

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 28, 2009

Advice Letter 3361-E-A

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: Supplement – Schedule AG-ICE 1.5 Percent Annual Escalation
in Compliance with D.05-06-016**

Dear Mr. Cherry:

Advice Letter 3361-E-A is effective January 1, 2009.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, 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

December 30, 2008

Advice 3361-E-A

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Supplement - Schedule AG-ICE 1.5 Percent Annual Escalation in Compliance with D.05-06-016

Pacific Gas and Electric Company (PG&E) hereby submits for filing proposed revisions to Schedule AG-ICE – *Agricultural Internal Combustion Engine Conversion Incentive Rate*. The affected tariff sheets are listed on the enclosed Attachment I.

Purpose

PG&E filed Advice 3361-E on November 14, 2008, to revise Schedule AG-ICE total and unbundled rate components on January 1, 2009 to comply with the 1.5 percent annual increase to Schedule AG-ICE total average rates adopted in Decision (D.) 05-06-016.

As stated in Advice 3361-E, Advice 3361-E-A updates the proposed Schedule AG-ICE rates to reflect PG&E's final Annual Electric True-Up (AET) Supplemental Advice 3349-E-A, for rate changes effective January 1, 2009. Schedule AG-ICE non-generation and non-distribution rate components are set equal to those of Schedule AG-5B in AET Advice 3349-E-A. As a result, after offsetting these other component rate changes, the generation portion of Schedule AG-ICE demand and energy charges are revised as needed to achieve the required 1.5 percent increase to the Schedule AG-ICE total average rate on January 1, 2009.

Tariff Revisions

Attachment I reflects the proposed total and unbundled rate component revisions to Schedule AG-ICE.

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 **January 20, 2009**, which is 21 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: jj@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 that this advice filing become effective on **January 1, 2009**.

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 A.04-11-007. Address changes to the General Order 96-B service list 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>**

Handwritten signature of Brian K. Cheyette in cursive.

Vice President, Regulatory Relations

Attachments

cc: Service List A.04-11-007

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 Lawson

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) #: 3361-E-A

Tier: [2]

Subject of AL: Supplement: Schedule AG-ICE 1.5 Percent Annual Escalation in Compliance with D.05-06-016

Keywords (choose from CPUC listing): compliance, agricultural

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.05-06-016

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:

Resolution Required? Yes No

Requested effective date: January 1, 2009

No. of tariff sheets: 5

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): 1.5% increase for participants

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 AG-ICE

Service affected and changes proposed: 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

jn@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 3361-E-A**

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

Title of Sheet

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

28011-E	ELECTRIC SCHEDULE AG-ICE AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE RATE Sheet 2	27046-E
28012-E	ELECTRIC SCHEDULE AG-ICE AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE RATE Sheet 3	23645-E
28013-E	ELECTRIC SCHEDULE AG-ICE AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE RATE Sheet 4	27488-E
28014-E	ELECTRIC TABLE OF CONTENTS Sheet 1	28002-E
28015-E	ELECTRIC TABLE OF CONTENTS RATE SCHEDULES Sheet 4	28005-E



ELECTRIC SCHEDULE AG-ICE Sheet 2
 AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE
 RATE

RATES: Total bundled service charges are calculated using the total rates shown below.

TOTAL RATES

Total Customer/Meter Charge Rates		
Customer Charge (\$ per meter per day)	\$1.31417	
TOU Meter Charge (\$ per meter per day)	\$0.19713	
Total Demand Rates (\$ per kW)		
Secondary		
Maximum Peak Demand Summer	\$1.86	(I)
Maximum Demand Summer	\$2.84	(I)
Maximum Demand Winter	\$0.00	
Primary		
Maximum Peak Demand Summer	\$1.86	(I)
Maximum Demand Summer	\$2.10	(I)
Maximum Demand Winter	\$0.00	
Transmission		
Maximum Peak Demand Summer	\$1.86	(I)
Maximum Demand Summer	\$0.57	(I)
Maximum Demand Winter	\$0.00	
Total Energy Rates (\$ per kWh)		
Peak Summer	\$0.12057	(R)
Part-Peak Summer	\$0.09405	(R)
Off-Peak Summer	\$0.04823	(R)
Part-Peak Winter	\$0.09646	(R)
Off-Peak Winter	\$0.04823	(R)

(Continued)



ELECTRIC SCHEDULE AG-ICE Sheet 3
AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE RATE

RATES:
 (Cont'd.)

Total bundled service charges shown on customers' bills are unbundled according to the component rates shown below.

UNBUNDLING OF TOTAL RATES

Customer/Meter Charge Rates: Customer/Meter charge rates provided in the Total Rate section above are assigned entirely to the unbundled distribution component.

Demand Rates by Component (\$ per kW)

Generation:

Secondary		
Maximum Peak Demand Summer	\$1.45	(I)
Maximum Demand Summer	\$1.41	(I)
Maximum Demand Winter	\$0.00	
Primary		
Maximum Peak Demand Summer	\$1.45	(I)
Maximum Demand Summer	\$0.70	(I)
Maximum Demand Winter	\$0.00	
Transmission		
Maximum Peak Demand Summer	\$1.45	(I)
Maximum Demand Summer	\$0.12	(I)
Maximum Demand Winter	\$0.00	

Distribution:

Secondary		
Maximum Peak Demand Summer	\$0.41	
Maximum Demand Summer	\$1.43	
Maximum Demand Winter	\$0.00	
Primary		
Maximum Peak Demand Summer	\$0.41	
Maximum Demand Summer	\$1.40	
Maximum Demand Winter	\$0.00	
Transmission		
Maximum Peak Demand Summer	\$0.41	
Maximum Demand Summer	\$0.45	
Maximum Demand Winter	\$0.00	

(Continued)



ELECTRIC SCHEDULE AG-ICE Sheet 4
 AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE
 RATE

RATES:
 (Cont'd.)

UNBUNDLING OF TOTAL RATES
 (Cont'd.)

Energy Rates by Component (\$ per kWh)

Generation:

Peak Summer	\$0.09415 (R)
Part-Peak Summer	\$0.06763 (R)
Off-Peak Summer	\$0.02181 (R)
Part-Peak Winter	\$0.07004 (R)
Off-Peak Winter	\$0.02181 (R)

Transmission* \$0.00694 (R)

Transmission Rate Adjustments* (\$0.00119) (R)

Reliability Services* \$0.00032 (I)

Public Purpose Programs \$0.00539 (R)

Nuclear Decommissioning \$0.00028 (I)

Competition Transition Charges \$0.00746 (I)

Energy Cost Recovery Amount \$0.00231 (R)

DWR Bond Charge \$0.00491 (I)

* Transmission, Transmission Rate Adjustments, and Reliability Service charges are combined for presentation on customer bills.

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Sheet 4

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