

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 21, 2011

**Advice Letter 3773-E**

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, CA 94177

**Subject: Colusa Generating Station – Utility Generation Balancing  
Account Revenue Requirement**

Dear Ms. Yura:

Advice Letter 3773-E is effective December 3, 2010.

Sincerely,

A handwritten signature in blue ink that reads "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: 415-973-6520

December 6, 2010

**Advice 3773-E**

(Pacific Gas and Electric Company ID U 39 E)

**Subject: Colusa Generating Station - Utility Generation Balancing Account Revenue Requirement**

Public Utilities Commission of the State of California

Pacific Gas and Electric Company ("PG&E") hereby proposes to include the Colusa Generating Station ("Colusa") revenue requirement in the Utility Generation Balancing Account ("UGBA") base revenue amount effective December 3, 2010. This filing is submitted in compliance with Ordering Paragraph 15 of Decision ("D.") 06-11-048.

**Background:**

On November 30, 2006, D.06-11-048 approved the 2004 Long Term Request for Offer ("LTRFO") Results for Adoption of Cost Recovery and Ratemaking by PG&E. Ordering Paragraph 15 of D.06-11-048 authorized PG&E to accrue a revenue requirement in the Utility Generation Balancing Account Revenue Requirement ("UGBA") as of the date of commercial operation, which is December 3, 2010. Per D.06-11-048, PG&E will retroactively true-up the Colusa revenue requirement to reflect 50% of any cost savings relative to the Colusa initial capital cost estimate.

**Purpose:**

As presented in Advice 3683-E, the Colusa revenue requirement is \$126.560 million. Advice 3683-E was approved by the Energy Division on July 19, 2010. Table 1, attached as Attachment 1, shows the cumulative adjustments to the electric generation base revenue requirement amounts authorized in the 2007 General Rate Case ("GRC").

**Protest:**

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 **December 27, 2010**, which is 21 days from the date of this filing.\* 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: [jj@cpuc.ca.gov](mailto:jj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

Copies 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:

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

Facsimile: (415) 973-6520  
E-Mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

**Effective Date:**

PG&E requests that this advice filing, upon Energy Division approval, become effective **December 3, 2010**. This Advice Letter is submitted with a Tier 2 designation.

**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

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\* The end of the protest period falls on a weekend; PG&E is therefore moving the end of the protest period to the following business day.

list and the service list for A.06-04-012. Address changes to the General Order 96-B service list and all electronic approvals should be directed to e-mail [PGETariffs@pge.com](mailto:PGETariffs@pge.com). For changes to any other service list, please contact the Commission's Process office at (415) 703-2021 or at [Process\\_Office@cpuc.ca.gov](mailto:Process_Office@cpuc.ca.gov). Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs>.

A handwritten signature in black ink that reads "Jane Yura /ent". The signature is written in a cursive style.

Vice President - Regulation and Rates

cc: Service List A.06-04-012

Attachments

# 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) #: **3773-E**

**Tier: 2**

Subject of AL: Colusa Generating Station – Utility Generation Balancing Account Revenue Requirement

Keywords (choose from CPUC listing): Balancing Account, Compliance

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.06-11-048

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 3, 2010**

No. of tariff sheets:

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:

