

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 30, 2010

Advice Letter 3627-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: Utility Generation Balancing Account Revenue Requirement

Dear Mr. Cherry:

Advice Letter 3627-E is effective March 3, 2010.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Jane K. Yura
Vice President
Regulation and Rates

Pacific Gas and Electric Company
77 Beale St., Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-7226

March 3, 2010

Advice 3627-E
(Pacific Gas and Electric Company ID U39M)

Subject: Utility Generation Balancing Account Revenue Requirement

Public Utilities Commission of the State of California

Pacific Gas and Electric Company (PG&E) hereby submits revised tables showing the authorized revenue requirement associated with PG&E's owned generation facilities. These tables were attached to Advice Letters 3401-E, 3448-E, 3050-G/3535-E and 3536-E.

Background

In compliance with Ordering Paragraph 1 of Decision (D.) 06-06-035, PG&E filed Advice Letter 3401-E to include in the Utility Generation Balancing Account (UGBA) the authorized revenue requirement associated with the Gateway Generating Station (Gateway). The table attached to Advice 3401-E showed a Gateway revenue requirement of \$80.693 million. Advice 3401-E was accepted by the Energy Division by letter dated February 4, 2009. Advice 3401-E noted that PG&E had pending Advice 3362-E, which updated the Gateway revenue requirement to \$81.140 million. Advice 3362-E was also accepted by the Energy division by letter dated February 4, 2009. However, the table attached to Advice 3401-E was not revised to reflect the updated Gateway revenue requirement. Further, the updated Gateway revenue requirement was not reflected in the tables attached to Advice Letters 3448-E, 3050-G/3535-E and 3536-E regarding the UGBA authorized revenue requirement. The attached tables in Attachment One show the development of the UGBA revenue requirement through January 1, 2010, including the Gateway revenue requirement authorized in Advice 3362-E.

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 **March 23, 2010**, 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: Jane K. Yura
Vice President, Regulations and Rates
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, California 94177

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

Effective Date

PG&E requests this advice filing be effective **March 3, 2010**. The material in this advice filing conforms to previous Commission decisions and previously approved advice filings. Accordingly, PG&E submits this as a Tier 1 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 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 Jane Yura in cursive script, followed by the initials "OB".

Vice President – Regulations and Rates

cc: Service List A.05-12-002

Attachments:

Attachment One: Revised Tables

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) #: 3627-E

Tier: 1

Subject of AL: Utility Generation Balancing Account Revenue Requirement

Keywords (choose from CPUC listing): Text changes

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: N/A

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: 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: March 3, 2010

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

ADVICE 3627-E
Attachment One:
Revised Tables

Revised Table -- Advice 3401-E

PACIFIC GAS AND ELECTRIC COMPANY
 Electric Generation Revenue Requirements
 From 2007 GRC through 2009
 (Thousands of Dollars)

	<u>Electric Generation</u>
2007 Adopted GRC RRQ	1,019,755
less: Other Operating Revenue	10,120
less: FERC jurisdictional amount	
2007 Base Revenue Amount (Eff. 1/1/07)	1,009,635
Office Closures	0
2007 Base Revenue Amount (Eff. 8/1/07)	1,009,635
2008 Attrition Adjustment	40,000
2008 Cost of Capital	0
2008 Base Revenue Amount (Eff. 1/1/08)	1,049,635
Diablo Canyon Unit 2	63,392
Steam Generator Replacement	
2008 Base Revenue Amount (Eff. 4/16/08)	1,113,027
2009 Attrition Adjustment	40,000
Diablo Canyon Refueling	35,000
2009 Cost of Capital	0
Diablo Canyon Unit 2	
Steam Generator Replacement	
Reverse 2008 Revenue Requirement	(63,392)
Add 2009 Revenue Requirement	69,445
2009 Base Revenue Amount (Eff. 1/1/09)	1,194,080
Gateway Generating Station	81,140
2009 Base Revenue Amount (Eff. 1/4/09)	1,275,220

