

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



December 1, 2009

**Advice Letter 3551-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: Recovery of Long-Term Procurement Plan Technical Assistance Memorandum Account (LTAMA) Costs Through PG&E's Energy Resource Recovery Account (ERRA)**

Dear Mr. Cherry:

Advice Letter 3551-E is effective December 2, 2009.

Sincerely,

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

Julie A. Fitch, Director  
Energy Division

November 2, 2009

**Advice 3551-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Recovery of Long-Term Procurement Plan Technical Assistance Memorandum Account (LTAMA) Costs through PG&E's Energy Resource Recovery Account (ERRA)**

**Purpose**

Pacific Gas and Electric Company (PG&E) hereby requests the California Public Utilities Commission (CPUC or Commission) to review and approve the transfer of the expected year-end balance recorded in the Long-Term Procurement Plan Technical Assistance Memorandum Account (LTAMA) to the Energy Resource Recovery Account (ERRA) for recovery in generation rates. The costs recorded in the LTAMA, in compliance with Decision (D.) 07-12-052, record technical assistance costs incurred by the Commission for its implementation and administration of the Long-Term Procurement Plan (LTPP) program.

**Background**

On December 21, 2007, the Commission issued D.07-12-052, which approved PG&E's 2006 LTPP. In D.07-12-052, the Commission recognized that implementation and administration of the LTPP program is an immense task and authorized its Executive Director to seek additional expertise to assist Commission staff.<sup>1</sup> The decision authorized Energy Division's Executive Director to hire and manage one or more contractors to provide technical support in several areas, including general program design, implementation and evaluation and other tasks to promote and maintain procurement policies and goals.

As stated in D.07-12-052, the Commission will send approved invoices issued by the contractor(s) or invoices issued by the Commission for reimbursement of costs incurred by the Commission to the investor-owned utilities (IOUs).<sup>2</sup> These costs will be paid by the IOUs on a pro rata basis unless the contractor(s) perform work

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<sup>1</sup> D.07-12-052 at pp. 190-191.

<sup>2</sup> The IOUs are PG&E, Southern California Edison Company, and San Diego Gas & Electric Company.

related to only a specific utility. The total expenses shared by the IOUs shall not exceed an annual cap of \$400,000. Upon payment, the IOUs may record these costs into the LTAMA and later apply for recovery in rates.

On April 14, 2008, PG&E filed Advice 3247-E to establish the LTAMA Electric Preliminary Statement and to make modifications to the ERRA Preliminary Statement, Part CP, to add an annual entry for the LTAMA costs. As noted in the LTAMA Preliminary Statement, PG&E has recorded the above-described invoice amounts, if any, in the LTAMA on a monthly basis. Advice 3247-E was approved on June 11, 2008, with an effective date of May 14, 2008.

### **Request**

PG&E requests the Commission to review the costs recorded in the LTAMA through September 30, 2009, and the expected balance as of December 31, 2009, and approve the transfer of the December 31, 2009, balance to the ERRA for recovery in generation rates.

As of September 30, 2009, the balance in the LTAMA is \$267,124. PG&E expects the December 31, 2009, balance in the LTAMA to be \$290,941. Attachment 1 provides the monthly entries and the expected December 31, 2009 LTAMA balance. Attachment 2 provides the workpapers supporting the monthly entries.

### **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 **November 23, 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: [ijnj@cpuc.ca.gov](mailto:ijnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto: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](mailto:PGETariffs@pge.com)

### **Effective Date**

PG&E requests that this advice filing become effective on regular notice, **December 2, 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 and to the service list for R. 06-02-013. Address changes to the General Order 96-B service list and all electronic approvals should be directed to email [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

A handwritten signature in cursive script that reads "Brian Cherry" followed by a small mark that looks like "06".

