

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 8, 2010

**Advice Letter 3067-G/3565-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: Add Twelve New Sites to Hazardous Substance Mechanism**

Dear Mr. Cherry:

Advice Letter 3067-G/3565-E is effective December 30, 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

77 Beale Street, Room 1087  
San Francisco, CA 94105

Mailing Address  
Mail Code B10C  
Pacific Gas and Electric Company  
P.O. Box 770000  
San Francisco, CA 94177  
Fax: 415.973.7226

November 30, 2009

**Advice 3067-G/3565-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject: Add Twelve New Sites to Hazardous Substance Mechanism**

**Purpose**

Pacific Gas & Electric Company (PG&E) hereby requests Commission approval to include twelve additional sites in the Hazardous Substance Cost Recovery Account as referenced within Gas Preliminary Statement Part AN and Electric Preliminary Statement Part S, *Hazardous Substance*, in compliance with Decision (D.) 94-05-020. A description of each site is set forth in Attachment I to this filing. The sites are as follows:

**Northern Area Hydroelectric Facilities**

Site Name	Location
Kilarc Hydroelectric Generation Facility	Shasta County, California

**Central Area Hydroelectric Facilities**

Site Name	Location
Deer Creek Hydroelectric Generation Facility	Nevada County, California
Electra Hydroelectric Generation Facility	Amador County, California
Phoenix Hydroelectric Generation Facility	Tuolumne County, California
Salt Springs Hydroelectric Generation Facility	Amador County, California
Spaulding Hydroelectric Generation Facility	Nevada County, California
Spring Gap Hydroelectric Generation Facility	Tuolumne County, California
Tiger Creek Hydroelectric Generation Facility	Amador County, California
Electra Hydroelectric Generation Facility	Amador County, California
Phoenix Hydroelectric Generation Facility	Tuolumne County, California
Salt Springs Hydroelectric Generation Facility	Amador County, California

## Southern Area Hydroelectric Facilities

<u>Site Name</u>	<u>Location</u>
Balch Hydroelectric Generation Facility	Fresno County, California
Crane Valley Hydroelectric Generation Facility	Madera County, California
Helms Hydroelectric Generation Facility	Fresno County, California

## Background

D.94-05-020 requires California utilities to file an advice letter in order to include additional sites as part of the Hazardous Substance Mechanism. For each site the advice letter shall list: 1) the name of the site(s); 2) the location of the site(s); 3) the source, nature and approximate date of the contamination; 4) utility operations (historical and current) at the site(s), if any; and 5) environmental agency actions and oversight regarding the site(s), if any. In addition, D. 96-07-016 requires utilities to demonstrate that: 1) clean-up costs for which recovery is being sought are not being recovered through base rates or through any other recovery procedure, and 2) all of the costs for which recovery is being sought are hazardous waste clean-up costs (including insurance costs) found appropriate for recovery in the Collaborative Report.

## Protests

Anyone wishing to protest this filing may do so by sending a letter by **December 21, 2009**, which is 21 days from the date of this filing.\* The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

CPUC Energy Division  
Attention: Tariff Unit, 4<sup>th</sup> Floor  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov) and [jnj@cpuc.ca.gov](mailto:jnj@cpuc.ca.gov)

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Honesto Gatchalian, Energy Division, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and

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\* The 20-day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.

facsimile to Pacific Gas and Electric Company on the same date it is mailed or delivered to the Commission at the address shown below:

Pacific Gas and Electric Company  
Attention: Brian K. Cherry  
Vice President, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177  
Facsimile: (415) 973-7226  
E-mail: PG&ETariffs@pge.com

**Effective Date**

PG&E requests that this advice filing become effective on **December 30, 2009**, which is 30 days after the date of filing. This Advice Letter is submitted as a Tier 2 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 and approval letters should be directed to e-mail PG&ETariffs@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 / mt".

Vice President - Regulatory Relations

Attachment – Site Descriptions

# 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: Linda Tom-Martinez

Phone #: (415) 973-4612

E-mail: lmt1@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) #: **3067-G/3565-E**

**Tier: 2**

Subject of AL: **Add Twelve New Sites to Hazardous Substance Mechanism**

Keywords (choose from CPUC listing): HSM

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.94-05-020

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<sup>1</sup>: \_\_\_\_\_

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for:

Confidential information will be made available to those who have executed a nondisclosure agreement:  Yes  No

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: **December 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).

Tariff schedules affected: N/A

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: 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**

**Site Name:** Kilarc Hydroelectric Generation Facility

**Location:** East side of the North Fork Cow Creek  
Shasta County, California

**Source, Nature, and Approximate Date of Contamination:** An environmental site assessment performed in August 1997 identified historical operations within the FERC boundary at PG&E's Kilarc Hydroelectric Generation Facility (the Facility) that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Kilarc Hydroelectric Generation Facility was constructed by Northern California Power Company in 1903 and 1904. PG&E acquired the facility in 1919. Kilarc operates under FERC license number 606. Site facilities include the powerhouse and the switchyard, ancillary facilities and a residence for employees, located just outside of the Facility.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Kilarc cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Deer Creek Hydroelectric Generation Facility

