

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 25, 2009

Advice Letter 3494-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: Elimination of the Energy Recovery Bond Departing
Load Memorandum Account**

Dear Mr. Cherry:

Advice Letter 3494-E is effective August 14, 2009.

Sincerely,

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

Julie A. Fitch, Director
Energy Division

July 15, 2009

Advice 3494-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Elimination of the Energy Recovery Bond Departing Load Memorandum Account

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariffs.

Purpose

The purpose of this advice letter is to report on the disposition of the balance in the Energy Recovery Bond Departing Load Memorandum Account (ERBDLMA) and to eliminate ERBDLMA (PG&E Account No. 2540047), Electric Preliminary Statement Part DW, pursuant to Decision (D.) 04-11-015.

Background

The purpose of the ERBDLMA was to track ERB-related billed revenues from certain non-exempt consumers, Split Wheeling Departing Load (DL), Customer Generation DL, Transferred Municipal DL, New Municipal DL, New WAPA DL and the Bay Area Rapid Transit District (BART), while the method for calculating the applicability of the Energy Recovery Bond (ERB) revenues was resolved in other Commission proceedings (e.g., R.02-01-011). The ERBs were authorized by the California Public Utilities Commission (Commission) in D.04-11-015 to provide the funds necessary to refinance PG&E's Modified Settlement Agreement Regulatory Asset in accordance with D.03-12-035 and Senate Bill 772. The ERBs are recovered as part of the Energy Cost Recovery Amount (ECRA) cost component on consumers' bills, which is a combination of the Energy Recovery Bond Balancing Account and the Dedicated Rate Component associated with each of the two tranches of bonds¹.

As detailed below, the Commission has resolved the applicability of the ERB charges for each of the above types of Departing Load consumers and has approved corresponding PG&E tariffs:

¹ D.04-11-015, page 44

1. Split Wheeling Departing Load (SDL) consumers were determined to be subject to ECRA charges pursuant to D.03-09-052 and D.03-12-035. Accordingly, PG&E filed Advice 2579-E-A, containing E-SDL, to affect this charge. Advice 2579-E/ E-A was approved by the Commission on May 25, 2006.
2. Pursuant to D.03-04-030, the only Customer Generation Departing Load (CGDL) consumers who are obligated to pay ECRA are those which have diesel generators without the best available control technology. In addition, Direct Access consumers who switch to Customer Generation also pay ECRA charges for past, but not ongoing, obligations. Accordingly, PG&E filed Advice 2375-E/E-A/E-B, containing rate schedule E-DCG, to affect this charge. Advice 2375-E-B was approved by the Commission on July 28, 2005.
3. Transferred Municipal Departing Load (TMDL) consumers (except those receiving service from the Turlock Irrigation District) were determined to be subject to ECRA charges pursuant to Pursuant to D.03-07-028, D.04-02-062 and Resolution E-3999. Accordingly, PG&E filed Advice 2433-E-D, containing rate schedule E-TMDL to affect this charge. Advice 2433-E-D was approved by the Commission on February 13, 2007.
4. Resolution E-4064 exempted most New Municipal Departing Load (NMDL) consumers from ECRA. Rate schedule E-NMDL, reflecting these exemptions, was filed in Advice 2483-E-C and was approved by the Commission on February 7, 2008.
5. New WAPA Departing Load consumers were determined to be subject to ECRA pursuant to D.06-05-018 and D.07-05-005. Accordingly, PG&E filed Advice 2835-E/E-A/E-B, containing rate schedule E-NWDL to affect this charge. Advice 2835-E-B was approved by the Commission on March 17, 2008.

In D.05-07-041, the Commission determined that BART is exempt from ERB charges. PG&E has refunded all ERB-related charges collected from BART.

Now that the Commission has completed the ERB approval process for the above consumer classes, and associated tariffs have been issued and approved, the need for the ERBDLMA has been obviated. Accordingly, PG&E has moved the associated ERBDLMA balances to the appropriate accounts and requests that the Commission approve the elimination of preliminary statement ERBDLMA

Tariff Revisions

Eliminate Electric Preliminary Statement Part DW, ERBDLMA, **“Energy Recovery Bond Departing Load Memorandum Account”**.

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 **August 4, 2009**, 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 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 regular notice, **August 14, 2009**, which is 30 calendar days after 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. Address changes to the General Order 96-B service list should be directed to San Heng at (415) 973-2640. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>

Brian Cherry 06

Vice President, Regulatory Relations

Attachments

cc: Service Lists A.09-05-017 and A.09-06-023

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: Olivia Brown

Phone #: 415.973.9312

E-mail: oxb4@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) #: 3494-E

Tier: 2

Subject of AL: Elimination of the Energy Recovery Bond Departing Load Memorandum Account

Keywords (choose from CPUC listing): Memorandum Account

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.04-11-015

Does AL replace a withdrawn or rejected AL? No.

If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

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: N/A

Resolution Required? Yes No

Requested effective date: August 14, 2009

No. of tariff sheets: N/A

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 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
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

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

Aglet	Day Carter Murphy	North Coast SolarResources
Alcantar & Kahl	Defense Energy Support Center	Northern California Power Association
Ameresco	Department of Water Resources	Occidental Energy Marketing, Inc.
Anderson & Poole	Department of the Army	OnGrid Solar
Arizona Public Service Company	Dept of General Services	Praxair
BART	Division of Business Advisory Services	R. W. Beck & Associates
BP Energy Company	Douglas & Liddell	RCS, Inc.
Barkovich & Yap, Inc.	Douglass & Liddell	Recon Research
Bartle Wells Associates	Downey & Brand	SCD Energy Solutions
C & H Sugar Co.	Duke Energy	SCE
CA Bldg Industry Association	Dutcher, John	SMUD
CAISO	Ellison Schneider & Harris LLP	SPURR
CLECA Law Office	FPL Energy Project Management, Inc.	Santa Fe Jets
CSC Energy Services	Foster Farms	Seattle City Light
California Cotton Ginners & Growers Assn	G. A. Krause & Assoc.	Sempra Utilities
California Energy Commission	GLJ Publications	Sierra Pacific Power Company
California League of Food Processors	Goodin, MacBride, Squeri, Schlotz & Ritchie	Silicon Valley Power
California Public Utilities Commission	Green Power Institute	Southern California Edison Company
Calpine	Hanna & Morton	Sunshine Design
Cameron McKenna	Hitachi	Sutherland, Asbill & Brennan
Cardinal Cogen	International Power Technology	Tabors Caramanis & Associates
Casner, Steve	Intestate Gas Services, Inc.	Tecogen, Inc.
Chamberlain, Eric	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
Chevron Company	Luce, Forward, Hamilton & Scripps LLP	Tioga Energy
Chris, King	MBMC, Inc.	TransCanada
City of Glendale	MRW & Associates	Turlock Irrigation District
City of Palo Alto	Manatt Phelps Phillips	U S Borax, Inc.
City of San Jose	Matthew V. Brady & Associates	United Cogen
Clean Energy Fuels	McKenzie & Associates	Utility Cost Management
Coast Economic Consulting	Merced Irrigation District	Utility Specialists
Commerce Energy	Mirant	Verizon
Commercial Energy	Modesto Irrigation District	Wellhead Electric Company
Consumer Federation of California	Morgan Stanley	Western Manufactured Housing Communities Association (WMA)
Crossborder Energy	Morrison & Foerster	eMeter Corporation
Davis Wright Tremaine LLP	New United Motor Mfg., Inc.	
	Norris & Wong Associates	