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**

**[jjn@cpuc.ca.gov](mailto:jjn@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)**

**Pacific Gas and Electric Company**

**Attn: Jane 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](mailto:PGETariffs@pge.com)**

Advice 3773-E  
Attachment 1  
Table 1

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

2007 Adopted GRC RRQ	1,019,755
less: Other Operating Revenue	10,120
less: FERC jurisdictional amount	
<b>2007 Base Revenue Amount (Eff. 1/1/07)</b>	<b>1,009,635</b>
Office Closures	0
<b>2007 Base Revenue Amount (Eff. 8/1/07)</b>	<b>1,009,635</b>
2008 Attrition Adjustment	40,000
2008 Cost of Capital	0
<b>2008 Base Revenue Amount (Eff. 1/1/08)</b>	<b>1,049,635</b>
Diablo Canyon Unit 2 Steam Generator Replacement	63,392
<b>2008 Base Revenue Amount (Eff. 4/16/08)</b>	<b>1,113,027</b>
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
<b>2009 Base Revenue Amount (Eff. 1/1/09)</b>	<b>1,194,080</b>
Gateway Generating Station	81,140
<b>2009 Base Revenue Amount (Eff. 1/4/09)</b>	<b>1,275,220</b>
Diablo Canyon Unit 1 Steam Generator Replacement	56,168
<b>2009 Base Revenue Amount (Eff. 3/31/09)</b>	<b>1,331,388</b>
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
<b>2010 Base Revenue Amount (Eff. 1/1/10)</b>	<b>1,340,978</b>
Humboldt Generating Station	45,812
<b>2010 Base Revenue Amount (Eff. 9/16/10)</b>	<b>1,386,790</b>
Colusa Generating Station	126,560
<b>2010 Base Revenue Amount (Eff. 12/03/10)</b>	<b>1,513,350</b>

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

Alcantar & Kahl LLP	Dept of General Services	North Coast SolarResources
Ameresco	Division of Business Advisory Services	Northern California Power Association
Anderson & Poole	Douglass & Liddell	Occidental Energy Marketing, Inc.
Arizona Public Service Company	Downey & Brand	OnGrid Solar
BART	Duke Energy	Praxair
Barkovich & Yap, Inc.	Dutcher, John	R. W. Beck & Associates
Bartle Wells Associates	Economic Sciences Corporation	RCS, Inc.
Bloomberg	Ellison Schneider & Harris LLP	Recurrent Energy
Bloomberg New Energy Finance	Foster Farms	SCD Energy Solutions
Boston Properties	G. A. Krause & Assoc.	SCE
Braun Blaising McLaughlin, P.C.	GLJ Publications	SMUD
	Goodin, MacBride, Squeri, Schlotz & Ritchie	SPURR
Brookfield Renewable Power	Green Power Institute	San Francisco Public Utilities Commission
CA Bldg Industry Association	Hanna & Morton	Santa Fe Jets
CLECA Law Office	Hitachi	Seattle City Light
CSC Energy Services	In House Energy	Sempra Utilities
California Cotton Ginners & Growers Assn	International Power Technology	Sierra Pacific Power Company
California Energy Commission	Intestate Gas Services, Inc.	Silicon Valley Power
California League of Food Processors	Lawrence Berkeley National Lab	Silo Energy LLC
California Public Utilities Commission	Los Angeles Dept of Water & Power	Southern California Edison Company
Calpine	Luce, Forward, Hamilton & Scripps LLP	Spark Energy, L.P.
Cardinal Cogen	MAC Lighting Consulting	Sunshine Design
Casner, Steve	MBMC, Inc.	Sutherland, Asbill & Brennan
Chris, King	MRW & Associates	Tabors Caramanis & Associates
City of Palo Alto	Manatt Phelps Phillips	Tecogen, Inc.
City of Palo Alto Utilities	McKenzie & Associates	Tiger Natural Gas, Inc.
Clean Energy Fuels	Merced Irrigation District	TransCanada
Coast Economic Consulting	Modesto Irrigation District	Turlock Irrigation District
Commercial Energy	Morgan Stanley	United Cogen
Consumer Federation of California	Morrison & Foerster	Utility Cost Management
Crossborder Energy	NLine Energy, Inc.	Utility Specialists
Davis Wright Tremaine LLP	NRG West	Verizon
Day Carter Murphy	Navigant Consulting	Wellhead Electric Company
Defense Energy Support Center	Norris & Wong Associates	Western Manufactured Housing Communities Association (WMA)
Department of Water Resources	North America Power Partners	eMeter Corporation