

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 1, 2009

Advice Letter 3548-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: 2009 Energy Resource Recovery Account (ERRA)
Final Bill Credit Amount Compliance Filing**

Dear Mr. Cherry:

Advice Letter 3548-E is effective October 30, 2009.

Sincerely,

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

Julie A. Fitch, Director
Energy Division



October 30, 2009

Advice 3548-E
(Pacific Gas and Electric Company ID U 39E)

Public Utilities Commission of the State of California

**Subject: 2009 Energy Resource Recovery Account (ERRA) Final Bill
Credit Amount Compliance Filing**

Purpose

Pursuant to Ordering Paragraph 1 of Decision (D.) 09-10-021, "Decision Granting the Application of Pacific Gas and Electric Company for Electric Bill Credits Under the ERRA Trigger Mechanism," Pacific Gas and Electric Company (PG&E) hereby submits for filing the final aggregate amount of bill credits to be effective on customers' energy statements during the 2009 November/December billing cycle.

The ERRA balance as of September 30, 2009, including franchise fees and uncollectables, is overcollected by \$227.1 million. Using this balance, PG&E estimates that the end of year 2009 forecast ERRA overcollection will be approximately \$408.6 million¹ and will use this amount as the final aggregate bill credit to be credited in accordance with its Generation Credit Rate method.

D.09-10-021, Ordering Paragraph 1, requires that this Tier 1 advice letter be submitted on October 30, 2009.

Background

Pursuant to D.02-10-062 and D.04-01-050, on August 14, 2009, PG&E filed Application 09-08-005, "Expedited Application of Pacific Gas and Electric Company for Electric Bill Credits Under the Energy Resource Recovery Account (ERRA) Trigger Mechanism," in which PG&E notified the CPUC that its ERRA balance was estimated to become overcollected by \$398.6 million by the end of 2009, thereby exceeding PG&E's 2009 trigger amount. In its application, PG&E

¹ The end of year forecast ERRA overcollection is \$404,469,179.16, FF&U is \$4,147,831.43 providing a total aggregate bill credit amount of \$408,617,010.59.

requested that the estimated overcollection be credited to its bundled customers as a one-time credit instead of amortizing it over a minimum of 90 days, as would be done using pro-forma trigger amortization requirements.

On September 8, 2009, PG&E updated its estimate of the ERRA overcollection to be \$424.4 million.

On October 15, 2009, in D.09-10-021, the Commission approved PG&E's request to issue a one time ERRA bill credit and ordered PG&E to file an update for the "final aggregate amount" using "a Tier 1 advice filing on October 30, 2009" (OP1). Today's Tier 1 filing complies with the requirements of OP1 of D.09-10-021.

Final Aggregate Amount of Bill Credits

The final aggregate amount of bill credits is approximately \$408.6 million.

Protest Period

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 **November 19, 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

Copies should also 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.

Pacific Gas and Electric Company
Attention: Brian Cherry
Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

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

Effective Date

In accordance with D.09-10-021, the effective date of this advice letter is **October 30, 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. Address changes to the General Order 96-B service list and all electronic approvals should be directed to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

Handwritten signature of Brian Cherry in cursive script.

Vice President - Regulatory Relations

cc: Service List A.09-06-001

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) #: 3548-E

Tier: 1

Subject of AL: 2009 Energy Resource Recovery Account (ERRA) Final Bill Credit Amount Compliance Filing

Keywords (choose from CPUC listing): Compliance

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.09-10-021

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: No

Is AL requesting confidential treatment? No 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: October 30, 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). N/A

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

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

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

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