

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 17, 2008

Advice Letter 3301-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: Revisions to Preliminary Statement EL – Renewables Portfolio
Standard Cost Memorandum Account

Dear Mr. Cherry:

Advice Letter 3301-E is effective July 24, 2008.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth Lewis".

Kenneth Lewis, Acting 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
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July 24, 2008

Advice 3301-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Revisions to Preliminary Statement EL - Renewables Portfolio Standard Cost Memorandum Account

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

The purpose of this advice filing is to submit revisions to Preliminary Statement Part EL – *Renewables Portfolio Standard Cost Memorandum Account (RPSCMA)*. The revisions are made in accordance with a letter from the Executive Director of the California Public Utilities Commission (Commission) regarding Ordering Paragraph (OP) 8 of Decision (D.) 06-10-050, dated December 21, 2007, PG&E is hereby amending Section 1, “Purpose”.

The amended tariff states that the total maximum cost recorded in the RPSCMA shall not exceed a total cap of \$1.6 million and shall be paid by each utility on a proportional basis in relationship to retail sales reported in the Renewables Portfolio Standard (RPS) Compliance Report issued by each utility in March of each year, or at such time as determined by the Executive Director. This amendment implements the Executive Director’s determination that any of the \$400,000 annual expenditure authorized in Commission D. 06-10-050 that remains unspent at the end of each year may be carried over and expended in subsequent years so long as the total costs incurred by the Commission through 2010 do not exceed the authorized cap of \$1.6 million and these costs are recorded in the RPSCMA by December 31, 2010.

Background

Decision 06-10-050, OP 8, authorized PG&E to establish the RPSCMA to record the third party costs associated with Renewables Portfolio Standard (RPS)

technical contractor activities invoiced through the Commission at a total maximum annual amount of \$400,000 to be paid by PG&E, SCE and SDG&E on a proportional basis. As a result, PG&E filed Advice 2934-E on November 15, 2006, requesting approval of the RPSCMA and associated Preliminary Statement EL. Advice 2934-E was approved on January 12, 2007.

In a letter dated December 21, 2007, the Commission clarified that “to the extent the maximum annual amount is not expended in each year of the contract period, such amounts may carry over and be expended in subsequent years. All such costs shall be recorded by December 31, 2010 and the maximum notional value of this contract shall not exceed \$1.6 million.”¹ PG&E has updated the RPSCMA Preliminary Statement to reflect this clarification.

Shortened Protest Period (5 Days)

PG&E requests a shortened protest for this advice letter since it is submitted in accordance with Commission directives. 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 **July 29**, which is 5 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: jnj@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

¹ December 21, 2007 Letter from Paul Clanon, Executive Director, CPUC, page 1-2

P.O. Box 770000
San Francisco, California 94177

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

Effective Date

PG&E requests that this advice filing become effective **July 24, 2008** which is the date of filing.

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 service list for R.06-05-027. Address changes should be directed to Rose De La Torre (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. Cheyette". The signature is written in a cursive style and is positioned above the typed name.

Vice President – Regulatory Relations

Attachments:

Attachment 1 – RPSCMA Preliminary Statement EL

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) #: 3301-E

Tier: [1]

Subject of AL: Revisions to Preliminary Statement EL - Renewables Portfolio Standard Cost Memorandum Account

Keywords: compliance, memorandum account

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: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

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: N/A

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: July 24, 2008

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 EL

Service affected and changes proposed:

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

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

**ATTACHMENT 1
Advice 3301-E**

**Cal P.U.C.
Sheet No.**

Title of Sheet

**Cancelling Cal
P.U.C. Sheet No.**

27643-E	ELECTRIC PRELIMINARY STATEMENT PART EL RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT Sheet 1	25453-E*
27644-E	ELECTRIC TABLE OF CONTENTS Sheet 1	27625-E
27645-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 9	27626-E



ELECTRIC PRELIMINARY STATEMENT PART EL Sheet 1
RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT

EL. RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT (RPSCMA)

1. PURPOSE:

The purpose of the RPSCMA is to record costs associated with third party Renewables Portfolio Standard (RPS) technical contractor activities invoiced through the Commission until December 31, 2010, as requested in Decision 06-10-050. The total maximum notional value of the costs incurred by the Commission through 2010 shall not exceed a total cap of \$1.6 million and shall be paid by each utility, (PG&E, SCE and SDG&E) on a proportional basis in relationship to retail sales reported each year in the March 1, RPS Compliance Report (or other report each year as directed by the Executive Director). All such costs shall be recorded by December 31, 2010. The RPSCMA was authorized by the Commission in Decision 06-10-050.

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2. APPLICABILITY:

The RPSCMA shall apply to all customer classes, except for those specifically excluded by the Commission.

3. RPSCMA RATES:

The RPSCMA does not currently have a rate component.

