

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 31, 2014

Advice Letter 3680-E

Brian Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
P.O. Box 770000
San Francisco, CA 94177

**SUBJECT: Second Annual Reasonableness Review of PG&E's Schedule E-31
Contracts - Compliance Advice Letter Pursuant to Electric Rate Schedule
E-31 and D.09-06-025 and Confidential Attachments Submitted Pursuant
to PUC Section 583**

Dear Mr. Cherry:

Advice Letter 3680-E is effective as of June 12, 2014, per Resolution E-4643 approved June 12, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division

June 2, 2010

Advice 3680-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Second Annual Reasonableness Review of Pacific Gas and Electric Company's Schedule E-31 Contracts - Compliance Advice Letter Pursuant to Electric Rate Schedule E-31 and Decision 09-06-025, and Confidential Attachments Submitted Pursuant to PUC Section 583

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits this Tier 3 advice letter in accordance with Decision (D.) 09-06-025, *Decision Adopting a Settlement Resolving Modesto Irrigation District's Complaint Against Pacific Gas & Electric Company (PG&E), Regarding Tariff Schedule E-31*.

The purpose of this filing is to comply with (a) PG&E's obligation under Schedule E-31, which call for an annual reasonableness review of all PG&E's Schedule E-31 contracts, and (b) D.09-06-025, consistent with the terms of the Settlement Agreement (Agreement) that the California Public Utilities Commission (Commission) therein approved.

Background

In D.09-06-025, the Commission adopted the Agreement between Modesto Irrigation District (MID) and PG&E resolving MID's complaint that PG&E improperly provided service to customers under Schedule E-31.

Ordering Paragraphs (OP) 2, 5 and 6 of D.09-06-025 state:

2. Pacific Gas and Electric Company shall file annual advice letter reasonableness reviews, with accompanying documentation, as provided for in Article IV of the settlement agreement.¹

¹ The Commission should review the reasonableness of PG&E's E-31 contracts on an annual basis, and propose the Energy Division review and confirm both (a) the accuracy of PG&E's calculations and the attendant E-31 rates on which its E-31 contracts are based, including, without limitation, compliance with the marginal cost floor price as required by sections 7 and 8 of the Agreement for Customers Taking Service on Schedule E-31, Form No. 79-995 ("Rate Review"), and (b) PG&E's compliance with the procedures set forth for Customers Taking Service on Schedule E-31, Form No. 79-995 and this Agreement ("Procedural Review").

5. The first reasonableness review shall include a rate review, but not a procedural review because all existing procedural review issues have been resolved in the settlement agreement.

6. Subsequent reasonableness reviews will include both a rate review and a procedural review of any new Schedule E-31 contracts, and only a rate review of contracts in existence after the previous review.

On September 16, 2009, PG&E filed its first annual reasonableness review in Advice 3524-E in accordance with D.09-06-025. The Commission, as of the date of this filing, is still in the process of conducting its review of Advice 3524-E.

Section 4.4(e) of the Agreement provides that PG&E may file data in compliance with the annual reasonableness review under seal if it is confidential or proprietary. Because the data that is required by the Agreement, (as specified in Sections 4.4 (a) through (d)) is customer specific, the information is confidential and PG&E intends to file it under seal in accordance with Section 583 of the California Public Utilities Code. PG&E submits these confidential documents as Attachments A, B, and C. As specified in the Agreement, PG&E will also provide the documents specified under Sections 4.4(a), 4.4(b), 4.4(c) to MID in a separate letter.

PG&E did not enter into any new E-31 contracts during the 2009 period. Thus, as stipulated in OP 6 of D.09-06-025 (stated above), a procedural review is not necessary by the Commission's Energy Division on ensuring compliance for Agreements during the time period of this filing. PG&E does not have any documents to provide per Section 4.4(b).

With respect to the rate review required by Section 4.4 (d) of the Agreement, PG&E has conducted its review and found that the revenues it received from customers taking service under Schedule E-31 for the 2009 period exceeded the contract floor price, as required by tariff, and herein submits that they were reasonable. As discussed above, information necessary for the Commission to conduct its reasonableness analysis is provided herein under seal in confidential Attachment C to the advice letter. Consistent with Section 4.4(d) of the Settlement Agreement, PG&E shall not provide confidential Attachment C to MID.

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 **June 22, 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

Facsimile: (415) 703-2200
E-mail: anj@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:

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-6520
E-mail: PGETariffs@pge.com

Effective Date

PG&E requests that this advice filing become effective on regular notice, **July 2, 2010**, which is 30 calendar days after the date of filing. This advice letter is submitted as a Tier 3 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 electronic approvals should be directed to email 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, Regulation and Rates

Attachments:

Confidential Attachment A – List of Current Customers

Confidential Attachment B – List of Contracts that Expired During 2009 Review
Period

Confidential Attachment C – E-31 Customer Discount Summary and E-31
Customer Data and Detail

cc: Service List for C.07-08-027

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 M. 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) #: 3680-E

Tier: 3

Subject of AL: Second Annual Reasonableness Review of Pacific Gas and Electric Company's Schedule E-31 Contracts - Compliance Advice Letter Pursuant to Electric Schedule E-31 and D.09-06-025, and Confidential Attachments Submitted Pursuant to PUC Section 583

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.09-06-025

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: Yes, Attachments A-C

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

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: July 2, 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

ijnj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Jane K. Yura, Vice President, Regulation and Rates

77 Beale Street, Mail Code B10B

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	Douglass & Liddell	R. W. Beck & Associates
Barkovich & Yap, Inc.	Downey & Brand	RCS, Inc.
Bartle Wells Associates	Duke Energy	Recon Research
Bloomberg New Energy Finance	Dutcher, John	SCD Energy Solutions
Boston Properties	Economic Sciences Corporation	SCE
C & H Sugar Co.	Ellison Schneider & Harris LLP	SMUD
CA Bldg Industry Association	Foster Farms	SPURR
CAISO	G. A. Krause & Assoc.	Santa Fe Jets
CLECA Law Office	GLJ Publications	Seattle City Light
	Goodin, MacBride, Squeri, Schlotz & Ritchie	Sempra Utilities
CSC Energy Services	Green Power Institute	Sierra Pacific Power Company
California Cotton Ginners & Growers Assn	Hanna & Morton	Silicon Valley Power
California Energy Commission	Hitachi	Silo Energy LLC
California League of Food Processors	International Power Technology	Southern California Edison Company
California Public Utilities Commission	Intestate Gas Services, Inc.	Sunshine Design
Calpine	Los Angeles Dept of Water & Power	Sutherland, Asbill & Brennan
Cameron McKenna	Luce, Forward, Hamilton & Scripps LLP	Tabors Caramanis & Associates
Cardinal Cogen	MAC Lighting Consulting	Tecogen, Inc.
Casner, Steve	MBMC, Inc.	Tiger Natural Gas, Inc.
Chris, King	MRW & Associates	Tioga Energy
City of Glendale	Manatt Phelps Phillips	TransCanada
City of Palo Alto	McKenzie & Associates	Turlock Irrigation District
Clean Energy Fuels	Merced Irrigation District	U S Borax, Inc.
Coast Economic Consulting	Mirant	United Cogen
Commerce Energy	Modesto Irrigation District	Utility Cost Management
Commercial Energy	Morgan Stanley	Utility Specialists
Consumer Federation of California	Morrison & Foerster	Verizon
Crossborder Energy	NRG West	Wellhead Electric Company
Davis Wright Tremaine LLP	New United Motor Mfg., Inc.	Western Manufactured Housing Communities Association (WMA)
	Norris & Wong Associates	eMeter Corporation