Vice President, Regulatory Relations

Attachments: Attachment 1 and Attachment 2

cc: Service List R.06-02-013

# 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) #: 3551-E

**Tier: 2**

Subject of AL: Recovery of Long-Term Procurement Plan Technical Assistance Memorandum Account (LTAMA) Costs through PG&E's Energy Resource Recovery Account (ERRA)

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.07-12-052

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? 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: December 2, 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](mailto:jnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto: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](mailto:PGETariffs@pge.com)**

**ATTACHMENT 1:  
MONTHLY ENTRIES AND  
EXPECTED  
DECEMBER 31, 2009 LTAMA  
BALANCE**

## Attachment 1

	<b>Balancing Account Entries</b>	<b>Forecast Interest Rate</b>
All PG&E Payment(s) for Invoice R0005989	\$ 72,280.42	
All PG&E Payment(s) for Invoice R0006110	\$ 71,265.92	
All PG&E Payment(s) for Invoice R0006159	\$ 19,809.71	
All PG&E Payment(s) for Invoice R0006229	\$ 40,504.77	
All PG&E Payment(s) for Invoice R0006332	\$ 32,340.40	
All PG&E Payment(s) for Invoice R0006337	\$ 17,600.96	
All PG&E Payment(s) for Invoice R0006493	\$ 12,849.59	
Recorded Interest up to September 30, 2009	\$ 471.84	
Recorded Balance as of September 30, 2009	<u>\$ 267,123.61</u>	
Invoice R0006929 for October 2009 (Not Yet Paid)	\$ 4,233.33	
Forecast Interest for October 2009	<u>\$ 42.63</u>	0.19% *
Forecast Balance as of October 31, 2009	<u>\$ 271,399.57</u>	
Forecast Additional Invoices in November 2009	\$ 8,250.00	
Forecast Interest for November 2009	<u>\$ 43.62</u>	0.19% *
Forecast Balance as of November 30, 2009	<u>\$ 279,693.19</u>	
Forecast Additional Invoices in December 2009	\$ 8,250.00	
Forecast Interest for December 2009	<u>\$ 44.94</u>	0.19% *
Forecast Balance as of December 31, 2009	<u>\$ 287,988.13</u>	
FF&U at 0.010255	<u>\$ 2,953.32</u>	
<b>Forecast RRQ as of December 31, 2009</b>	<b><u><u>\$ 290,941.45</u></u></b>	<b>To be transferred to ERRAs for Recovery</b>

\* This figure is taken from the three-month, non-financial commercial paper rate as published in the Federal Reserve Statistical Release, H-15, and is pursuant to company tariffs and CPUC Decision No. 91269.

**ATTACHMENT 2:  
LTAMA WORKPAPERS  
SUPPORTING MONTHLY  
ENTRIES**

INVOICE

900

**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0005989**

11/20/2008

PACIFIC GAS & ELECTRIC CO.  
ATTN: KIM PALACIOS, manager - Electric Settlements  
245 MARKET ST., MAIL CODE N12E  
P.O. BOX 770000  
SAN FRANCISCO, CA 94177

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742 R.08-02-007

To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group.

Invoice #1245-01	\$	2,550.00
Invoice #1245-01T	\$	63.00
Invoice #1245-02	\$	101,033.51
Invoice #1245-03	\$	113,411.83
less payment by other utilities	\$	(144,777.91)
<b>AMOUNT DUE:</b>	<b>\$</b>	<b><u>72,280.43</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 07/08

Index: 0321

PCA: 83177

Source Code: 991937

\$72,280.43

**PLEASE RETURN COPY OF INVOICE WITH REMITTANCE**

INVOICE

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**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0006110**

1/13/2009

PACIFIC GAS & ELECTRIC CO.  
ATTN: KIM PALACIOS, MANAGER-ELECTRIC SETTLEMENTS  
245 MARKET ST., MAIL CODE N12E  
P.O. BOX 770000  
SAN FRANCISCO, CA 94177

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742 R.08-02-007  
To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group.

Invoice #1245-05	\$	122,914.48
Invoice #1245-06	\$	90,666.23
less payment by other utilities	\$	(142,387.14)
adjustment from Invoice #R5989 dated 12/20/08	\$	72.35
<b>AMOUNT DUE:</b>	<b>\$</b>	<b><u>71,265.92</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 07/08      Index: 0321      PCA: 83177      Source Code: 991937      \$71,265.92

**PLEASE RETURN COPY OF INVOICE WITH REMITTANCE**

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**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0006159**

2/9/2009

PACIFIC GAS & ELECTRIC CO.  
ATTN: KIM PALACIOS, MANAGER-ELECTRIC SETTLEMENTS  
245 MARKET ST., MAIL CODE N12E  
P.O. BOX 770000  
SAN FRANCISCO, CA 94177

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742 R.08-02-007  
To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group.