Revised Table -- Advice 3448-E

PACIFIC GAS AND ELECTRIC COMPANY
 Electric Generation Revenue Requirements
 From 2007 GRC through 2009
 (Thousands of Dollars)

	<u>Electric Generation</u>
2007 Adopted GRC RRQ	1,019,755
less: Other Operating Revenue	10,120
less: FERC jurisdictional amount	
2007 Base Revenue Amount (Eff. 1/1/07)	1,009,635
Office Closures	0
2007 Base Revenue Amount (Eff. 8/1/07)	1,009,635
2008 Attrition Adjustment	40,000
2008 Cost of Capital	0
2008 Base Revenue Amount (Eff. 1/1/08)	1,049,635
Diablo Canyon Unit 2	63,392
Steam Generator Replacement	
2008 Base Revenue Amount (Eff. 4/16/08)	1,113,027
2009 Attrition Adjustment	40,000
Diablo Canyon Refueling	35,000
2009 Cost of Capital	0
Diablo Canyon Unit 2	
Steam Generator Replacement	
Reverse 2008 Revenue Requirement	(63,392)
Add 2009 Revenue Requirement	69,445
2009 Base Revenue Amount (Eff. 1/1/09)	1,194,080
Gateway Generating Station	81,140
2009 Base Revenue Amount (Eff. 1/4/09)	1,275,220
Diablo Canyon Unit 1	56,168
Steam Generator Replacement	
2009 Base Revenue Amount (Eff. 3/31/09)	1,331,388

Revised Table -- Advice 3050-G/3535-E

Rolling Revenue Requirements
From 2007 GRC through 2010
(Thousands of Dollars)

	Electric Distribution	Electric Generation	Gas Distribution	Total
2007 Adopted GRC RRQ	2,965,600	1,019,755	1,073,444	5,058,800
less: Other Operating Revenue	80,099	10,120	26,024	116,243
less: FERC jurisdictional amount	15,527			15,527
2007 Base Revenue Amount (Eff. 1/1/07)	2,869,974	1,009,635	1,047,421	4,927,030
Office Closures	(433)	0	(355)	(788)
2007 Base Revenue Amount (Eff. 8/1/07)	2,869,541	1,009,635	1,047,066	4,926,242
2008 Attrition Adjustment	63,000	40,000	22,000	125,000
2008 Cost of Capital	0	0	0	0
2008 Base Revenue Amount (Eff. 1/1/08)	2,932,541	1,049,635	1,069,066	5,051,242
Diablo Canyon Unit 2 Steam Generator Replacement		63,392		63,392
2008 Base Revenue Amount (Eff. 4/16/08)	2,932,541	1,113,027	1,069,066	5,114,634
2009 Attrition Adjustment	63,000	40,000	22,000	125,000
Diablo Canyon Refueling		35,000		35,000
2009 Cost of Capital	0	0	0	0
Diablo Canyon Unit 2 Steam Generator Replacement Reverse 2008 Revenue Requirement Add 2009 Revenue Requirement		(63,392) 69,445		(63,392) 69,445
2009 Base Revenue Amount (Eff. 1/1/09)	2,995,541	1,194,080	1,091,066	5,280,687
Gateway Generating Station		81,140		81,140
2009 Base Revenue Amount (Eff. 1/4/09)	2,995,541	1,275,220	1,091,066	5,361,827
Diablo Canyon Unit 1 Steam Generator Replacement		56,168		56,168
2009 Base Revenue Amount (Eff. 3/31/09)	2,995,541	1,331,388	1,091,066	5,417,995
Reverse Diablo Canyon Refueling		(35,000)		(35,000)
2010 Attrition Adjustment	63,000	40,000	22,000	125,000
Diablo Canyon Unit 2 Steam Generator Replacement Reverse 2009 Revenue Requirement Add 2010 Revenue Requirement		(69,445) 67,950		(69,445) 67,950
Diablo Canyon Unit 1 Steam Generator Replacement Reverse 2009 Revenue Requirement Add 2010 Revenue Requirement		(56,168) 62,253		(56,168) 62,253
2010 Cost of Capital	0	0		0
2010 Base Revenue Amount (Eff. 1/1/10)	3,058,541	1,340,978	1,113,066	5,512,585

