Therefore, the Ancillary Service rate will be calculated using the best available data at the time of downloading.

The ISO GMC will equal the sum of the GMC - Energy and Transmission Services – Net Energy (Charge Type #4505), GMC - Energy and Transmission Services – Deviations (Charge Type #4506), and GMC - Market Usage (Weighted average rate per commodity MWh applied for Charge Types #4534, 4535 and 4536, based on the CA ISO proposed budget) GMCs. The ISO GMC shall be charged on the customer's hourly metered demand. GMC - Congestion Management (Charge Type #4522), GMC - Core Reliability Services (Charge Type #4501 - 4504), GMC - Forward Scheduling (Charge Types #4511 - 4513) GMC - Settlements, Metering, and Client Relations (Charge Type #4575), and GMC - Modesto Irrigation District (Charge Type #4576) are not included in this charge.

2. Adjustments for DLFs and Franchise Fees and Uncollectibles:

The hourly cost at the transmission/distribution interface, as determined in Part 1, is multiplied by the DLF and a franchise fees and uncollectible factor to determine the appropriate price to be paid by end-use customers served at each voltage level. DLFs will be calculated by PG&E based on the forecast hourly PG&E Service Area Load (Direct Access, Community Choice Aggregation, plus Bundled Service) per Decisions 97-08-056 and 04-12-046. The hourly DLFs will be broken out by service voltage level and made available each day to market. PG&E will calculate the hourly DLFs based on samples of hourly service area load by applying the approach approved in Decisions 92-12-057, and 04-12-046.

The franchise fee and uncollectible factor is equal to: ..... 1.010255 (l)

(Continued)

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**PG&E Gas and Electric  
Advice Filing List  
General Order 96-B, Section IV**

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
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BP Energy Company	Gas Transmission Northwest Corporation	Sempra Energy
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C & H Sugar Co.	Goodin, MacBride, Squeri, Schlotz &	SESCO
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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
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City of Palo Alto	McKenzie & Associates	
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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	