4. ACCOUNTING PROCEDURE:

PG&E shall maintain the RPSCMA by making entries to this account at the end of each month as follows:

- a. A debit entry equal to the paid third-party costs for RPS technical contractor activities invoiced through the Commission;
- b. A credit entry to annually transfer the balance to another regulatory account as appropriate for rate recovery; and
- c. An entry equal to interest on the average balance in the account at the beginning of the month and the balance after entry 4.a, 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.

PG&E shall request the recovery of the balance in the RPSCMA through the Energy Resource Recovery Account (ERRA) application, or other proceeding as authorized by the Commission.



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Sheet 1

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PRELIMINARY STATEMENT

Sheet 9

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Part EC	Demand Response Expenditures Balancing Account (DREBA).....	26379-26380-E
Part ED	Demand Response Revenue Balancing Account (DRRBA).....	27296-E
Part EF	Procurement Energy Efficiency Revenue Adjustment Mechanism (PEERAM)	25392-E
Part EG	Credit Card Pilot Program Memorandum Account (CCPPMA).....	25351-25352-E
Part EH	Negative Indifference Amount Memorandum Account (NIAMA).....	25088-E
Part EI	SmartMeter Project Balancing Account - Electric	25141-25142-E
Part EJ	Pension Contribution Balancing Account.....	26297,25228-E
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Part EM	ClimateSmart Balancing Account	26098-E
Part EN	British Columbia Renewable Study Balancing Account.....	26197-E
Part EO	California Solar Initiative Balancing Account	26211-26213-E
Part EP	Market Redesign and Technology Upgrade Memorandum Account	27623, 27624-E
Part EQ	Humboldt Bay Power Plant Memorandum Account.....	26721,26327-E
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Part EV	Air Conditioning Expenditures Balancing Account.....	27297-E
Part EW	Long-Term Procurement Plan Technical Assistance Memorandum Account.....	27314-E

(Continued)

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

Aglet	Department of the Army	Northern California Power Association
Agnews Developmental Center	Dept of General Services	Occidental Energy Marketing, Inc.
Alcantar & Kahl	Division of Business Advisory Services	OnGrid Solar
Ancillary Services Coalition	Douglas & Liddell	PITCO
Anderson & Poole	Douglass & Liddell	PPL EnergyPlus, LLC
Arizona Public Service Company	Downey & Brand	Pinnacle CNG Company
BART	Duke Energy	Praxair
BP Energy Company	Duncan, Virgil E.	R. W. Beck & Associates
Barkovich & Yap, Inc.	Dutcher, John	RCS, Inc.
Bartle Wells Associates	Ellison Schneider & Harris LLP	RMC Lonestar
Blue Ridge Gas	Energy Management Services, LLC	Recon Research
Braun & Associates	FPL Energy Project Management, Inc.	SCD Energy Solutions
C & H Sugar Co.	Foster Farms	SCE
CA Bldg Industry Association	Foster, Wheeler, Martinez	SESCO
CAISO	Franciscan Mobilehome	SMUD
CLECA Law Office	G. A. Krause & Assoc.	SPURR
CSC Energy Services	GLJ Publications	Santa Fe Jets
California Cotton Ginners & Growers Assn	Goodin, MacBride, Squeri, Schlotz & Ritchie	Seattle City Light
California Energy Commission	Green Power Institute	Sempra Utilities
California League of Food Processors	Hanna & Morton	Sequoia Union HS Dist
California Public Utilities Commission	Heeg, Peggy A.	Sierra Pacific Power Company
California Water Company	Hitachi	Silicon Valley Power
Calpine	Hogan Manufacturing, Inc.	Smurfit Stone Container Corp
Cameron McKenna	Imperial Irrigation District	Southern California Edison Company
Cardinal Cogen	Innercite	St. Paul Assoc.
Casner, Steve	International Power Technology	Sunshine Design
Cerox	Intestate Gas Services, Inc.	Sutherland, Asbill & Brennan
Chamberlain, Eric	J. R. Wood, Inc.	TFS Energy
Chevron Company	JTM, Inc.	Tabors Caramanis & Associates
Chris, King	Los Angeles Dept of Water & Power	Tecogen, Inc.
City of Glendale	Luce, Forward, Hamilton & Scripps LLP	TransCanada
City of Palo Alto	MBMC, Inc.	Turlock Irrigation District
City of San Jose	MRW & Associates	U S Borax, Inc.
Clean Energy Fuels	Manatt Phelps Phillips	United Cogen
Coast Economic Consulting	Matthew V. Brady & Associates	Utility Cost Management
Commerce Energy	McKenzie & Associates	Utility Resource Network
Commercial Energy	Meek, Daniel W.	Utility Specialists
Constellation	Merced Irrigation District	Vandenberg Air Force
Constellation New Energy	Mirant	Verizon
Consumer Federation of California	Modesto Irrigation District	Wellhead Electric Company
Crossborder Energy	Morgan Stanley	Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP	Morrison & Foerster	White & Case
Day Carter Murphy	New United Motor Mfg., Inc.	eMeter Corporation
Defense Energy Support Center	Norris & Wong Associates	
Department of Water Resources	North Coast SolarResources	