

PUBLIC UTILITIES COMMISSION

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January 29th, 2008

Advice Letter 3146-E

Brian K. Cherry
Director, Regulatory Relations
Mail Code B10C
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

Subject: 2008 Year Ahead RA Compliance Filings

Dear Mr. Cherry:

Advice Letter 3146-E is effective November 30th, 2007. Thank you for your time.

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

Fax: 415.973.7226

October 31, 2007

Advice 3146-E

Subject: Final 2008 Local and System Resource Adequacy (RA) Filing for Compliance - Submitted Pursuant to Decisions 05-10-042, 06-06-064 and 07-06-029, Opinion on Phase 2 – Track 1 Issues

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits this Advice Letter in compliance with Decision (D.) 07-06-029. PG&E's Local and System RA compliance filing for 2008, prepared in accordance with the "2008 Filing Guide for System and Local Resource Adequacy Compliance Filings" (Guide) issued by the Energy Division on August 14, 2007, is included in Confidential Attachment 3; the signed officer Certification form is included as Attachment 1. The California Public Utilities Commission (CPUC) requested confidentiality declaration for this compliance filing is included in Attachment 2.

A portion of the information provided in Attachment 3 is commercially sensitive and confidential protected material and is being submitted subject to the protections of Section 583 of the California Public Utilities Code and pursuant to: i) the "Second Revised Protective Order Regarding Confidentiality of Market Sensitive Load and Resource Data and Information" that ALJ Wetzell issued in his February 1, 2007, ruling; ii) the California Energy Commission's (CEC) agreement to adhere to that protective order, which the CEC signed on February 14, 2006; and iii) D. 06-06-066, which established Confidentiality standards.

Purpose

The purpose of this Advice Letter compliance filing is to demonstrate whether PG&E has complied with the CPUC's 2008 year-ahead system and local resource adequacy requirements as specified in Decisions 05-10-042, 06-06-064, 06-07-031 and 07-06-029.

This advice letter contains:

Attachment 1: Officer Certification Form of Roy Kuga

Attachment 2: Declaration of Terrance Robertson supporting the confidentiality claims made in this filing.

Confidential Attachment 3: *System Year-ahead RA Workbook for May through September 2008 and 2008 Year-ahead Local RA Workbook.*

The 2008 Year-ahead System and Local RA Workbooks contains commercially sensitive information detailing the resources PG&E owns or has acquired. The attached CD contains electronic filings of this Advice Letter and the Attachments.

Background

As specified in D.05-10-042 and D.06-06-064, LSE's must make annual compliance filings demonstrating that they have met 90% of the 115% of peak load requirement for the months of May through September of the following calendar year and 100% of the applicable local procurement obligation for each month of the following calendar year (January through December). This submission fills this requirement.

On August 14, 2007, the Energy Division (ED) issued changes to the Guide. On October 13, 2007, ED issued the final a RA Reporting Template Spreadsheet and Instructions. This Advice Letter has been prepared in accordance with the Guide and the Reporting Template Spreadsheet Instructions.

In preparation of the 2008 Local Workbook, and as instructed by the Guide, PG&E used CAISO information to determine whether any of the resources that it owns or has procured are located in a transmission constrained area identified by the California Independent System Operator Corporation (CAISO). PG&E used the CAISO's "Net Qualifying Capacity, Local Area Data and TAC Wind Factor Data for Compliance Year 2008" unit list dated 8/28/2007 to determine which units are in local areas.

This Advice Letter does not request an increase of any rate or charge, or the withdrawal of service, nor does it conflict with any other schedule or rule.

Protests

In compliance with directives provided through the Energy Division's RA Guide, dated August 14, 2007, this advice filing is not subject to protests.

Effective Date

PG&E requests that this advice filing be approved effective 30 days after the date of filing, **November 30, 2007**, pursuant to instruction from the CPUC's Energy Division. According to the August 14, 2007, Energy Division Guidance, RA compliance filings do not require a resolution.

Notice

In accordance with direction from the Guide, Attachment 3 of this submission is being filed with the CPUC, California Energy Commission (CEC), and California Independent System Operator (CAISO). A redacted version of Attachment 3 is available upon request. Please send all electronic approval letters to PGETariffs@pge.com. A public version of this advice letter filing can also be accessed electronically at: <http://www.pge.com/tariffs>



Vice President, Regulatory Relations

Attachments

Attachment 1: Officer Certification Form of Roy Kuga
Attachment 2: Confidentiality Declaration of Terrance Robertson
Confidential Attachment 3: 2008 System RA and Local RA Workbooks
(Redacted Version Available Upon Request)

cc: California Energy Commission
California Independent System Operator

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: David

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) #: **3146-E**

Tier: 2

Subject of AL: Final 2008 Local and System Resource Adequacy (RA) Filing for Compliance - Submitted Pursuant to Decisions 05-10-042, 06-06-064 and 07-06-029, Opinion on Phase 2 – Track 1 Issues

Keywords (choose from CPUC listing): RA

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.05-10-042, 06-06-064, 07-06-029

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 AL¹: _____

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: Yes.