**Location:** Powerhouse Road, South Fork Deer Creek  
Nevada County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in August 1997 identified historical operations within the FERC boundary at PG&E's Deer Creek Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Deer Creek Hydroelectric Generation Facility was commissioned in 1908 and operates under FERC license number 2310. Site facilities include the powerhouse and the switchyard, ancillary structures and a residence for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Deer Creek cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Drum Hydroelectric Generation Facility

**Location:** Powerhouse Road, Bear River  
Nevada County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in August 1997 identified historical operations within the FERC boundary at PG&E's Drum Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Drum Hydroelectric Generation Facility was first commissioned in 1913 (Powerhouse 1) and operates under FERC license number 2310. Drum 2 Powerhouse was constructed in 1965. Site facilities include the powerhouse and the switchyard, ancillary structures and residences for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Drum cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Electra Hydroelectric Generation Facility

**Location:** Electra Power House Road, Mokelumne River  
Amador County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in October 1997 identified historical operations within the FERC boundary at PG&E's Electra Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Electra Hydroelectric Generation Facility began operation in 1948 and operates under FERC license number 137. Site facilities include the powerhouse and the switchyard, ancillary structures and a residence for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Electra cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Phoenix Hydroelectric Generation Facility

**Location:** Lyons-Bald Mountain Road, Phoenix River  
Tuolumne County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in October 1997 identified historical operations within the FERC boundary at PG&E's Phoenix Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Phoenix Hydroelectric Generation was commissioned in 1898 and operates under FERC license number 1061. PG&E acquired the facility in 1927. Site facilities include the powerhouse and the switchyard, ancillary structures and a residence for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Phoenix cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Salt Springs Hydroelectric Generation Facility

**Location:** End of Salt Springs Reservoir Road, Mokelumne River  
Amador County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in October 1997 identified historical operations within the FERC boundary at PG&E's Salt Springs Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Salt Springs Hydroelectric Generation Facility was commissioned in 1931 and operates under FERC license number 137. Site facilities include the powerhouse and the switchyard, ancillary structures and residences for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Salt Springs cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Spaulding Hydroelectric Generation Facility

**Location:** Lake Spaulding Road, South end Spaulding Lake  
Nevada County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in October 1997 identified historical operations within the FERC boundary at PG&E's Spaulding Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Spaulding Hydroelectric Generation was first commissioned in 1917 (Spaulding 1) and subsequently Spaulding 2 and 3 were commissioned in 1920 and 1929 respectively. The Site operates under FERC license number 2310. Site facilities include the powerhouse and the switchyard, ancillary structures and residences for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Spaulding cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Spring Gap Hydroelectric Generation Facility

**Location:** Peeled Onion Road, Middle Fork Stanislaus River  
Tuolumne County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in October 1997 identified historical operations within the FERC boundary at PG&E's Spring Gap Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Spring Gap Hydroelectric Generation Facility was commissioned in 1931 and operates under FERC license number 2130. Site facilities include the powerhouse and the switchyard, ancillary structures and residences for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Spring Gap cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Tiger Creek Hydroelectric Generation Facility

**Location:** Tiger Creek Road, North Fork Mokelumne River  
Amador County, California

**Source, Nature, and Approximate Date of Contamination:** A Phase I environmental site assessment performed in August 1997 identified historical operations within the FERC boundary at PG&E's Tiger Creek Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Tiger Creek Hydroelectric Generation Facility was built in 1931 and operates under FERC license number 137. Site facilities include the powerhouse and the switchyard, ancillary structures and residences for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Tiger Creek cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Balch Hydroelectric Generation Facility

**Location:** South side of the North Fork Kings River  
Fresno County, California

**Source, Nature, and Approximate Date of Contamination:** An environmental site assessment performed in August 1997 identified historical operations within the FERC boundary at PG&E's Balch Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead and other chemicals.

**Utility Operations at the Site:** The Balch Hydroelectric Generation Facility was first commissioned in 1922 and operates under FERC license number 175. Site facilities include the powerhouse and switchyard, ancillary facilities and residences for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Balch cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Crane Valley Hydroelectric Generation Facility

**Location:** South end of Bass Lake  
Madera County, California

**Source, Nature, and Approximate Date of Contamination:** An environmental site assessment performed in October 1997 identified historical operations within the FERC boundary at PG&E's Crane Valley Hydroelectric Generation Facility (the Facility) that may have resulted in a release of fuel hydrocarbons, PCBs, lead and other chemicals.

**Utility Operations at the Site:** The Crane Valley Hydroelectric Generation Facility was commissioned in 1919 and operates under FERC license number 1354. Site facilities include the powerhouse and switchyard, and ancillary facilities. A residence for employees to support operations is located outside of the Facility .

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Crane Valley cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

**Site Name:** Helms Hydroelectric Generation Facility

**Location:** Lake Wishon  
Fresno County, California

**Source, Nature, and Approximate Date of Contamination:** An environmental site assessment performed in October 1997 identified historical operations within the FERC boundary at PG&E's Helms Hydroelectric Generation Facility that may have resulted in a release of fuel hydrocarbons, PCBs, lead from lead-based paint and other chemicals.

**Utility Operations at the Site:** The Helms Hydroelectric Generation Facility began operation in 1984 under FERC license number 2735. Site facilities include the powerhouse and the switchyard, ancillary facilities and residences for employees.

**Environmental Agency Actions:** No agency is involved to date.

**Nature of Costs:** The Helms cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

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

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