Revised Table -- Advice 3536-E

PACIFIC GAS AND ELECTRIC COMPANY
 Electric Generation Revenue Requirements
 From 2007 GRC through 2010
 (Thousands of Dollars)

	Electric Generation
2007 Adopted GRC RRQ	1,019,755
less: Other Operating Revenue	10,120
less: FERC jurisdictional amount	
2007 Base Revenue Amount (Eff. 1/1/07)	1,009,635
Office Closures	0
2007 Base Revenue Amount (Eff. 8/1/07)	1,009,635
2008 Attrition Adjustment	40,000
2008 Cost of Capital	0
2008 Base Revenue Amount (Eff. 1/1/08)	1,049,635
Diablo Canyon Unit 2 Steam Generator Replacement	63,392
2008 Base Revenue Amount (Eff. 4/16/08)	1,113,027
2009 Attrition Adjustment	40,000
Diablo Canyon Refueling	35,000
2009 Cost of Capital	0
Diablo Canyon Unit 2 Steam Generator Replacement Reverse 2008 Revenue Requirement	(63,392)
Add 2009 Revenue Requirement	69,445
2009 Base Revenue Amount (Eff. 1/1/09)	1,194,080
Gateway Generating Station	81,140
2009 Base Revenue Amount (Eff. 1/4/09)	1,275,220
Diablo Canyon Unit 1 Steam Generator Replacement	56,168
2009 Base Revenue Amount (Eff. 3/31/09)	1,331,388
Reverse Diablo Canyon Refueling	(35,000)
2010 Attrition Adjustment	40,000
Diablo Canyon Unit 2 Steam Generator Replacement Reverse 2009 Revenue Requirement	(69,445)
Add 2010 Revenue Requirement	67,950
Diablo Canyon Unit 1 Steam Generator Replacement Reverse 2009 Revenue Requirement	(56,168)
Add 2010 Revenue Requirement	62,253
2010 Cost of Capital	0
2010 Base Revenue Amount (Eff. 1/1/10)	1,340,978

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

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	Douglass & Liddell	RCS, Inc.
Barkovich & Yap, Inc.	Downey & Brand	Recon Research
Bartle Wells Associates	Duke Energy	SCD Energy Solutions
Boston Properties	Dutcher, John	SCE
C & H Sugar Co.	Economic Sciences Corporation	SMUD
CA Bldg Industry Association	Ellison Schneider & Harris LLP	SPURR
CAISO	FPL Energy Project Management, Inc.	Santa Fe Jets
CLECA Law Office	Foster Farms	Seattle City Light
CSC Energy Services	G. A. Krause & Assoc.	Sempra Utilities
California Cotton Ginners & Growers Assn	GLJ Publications	Sierra Pacific Power Company
California Energy Commission	Goodin, MacBride, Squeri, Schlotz & Ritchie	Silicon Valley Power
California League of Food Processors	Green Power Institute	Silo Energy LLC
California Public Utilities Commission	Hanna & Morton	Southern California Edison Company
Calpine	Hitachi	Sunshine Design
Cameron McKenna	International Power Technology	Sutherland, Asbill & Brennan
Cardinal Cogen	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.
Chris, King	MBMC, Inc.	Tioga Energy
City of Glendale	MRW & Associates	TransCanada
City of Palo Alto	Manatt Phelps Phillips	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)
Day Carter Murphy	Norris & Wong Associates	eMeter Corporation
	North Coast SolarResources	