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: Terrance Robertson – 415-973-6993

Resolution Required? Yes No

Requested effective date: **November 30, 2007** 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 proposed¹: 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 Avenue
San Francisco, CA 94102**

E-mail: jjn@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

Attachment 1

Officer Certification Form of Roy Kuga

Worksheet A. CERTIFICATION FORM

Name of Load Serving Entity (LSE):	Pacific Gas and Electric Company
Energy Service Provider Registration Number (if applicable):	
Scheduling Coordinator:	PCG2

Certification of Information:

Consistent with Rules 1 and 2.4 of the CPUC's Rules of Practice and Procedure, this resource adequacy compliance filing has been verified by an officer of the corporation, who shall expressly certify, under penalty of perjury, the following:

1. I have responsibility for the activities reflected in this filing;
2. I have reviewed, or have caused to be reviewed, this compliance filing;
3. Based on my knowledge, information, or belief, this filing does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made;
4. Based on my knowledge, information, or belief, this [filing] contains all of the information required to be provided by CPUC orders, rules, and regulations.

Certified By Authorized LSE Representative (Name):	Roy Kuga
Title:	Vice President - Energy Supply
Date:	10/30/07
Signature (sign the hard copy of filing):	

Contact Person for Questions about this Filing:

Address:	
Address 2:	
City:	
State:	
Zip:	

Back-Up Contact Person for Questions about this Filing (Optional):

Name:	Terrance Robertson
Title:	Principal - Structured Transactions
Email:	tmr4@pge.com
Telephone:	415-973-6993

Attachment 2

Declaration of Terrance M. Robertson

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

DECLARATION OF TERRANCE M. ROBERTSON IN SUPPORT OF 2008 YEAR-AHEAD RA COMPLIANCE FILING

I, Terrance M. Robertson, declare:

1. I am a principal in the Electric Procurement department at Pacific Gas and Electric Company (PG&E). I am responsible for intermediate-term electric resource planning and procurement at PG&E including system and local resource adequacy (Local RA) procurement for 2008. In carrying out these responsibilities, I have acquired knowledge of the system and local area resources in PG&E's electric portfolio, which are the subject of the filing.

2. I have reviewed PG&E's 2008 Year-Ahead System and Local RA compliance filing and was responsible for the preparation of the 2008 Year-Ahead System and Local RA Workbooks (Workbooks). I am familiar with the information required for the filing, and would testify to the facts and representations in this declaration under oath based on my personal knowledge unless otherwise stated herein.

3. Based on my review of the Workbooks and my knowledge of the information required for the filing, the Workbooks contains confidential information (Protected Information) that is material, market sensitive, electric procurement-related information within the scope of Public Utilities Code section 454.5(g). The Protected Information is also entitled to confidential treatment under Appendix 1 of D.06-06-066 (entitled "IOU Matrix"). Based on my knowledge and experience and in accordance with D.06-06-066 and the August 22, 2006 Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with D.06-06-066, R. 05-06-040, I make this declaration seeking confidential treatment of the Protected Information as detailed in this declaration.

4. The Protected Information falls into one or more of the following categories in the IOU Matrix:

- IV) Resource Planning Information - Electric
 - A) Forecast of IOU Generation Resources
 - B) Forecast of Qualifying Facility Generation

- C) Forecast of IOU Hydro Greater than 30 MW
- E) Forecast of Pre-1/1/2003 (“Old-World”) Bilateral Contracts
- F) Forecast of Post-1/1/2003 (“New-World”) Bilateral Contracts
- V) Load Forecast Information and Data - Electric
 - B) LSE Total Peak Load Forecast – Bundled Customer (MW)
 - C) LSE Total Energy Forecast – Bundled Customer (MWh)
- VI) Net Open Position Information - Electric
 - A) Utility Bundled Net Open (Long or Short) Position for Capacity (MW)

The Protected Information in each of these categories is entitled to protection as confidential, according to the IOU Matrix, for three years.