Invoice #1245-04	\$	59,429.11
less payments by other utilities	\$	(39,619.40)
<b>AMOUNT DUE:</b>	<b>\$</b>	<b><u>19,809.71</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 07/08	Index: 0321	PCA: 83177	Source Code: 991937	\$4,754.33
FY 08/09	Index: 0321	PCA: 83177	Source Code: 991937	\$15,055.38

**PLEASE RETURN COPY OF INVOICE WITH REMITTANCE**

INVOICE

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**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0006229**

PACIFIC GAS & ELECTRIC CO.  
ATTN: KIM PALACIOS, MANAGER-ELECTRIC SETTLEMENTS  
245 MARKET., MAIL CODE N12E  
P.O. BOX 770000  
SAN FRANCISCO, CA 94177

2/24/2009

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742 R.08-02-007  
To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group.

Invoice #1245-07	\$ 121,514.31
less payments by other utilities	\$ (81,009.54)
<b>AMOUNT DUE:</b>	<b>\$ <u>40,504.77</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 08/09

Index: 0321

PCA: 83177

Source Code: 991937 \$40,504.77

**PLEASE RETURN COPY OF INVOICE WITH REMITTANCE**

INVOICE

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**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0006332**

PACIFIC GAS & ELECTRIC CO.  
ATTN: CHRISTINA HONEY  
245 MARKET ST, MAIL CODE N12E  
SAN FRANCISCO, CA 94177

4/6/2009

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742 R.08-02-007

To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group.

Invoice #1245-08	\$	96,960.68
Invoice #1245-05T	\$	60.50
less payment by other utilities	\$	(64,680.79)
<b>AMOUNT DUE:</b>	<b>\$</b>	<b><u>32,340.39</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 08/09      Index: 0321      PCA: 83177      Source Code: 991937      \$32,340.39

**PLEASE RETURN COPY OF INVOICE WITH REMITTANCE**

INVOICE

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**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0006337**

PACIFIC GAS & ELECTRIC CO.  
ATTN: CHRISTINA HONEY  
245 MARKET ST., MAIL CODE N12E  
SAN FRANCISCO, CA 94177

4/9/2009

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742 R.08-02-007  
To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group.

Invoice #1245-09	\$	52,802.89
less payment by other utilities	\$	(35,201.93)
<b>AMOUNT DUE:</b>	<b>\$</b>	<b><u>17,600.96</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 08/09

Index: 0321

PCA: 83177

Source Code: 991937 \$17,600.96

**PLEASE RETURN COPY OF INVOICE WITH REMITTANCE**

INVOICE

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**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0006493**

PACIFIC GAS & ELECTRIC CO.  
ATTN: CHRISTINA HONEY  
245 MARKET ST., MAIL CODE N12E  
SAN FRANCISCO, CA 94177

6/1/2009

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742 R.08-02-007  
To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group.

Invoice #1245-08T	\$	501.19
Invoice #1245-10	\$	38,047.58
less payment by other utilities	\$	(25,699.18)
<b>AMOUNT DUE:</b>	<b>\$</b>	<b><u>12,849.59</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 08/09      Index: 0321      PCA: 83177      Source Code: 991937      \$12,849.59

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INVOICE

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**PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
505 Van Ness Ave, Room 3000  
San Francisco, CA 94102  
Tax ID 94-3031353**

**R0006929**

PACIFIC GAS & ELECTRIC  
ATTN: CHRISTINA HONEY  
245 MARKET ST., MAIL CODE N12E  
SAN FRANCISCO, CA 94177

10/22/2009

**YOU ARE REQUESTED TO REMIT IMMEDIATELY**

RE: LTPP TECHNICAL ASSISTANCE CONSULTANT  
Contract #07PS5742, R.08-02-007  
To reimburse the CA Public Utilities Commission for services rendered by  
Aspen Environmental Group and CPUC.

Invoice #1245-11	\$	12,700.00
less payment by other utilities	\$	(8,466.67)
<b>AMOUNT DUE:</b>	<b>\$</b>	<b><u>4,233.33</u></b>

**PAYMENT IS DUE WITHIN SEVEN (7) DAYS**

Contact Person: Jenny Yu (415)703-2720  
Simon Baker(415)703-5649

FY 09/10      Index: 0321      PCA: 83177      Source Code: 991937      \$4,233.33

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**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	