

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



March 21, 2011

**Advice Letter 3780-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: Notice of the Transmission Access Charge Balancing Account  
Adjustment ("TACBAA") Filing with the Federal Energy  
Regulatory Commission**

Dear Ms. Yura:

Advice Letter 3780-E is effective March 1, 2011.

Sincerely,

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

Julie A. Fitch, Director  
Energy Division



December 16, 2010

**Advice 3780-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Notice of the Transmission Access Charge Balancing Account Adjustment (“TACBAA”) Filing With the Federal Energy Regulatory Commission**

**Purpose**

Pacific Gas and Electric Company (“PG&E”) hereby submits this advice letter to provide the California Public Utilities Commission (“Commission”) with notice of PG&E’s recent Transmission Access Charge Balancing Account Adjustment (“TACBAA”) filing with the Federal Energy Regulatory Commission (“FERC”).

**Background**

On December 2, 2010, PG&E filed its TACBAA filing with FERC in Docket No. ER11-2290-000. Approved on May 26, 2005, Resolution E-3930 (“Resolution”) established a new process for Commission notification and review of transmission-related changes. Embodying this understanding, new Process Element 1 of the Resolution states, “The Commission recognizes that under the filed rate doctrine, the Commission should allow a pass-through of these transmission rates that are filed with and become effective at the FERC.” PG&E is filing this advice letter to provide the Commission with notice of the FERC filing to allow the pass-through of the transmission rates.

**TACBAA Rate**

The TACBAA is a ratemaking mechanism designed to ensure that the amount of costs shifted from New Participating Transmission Owners (“TOs”) in the ISO control area to existing TOs will be recovered from PG&E’s end-use customers.

As described in the TO Tariff, the effective date for the updated TACBAA rate is March 1 of each year. This revision will coincide with other retail rate adjustments required to

implement rates proposed in PG&E's TO13 rate case (FERC Docket No. ER10-2026-000), approved for implementation March 1, 2011, subject to refund. On August 23, 2010, PG&E filed Advice 3722-E to notify the Commission of PG&E's TO13 transmission rate case filing.

Section 5.7 of PG&E's TO Tariff describes the items to be included in the Transmission Access Charge Balancing Account ("TACBA") and sets forth the procedure for revising the TACBAA rate on an annual basis. The 2011 TACBAA rate is based on the balance in the TACBA as of December 31, 2010, and a forecast of the net annual Access Charge billings by the ISO to PG&E during the following year.

The total revenue requirement used in the development of the retail 2011 TACBAA rate is the sum of four components: (1) the forecasted TACBA costs of \$154,640,251, (2) the balance of the TACBA as of December 31, 2010, of \$41,586,979, (3) plus interest of \$1,914,718, and (4) the Franchise Fees and Uncollectible Amount of \$2,031,946. The resultant TACBAA revenue requirement is \$200,173,892 and the corresponding rate is \$0.00239/kWh.

### **Compliance With Resolution E-3930**

PG&E submits this advice letter pursuant to Process Element 3 of the Resolution. Consistent with past practice, PG&E has also provided the Commission with a complete copy of the FERC filing on the same date that it was filed with FERC by service to Mr. Frank Lindh of the Commission's Legal Division.

In this advice letter, PG&E requests authority to revise each corresponding transmission rate component of its Commission-jurisdictional tariffs on the date which FERC ultimately authorizes these changes to become effective, subject to refund, and to make corresponding adjustments to its total applicable Commission jurisdictional rates, with exceptions only as described below for the residential tariffs.

As described under Process Elements 5 and 6 of the Resolution, total rates for residential usage up to 130 percent of baseline ("Tier 1 and 2 usage") were previously constrained by California Assembly Bill 1X ("AB 1X"). California Senate Bill 695 ("SB 695"), enacted October 11, 2009, modified the constraints on total rates for residential usage up to 130 percent of baseline and Decision ("D.") 09-12-048 also adopted PG&E's revised residential rate design as compliant therewith. Accordingly, PG&E will revise rates consistent with current practice and in compliance with this requirement.

If approved by FERC, The TACBAA rate will change from \$0.00099/kWh to \$0.00239/kWh on March 1, 2011. We will file revised tariffs prior to March 1, 2011, the date which FERC has authorized the TO13 changes to become effective subject to refund.

**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 **January 5, 2011**, 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: [jjj@cpuc.ca.gov](mailto:jjj@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:

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](mailto:PGETariffs@pge.com)

**Effective Date**

PG&E requests that this advice filing become effective on **March 1, 2011**.

**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 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. 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

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) #: **3780-E**

**Tier: 2**

Subject of AL: Notice of the Transmission Access Charge Balancing Account Adjustment ("TACBAA") Filing With the Federal Energy Regulatory Commission

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 #: Resolution E-3930

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: **March 1, 2011**

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**

**jnj@cpuc.ca.gov and 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**

**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)
		eMeter Corporation
Department of Water Resources	North America Power Partners	