5. Specifically, the following information contained in Attachment 3 – 2008 System Year-ahead RA Workbook is Protected Information:

- In Summary Table 1 (LSE Obligations) of the “Summary” tab, the “*Peak Demand [Coincident Peak Hour Demand Forecast provided by CEC,*” “*Forward Commitment Obligation [115% of Peak Load]*” and “*Forward Commitment Obligation for year-ahead – 90% of [Peak Demand plus 15% PRM]*” items are protected under IOU Matrix category V-B. These items represent, or are derived (in an obvious manner) from the Bundled Total Peak Load forecast. The “*Demand Response available more than 2 hours per day*” & “*Demand Response available no more than 2 hours per day*” items are protected under IOU Matrix category V-C. It is my understanding that disclosure of this information, together with publicly available Total Sales information can be used to closely determine PG&E’s confidential sales forecast for bundled customers. The “*Forward Commitment Obligation for Year-Ahead Minus Demand Response*” item is confidential under IOU Matrix categories V-B and VI-A. This information could be used to closely approximate PG&E’s confidential Peak Load Forecast for Bundled Customers and is a major component of the Capacity (System RA) Net Open Position.
- In Summary Table 2 (Total Claimed Resource Adequacy Capacity by Type of Capacity) of the “Summary” tab, all items under columns (B) through (G) are confidential. Row I to Row VII of these columns, together with the “*Total*

Resource Adequacy Capacity” row are confidential under the IOU Matrix categories IV-A,B,C,E,F & VI-A. This information represents the forecast of electric capacity (System RA) as well as a component of the capacity (System RA) net open position. This information, if released, would allow entities to closely approximate PG&E’s capacity net open position, when combined with other publicly available data. Row VII, “*RMR Condition 2 Allocation*” of these columns is confidential under the IOU Matrix category V-B. It is my understanding that this information, if released, would allow the calculation of PG&E’s 2007 bundled customer total peak load, when combined with other available data.

- In Summary Table 3 (90% Year Ahead Compliance Showing – Claimed vs. Countable Resource in Each Bucket) of the “Summary” tab, column (J) is confidential under IOU Matrix category V-B as it is derived (in an obvious manner) from the Bundled Total Peak Load forecast. Columns (K) & (L) are confidential under IOU Matrix categories IV-A,B,C,E,F & VI-A, as Resource Planning Forecasts and are a component of the capacity (System RA) net open position. Column (M) is confidential under IOU Matrix category VI-A showing the capacity (System RA) net open position on a percentage basis.
- In Summary Table 4 (Resource Category by Bucket) of the “Summary” tab, Column (O) is a restatement of confidential information in Summary Table 2 and hence confidential as well. Column (P) is confidential under IOU Matrix categories IV-A,B,C,E,F & VI-A. These are calculations that could be reversed to closely approximate PG&E’s forecast of capacity (System RA) as well as a component of the capacity (System RA) net open position. Column (Q) is confidential under IOU Matrix category VI-A showing the capacity (System RA) net open position on a percentage basis.
- In Summary Table 5 (Minimum Required Compliance Showing by Category) of the “Summary” tab, column (T) is confidential under IOU Matrix category V-B, as it could be used to closely approximate PG&E’s Peak Load Forecast. Column (U) is confidential under IOU Matrix categories IV-A,B,C,E,F & VI-A. These are calculations that could be reversed to closely approximate

PG&E's forecast of capacity (System RA) as well as a component of the capacity (System RA) net open position.. Column (V) is confidential under IOU Matrix category VI-A as it is a component of the capacity (System RA) net open position. Column (W) is confidential under IOU Matrix category VI-A as it qualitatively represents PG&E's capacity net open position.

- In Summary Table 6 (Necessary Flows across into NP26 and SP26) of the "Summary" tab, Column (B) is confidential under IOU Matrix category V-B, as it could be used to closely approximate PG&E's Peak Load Forecast. Column (C) is confidential under IOU Matrix categories IV-A,B,C,E,F, Columns (D) and (E) are confidential under IOU Matrix category V-B.
- In Summary Table 7 (Necessary Flows versus Path 26 Allocations) of the "Summar" tab, Columns (B) and (D) are confidential under IOU Matrix category V-B.
- In the "I_Phys_Res" tab the "Contract Identifier," "Scheduling Resource ID," "Resource Adequacy Capacity (MW)," "Zonal Location," "Capacity Effective Start Date" "Capacity Effective End Date," "Resource Contract Number," "Used in Local Filing," "Min. Hours in Month," "Bucket 1," "Bucket 2," "Bucket 3," and "Bucket 4," "NP 26" and "SP 26," as well as the Subtotal row are protected under the IOU Matrix categories IV-A,B,C,E,F. The protected information has been highlighted in gray on the tab and segregated at the bottom of the tab below a row labeled "***** Confidential Data Below *****".
- In the "II_DWR_Contracts" the "Contract Identifier," "RA Capacity (MW)," "Zonal Location," "Capacity Effective Start Date" "Capacity Effective End Date," "Resource Capacity Contract Number," "Used in Local Filing," "Min. Hours in Month," "CAISO Congestion Zone or Branch Group," "Bucket 1," "Bucket 2," "Bucket 3," and "Bucket 4," "NP 26" and "SP 26," as well as the Subtotal row are protected under the IOU Matrix category IV-G. The protected information has been highlighted in gray on the tab.
- In the "IV_NonUnit_Import" tab the "Contract Identifier," "CAISO Congestion Zone or Branch Group," "RA Capacity (MW)," "Zonal Location,"

