

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 25, 2011

Advice Letter 3855-E

Brian K. Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

**Subject: Revision to Renewables Portfolio Standard Cost Memorandum
Account**

Dear Mr. Cherry:

Advice Letter 3855-E is effective July 5, 2011.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Brian K. Cherry
Vice President
Regulation and Rates

Pacific Gas and Electric Company
Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

Fax: 415.973.6520

June 3, 2011

Advice 3855-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Revision to Renewables Portfolio Standard Cost Memorandum Account

Purpose

In compliance with Decision (“D.”) 11-04-030, Pacific Gas and Electric Company (“PG&E”) hereby submits an advice letter to update electric Preliminary Statement Part EL – Renewables Portfolio Standard Cost Memorandum Account (RPSCMA), to conform to the language in D.11-04-030. The affected tariff sheets are enclosed as Attachment 1 to this advice letter. Attachment 2 is a red-lined version of the required changes in the preliminary statement, with additions indicated by underlined text and deletions indicated by strike-out.

Background

On April 20, 2011, the California Public Utilities Commission (“CPUC” or “Commission”) issued D.11-04-030 approving PG&E’s 2011 Renewables Portfolio Standard Procurement Plan and Protocol. D.11-04-030 modified D.11-01-016 and D.06-10-050 by authorizing additional expenditures for third party consultants of up to \$600,000 per year over a four-year period beginning in the 2010-2011 fiscal year, with the ability to carry forward unspent balances from one year to the next (including years beyond year four). The Commission set the total cap on expenditures incurred under the new RPSCMA contract at \$2.4 million.¹ Attachment 1 to this filing shows the changes to PG&E’s Preliminary Statement Part EL that are required to implement D.11-04-030.

¹ D.11-04-030 at 64 (Conclusion of Law 27).

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 23, 2011**, which is 20 days from 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: jnj@cpuc.ca.gov and 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:

Brian Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

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

Effective Date

PG&E has designated this as a Tier 2 filing pursuant to CPUC General Order 96-B, Industry Rule 5.2(7), and requests that Energy Division approve the requested change in the tariff effective **July 5, 2011**, which is 32² calendar days from the date of filing.

² Since the end of the 30 days falls on a Sunday and the following day is a holiday, PG&E is requesting an effective date on the next business day.

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 and the service list for R.06-05-027. Address changes to the General Order 96-B service list and all electronic approvals should be directed to e-mail 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 "Brian Cheng" followed by a stylized flourish that appears to be "lmt".

Vice President – Regulation and Rates

cc: Service List R.06-05-027

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) #: **3855-E**

Tier: **2**

Subject of AL: **Revision to Renewables Portfolio Standard Cost Memorandum Account**

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

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.11-04-030

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 AL¹: _____

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: **July 5, 2011**

No. of tariff sheets: 3

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: Electric Preliminary Statement Part EL

Service affected and changes proposed¹: 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 Cherry
Vice President, Regulation and Rates
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 3855-E**

**Cal P.U.C.
Sheet No.**

Title of Sheet

**Cancelling Cal
P.U.C. Sheet No.**

30403-E	ELECTRIC PRELIMINARY STATEMENT PART EL RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT Sheet 1	29947-E
30404-E	ELECTRIC TABLE OF CONTENTS Sheet 1	30400-E
30405-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 16	30382-E



ELECTRIC PRELIMINARY STATEMENT PART EL Sheet 1
RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT

EL. RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT (RPSCMA)

1. PURPOSE:

The purpose of the RPSCMA is to record costs associated with third party Renewables Portfolio Standard (RPS) technical contractor activities invoiced through the Commission. In Decision (D.) 11-04-030, the Commission authorized an additional \$2.4 million, of which up to \$600,000 per year can be expensed over a four-year period beginning in the 2010-2011 fiscal year with the ability to carry forward unspent balances from one year to the next (including years beyond year four) and shall be paid by each utility, (PG&E, SCE and SDG&E) on a proportional basis in relationship to retail sales reported each year in the March 1, RPS Compliance Report (or other report each year as directed by the Executive Director). All such costs shall be recorded when paid, for later recovery via rates. The RPSCMA was authorized by the Commission in D.06-10-050 and modified in D.11-01-016 and D.11-04-030.

(D)/(N)
 (N)
 |
 (N)

 (D)/(N)
 (N)/(T)
 (N)

2. APPLICABILITY:

The RPSCMA shall apply to all customer classes, except for those specifically excluded by the Commission.

3. RPSCMA RATES:

The RPSCMA does not currently have a rate component.

4. ACCOUNTING PROCEDURE:

PG&E shall maintain the RPSCMA by making entries to this account at the end of each month as follows:

- a. A debit entry equal to the paid third-party costs for RPS technical contractor activities invoiced through the Commission per D.11-01-016, which authorized a total cap of \$1.6 million; (N)
(N)
- b. A debit entry equal to the paid third-party costs for RPS technical contractor activities invoiced through the Commission per D.11-04-030, which authorized an additional total cap of \$2.4 million; (N)
|
(N)
- c. A credit entry to annually transfer the balance to another regulatory account as appropriate for rate recovery; and (T)
- d. An entry equal to interest on the average balance in the account at the beginning of the month and the balance after entry 4.a, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release H.15, or its successor. (T)

PG&E shall request the recovery of the balance in the RPSCMA through the Energy Resource Recovery Account (ERRA) application, or other proceeding as authorized by the Commission.



ELECTRIC TABLE OF CONTENTS

Sheet 1

TABLE OF CONTENTS

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
	Title Page	30404-E	(T)
	Rate Schedules	30062,30351,30097,30290 ,30314,30098,30401, 29897, 29966-E	
	Preliminary Statements	30068,29900,30376,30262,30174,30405,30383-E	(T)
	Rules	30402, 30352, 29908-E	
	Maps, Contracts and Deviations.....	29909-E	
	Sample Forms	29910,30353,29912,29913,30354,29915,29916,29917,30099,29919,29920,29921-E	

(Continued)

Advice Letter No: 3855-E
 Decision No. 11-04-030

Issued by
Brian K. Cherry
 Vice President
 Regulation and Rates

Date Filed June 3, 2011
 Effective July 5, 2011
 Resolution No. _____



ELECTRIC TABLE OF CONTENTS
PRELIMINARY STATEMENT

Sheet 16

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Preliminary Statements (Cont'd)		
Part EC	Demand Response Expenditures Balancing Account (DREBA).....	28614-28616-E
Part ED	Demand Response Revenue Balancing Account (DRRBA)	27869-E
Part EF	Procurement Energy Efficiency Revenue Adjustment Mechanism (PEERAM).....	25392-E
Part EH	Negative Indifference Amount Memorandum Account (NIAMA).....	25088-E
Part EI	SmartMeter Project Balancing Account - Electric	30378,30379-E
Part EJ	Pension Contribution Balancing Account	26297,25228-E
Part EK	Land Conservation Plan Implementation Account (LCPIA).....	26324-E
Part EL	Renewables Portfolio Standard Cost Memorandum Account	30403-E (T)
Part EM	ClimateSmart Balancing Account	26098-E
Part EN	British Columbia Renewable Study Balancing Account	28041-E
Part EO	California Solar Initiative Balancing Account.....	26211-26213-E
Part EP	Market Redesign and Technology Upgrade Memorandum Account.....	27623, 27624-E
Part EQ	Humboldt Bay Power Plant Memorandum Account	26307,26308-E
Part ER	Air Conditioning Tracking Memorandum Account.....	26721 -E
Part ET	Non-Tariffed Products and Services Balancing Account.....	26730-E
Part EV	Air Conditioning Expenditures Balancing Account	27297-E
Part EW	Long-Term Procurement Plan Technical Assistance Memorandum Account	27311-E
Part EX	Dynamic Pricing Memorandum Account	27667-27669-E
Part EY	Energy Efficiency 2009-2011 Memorandum Account	28022-28023-E
Part EZ	Land Conservation Plan Environmental Remediation Memorandum Account.....	27881-E

(Continued)

Advice Letter No: 3855-E
 Decision No. 11-04-030

Issued by
Brian K. Cherry
 Vice President
 Regulation and Rates

Date Filed June 3, 2011
 Effective July 5, 2011
 Resolution No. _____

Advice 3855-E

Attachment 2

(Red-Lined Version of Electric Preliminary Statement Part EL)



ELECTRIC PRELIMINARY STATEMENT PART EL Sheet 1
RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT

EL. RENEWABLES PORTFOLIO STANDARD COST MEMORANDUM ACCOUNT (RPSCMA)

1. PURPOSE:

The purpose of the RPSCMA is to record costs associated with third party Renewables Portfolio Standard (RPS) technical contractor activities invoiced through the Commission. ~~until December 31, 2011, as requested in In Decision 06-10-050 (D.) 11-04-030, the Commission and as modified in Decision 11-01-016. The total maximum notional value of the costs incurred by the Commission through 2011 shall not exceed a total cap of \$1.6 authorized an additional \$2.4 million, of which up to \$600,000 per year can be expensed over a four-year period beginning in the 2010-2011 fiscal year with the ability to carry forward unspent balances from one year to the next (including years beyond year four) and shall be paid by each utility, (PG&E, SCE and SDG&E) on a proportional basis in relationship to retail sales reported each year in the March 1, RPS Compliance Report (or other report each year as directed by the Executive Director). All such costs shall be recorded by December 31, 2011 when paid, for later recovery via rates.~~ The RPSCMA was authorized by the Commission in ~~Decision D. 06-10-050 and modified in Decision D. 11-01-016 and D. 11-04-030.~~

(D)/(N)
 (N)
 I
 (N)
 (D)/(N)
 (N)/(T)
 (N)

2. APPLICABILITY:

The RPSCMA shall apply to all customer classes, except for those specifically excluded by the Commission.

3. RPSCMA RATES:

The RPSCMA does not currently have a rate component.

4. ACCOUNTING PROCEDURE:

PG&E shall maintain the RPSCMA by making entries to this account at the end of each month as follows:

- a. A debit entry equal to the paid third-party costs for RPS technical contractor activities invoiced through the Commission per D.11-01-016, which authorized a total cap of \$1.6 million; (N)
(N)
- b. A debit entry equal to the paid third-party costs for RPS technical contractor activities invoiced through the Commission per D.11-04-030, which authorized an additional total cap of \$2.4 million; (N)
I
(N)
- ~~b.c.~~ A credit entry to annually transfer the balance to another regulatory account as appropriate for rate recovery; and (T)
- ~~e.d.~~ An entry equal to interest on the average balance in the account at the beginning of the month and the balance after entry 4.a, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release H.15, or its successor. (T)

PG&E shall request the recovery of the balance in the RPSCMA through the Energy Resource Recovery Account (ERRA) application, or other proceeding as authorized by the Commission.

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

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