“SCID, or Counterparty if not available,” “Capacity Effective Start Date” “Capacity Effective End Date,” “Min. Hours in Month,” “Bucket 1,” “Bucket 2,” “Bucket 3,” and “Bucket 4,” “NP 26” and “SP 26,” as well as the Subtotal row are protected under the IOU Matrix categories IV-A,B,C,E,F noted above. The protected information has been highlighted in gray on the tab.

- In the “V_LD_Contracts” the “Contract Identifier,” “CAISO Congestion Zone,” “RA Capacity (MW),” “Zonal Location,” “Capacity Effective Start Date” “Capacity Effective End Date,” “Min. Hours in Month,” “Bucket 1,” “Bucket 2,” “Bucket 3,” and “Bucket 4,” “NP 26” and “SP 26,” as well as the Subtotal row are protected under the IOU Matrix categories IV-E,F. The protected information has been highlighted in gray on the tab.
- In the “DR-a_2hr_Plus” the “Contract Identifier,” “Program Name,” “RA Capacity,” “Zonal Location,” “Program Operator,” “Program Capacity (MW),” “Authorized Operation Start Date,” “Authorized Operation End Date,” “Total Authorized Hours of Operation” as well as “NP 26” and “SP 26,” are protected under IOU Matrix category V-C. It is my understanding that disclosure of this information, together with publicly available energy sales information can be used to closely determine PG&E’s confidential sales forecast for bundled customers. The protected information has been highlighted in gray on the tab.

6. Specifically, the following information contained in Attachment 3 – 2007 Local Year-ahead RA Workbook is Protected Information:

- In the Summary Tables 1 through 5 of the “Summary” tab, the “Total Procurement in XXX Local Area” (where XXX refers to the Greater Bay Area and Other PG&E) information is protected under the IOU Matrix category IV-A,B,C,E,F items and the category VI-A. This information represents the forecast of electric capacity (Local RA) as well as a component of the capacity (Local RA) net open position. This information, if released, would allow entities to closely approximate PG&E’s capacity net open position, when combined with other publicly available data.

- In the Summary Tables 1 through 5 of the “Summary” tab the “*XXX Local RA*” and “*XXX RMR Allocation*” (where XXX refers to the Greater Bay Area and Other PG&E) information is protected under the IOU Matrix category V item noted above. It is my understanding that this information, if released, would allow the calculation of PG&E’s 2007 bundled customer total peak load, when combined with other publicly available data.
- In the Summary Tables 1 through 5 of the “Summary” tab the “*Compliance Status*” information is protected under the IOU Matrix category VI-A,B,C,E,F. This information qualitatively represents PG&E’s capacity (Local RA) net open position.
- In the “I_Phys_Res” tab the “*Contract Identifier,*” “*Scheduling Resource ID,*” “*Local RAR Area,*” “*LSE Contract with RMR Unit,*” “*RA Capacity for January through December,* and “*Min. Hours for January through December* information for some resources as well as the Subtotal row is protected under the IOU Matrix categories IV-A,B,C,E,F. The protected information has been highlighted in gray on the tab and segregated at the bottom of the tab below a row labeled “***** Confidential Data Below *****”. This information, if released, would allow entities to closely approximate PG&E’s capacity (Local RA) net open position when combined with other publicly available data and could allow entities to possibly identify resources within PG&E’s portfolio and thus provide a forecast of the availability of those resources.

7. PG&E is complying with the limitations on confidentiality specified in the IOU Matrix for the type of data described above.

8. I am not aware of any instances in which the Protected Information identified in this declaration has been disclosed to the public.

9. The Workbook specifies the level of aggregation required by the Energy Division. The Protected Information cannot be provided in an aggregated, partially redacted, summarized, masked or otherwise protected form in a fashion that is consistent with the required format, or without divulging confidential information.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 30th day of October 2007, at San Francisco, California.

A handwritten signature in black ink, appearing to read "Terrance M. Robertson", with a long horizontal flourish extending to the right.

Terrance M. Robertson
Pacific Gas and Electric Company