

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

REVISED



April 4, 2012

**Advice Letters 3976-E and 3976-E-A**

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: Creating New Electric Program Investment Charge (EPIC) Balancing Account (Preliminary Statement Part FU) and Revisions to Public Purpose Program Balancing Accounts in Compliance with D.11-12-035 and D.11-12-038 and Supplemental Filing**

Dear Mr. Cherry:

Advice Letters 3976-E and 3976-E-A are effective January 1, 2012.

Sincerely,

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

Edward F. Randolph, Director  
Energy Division



**Brian K. Cherry**  
Vice President  
Regulation and Rates

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

Fax: 415.973.6520

December 22, 2011

**Advice 3976-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject:     **Creating New Electric Program Investment Charge (EPIC) Balancing Account (Preliminary Statement Part FU) and Revisions to Public Purpose Program Balancing Accounts in Compliance with Decision 11-12-035 and Decision 11-12-038****

**Purpose**

This Tier 1 advice letter is filed in compliance with Decision 11-12-035 issued in Public Goods Charge ("PGC") Rulemaking 11-10-003 ("PGC-OIR Decision") and Decision 11-12-038, issued in Post-2008 Energy Efficiency Rulemaking 09-11-014 ("PGC-EE Decision"). These decisions were approved by the California Public Utilities Commission ("CPUC" or "Commission") on December 15, 2011. Together, these decisions address the portion of public purpose programs ("PPP") funded through the electric public goods charge ("PGC") under Public Utilities ("PU") Code Section 399.8 that expires January 1, 2012.

For some issues, the tariff revisions required to implement these decisions impact the same preliminary statements; therefore PG&E is filing a single advice letter consolidating the tariff changes into advice letter with a requested effective date of January 1, 2012.

The affected tariff sheets are listed on the enclosed Attachment 1.

**Background**

PU Code Section 399.8, which authorized the PGC collections, will expire on January 1, 2012. The PGC currently funds a portion of PG&E's energy efficiency ("EE") program activities, electric public interest energy research, development and demonstration

("RD&D"), and certain renewables programs.<sup>1</sup> Currently, the funds collected through the PGC for renewables and RD&D are transferred on a quarterly basis to the California Energy Commission ("CEC"), the agency that administers these programs.

### PGC-OIR Decision

On October 6, 2011, the Commission opened Rulemaking 11-10-003 to address funding and program issues related to the RD&D and renewables portions of the expiring PGC funding. On December 15, 2011, the Commission approved the PGC-OIR Decision, instituting a new program entitled the "Electric Program Investment Charge" ("EPIC") collected through the PPP component of rates as with the current system benefits charge.

The PGC-OIR Decision requires PG&E to collect funds at the 2011 PGC authorized levels for Renewables and RD&D Programs<sup>2</sup> through the EPIC charge as part of the current PPP rate and in the same manner as those components are collected (Ordering Paragraph ("OP") 3) and to set up a new balancing account to track the funds collected for these purposes, effective January 1, 2012.

The EPIC is instituted on an interim basis, subject to refund, until the conclusion of Phase 2 of this Rulemaking where the Commission anticipates addressing programmatic, governance and allocation issues, or until January 1, 2013, whichever comes first. The PGC-OIR Decision states that funds collected and placed in this new balancing account, and interest earned thereon, shall not be disbursed until so authorized by the Commission's final decision at the conclusion of Phase 2.

OP 5 requires the utilities, no later than December 22, 2011, to file a Tier 1 advice letter withdrawing (or substituting) the tariff sheets governing the collection of the PGC and submitting proposed (or revised) tariff sheets to collect the EPIC on an interim basis, subject to refund, pending the Commission's final decision in Phase 2 of Rulemaking 11-10-003. The new (or revised) tariff sheets shall become effective January 1, 2012.

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<sup>1</sup> The PGC-OIR Decision also affirms that the Low-Income Energy Efficiency ("LIEE") and California Rates for Energy ("CARE") programs are authorized under PU Code 382, and are not part of the PGC. See *D.11-12-035*, p. 3. See also, *Public Utilities Code*, 399.9(a): No part of this article shall be construed to alter or affect the low-income funding provisions set forth in Section 382. Programs provided to low-income electricity customers, including but not limited to, targeted energy efficiency services and the California Alternative Rates for Energy Program shall continue to be funded as set forth in Section 382; and *Public Utilities Code Section 382(a)*: Programs provided to low-income electricity customers, including, but not limited to, targeted energy-efficiency services and the California Alternate Rates for Energy program shall be funded at not less than 1996 authorized levels based on an assessment of customer need.

<sup>2</sup> Advice Letter 3819-E, which established the 2011 funding levels for Renewables and RD&D Programs under the Public Goods Charge, was approved by Energy Division on April 28, 2011 effective January 1, 2011.

In order to implement the PGC-OIR Decision, PG&E will file revised 2012 PPP rates in its supplemental Annual Electric True-up (“AET”) advice letter on December 30, 2011, to begin recovery of EPIC revenues going forward effective January 1, 2012. The forecast undercollection of expiring PGC RD&D and Renewables revenues as of December 31, 2011, will be recovered through the Public Purpose Program Revenue Adjustment Mechanism (“PPPRAM”). This recovery mechanism will result in no change in allocation of PPP charges in customer electric rates, as ordered in OP 3 of the PGC-OIR Decision.

### PGC-EE Decision

Issues related to the expiration of the PGC portion of energy efficiency funding have been addressed in Rulemaking 09-11-014. On December 15, 2011, the Commission issued the PGC-EE Decision authorizing PG&E to use its procurement energy efficiency balancing account to replace the expiring PGC funding for the 2010-2012 EE portfolio cycle only (OP 3) and adopted the back-fill mechanism that PG&E set forth in comments filed on October 12, 2011 in Phase III of Rulemaking 09-11-014 (OP 5).

In accordance with OP 6, PG&E is ordered to file a Tier 1 advice letter on or before December 22, 2011, detailing the mechanics of its proposal.

As adopted in the PGC-EE Decision, this advice letter consolidates the tracking of the electric portion of energy efficiency expenditures into one balancing account, the Procurement Energy Efficiency Balancing Account (“PEEBA”), and closes the account that now tracks the PGC portion of expenditures, the electric Public Purpose Program Energy Efficiency Balancing Account (“PPPEEBA”).<sup>3</sup> Prior to closing the account, PG&E will transfer the balance in the PPPEEBA to the PEEBA.

In order to implement the PGC-EE Decision, PG&E will file revised 2012 PPP rates in its supplemental AET advice letter on December 30, 2011, to recover the PGC portion of energy efficiency funding at the 2011 adopted level (referred to as “PGC-legacy”), along with the Energy Savings Assistance Program revenue requirement, through the PPPRAM and the remaining electric energy efficiency revenue requirement through the Procurement Energy Efficiency Revenue Adjustment Mechanism (“PEERAM”). This recovery mechanism will result in no change in allocation of PPP charges in customer electric rates consistent with OP 2 of the PGC-EE Decision.

### **Tariff Revisions**

#### PGC-OIR Decision

In compliance with the PGC OIR Decision, PG&E proposes the following tariff revisions to be effective January 1, 2012:

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<sup>3</sup> D.11-12-038, Ordering Paragraph 5

- 1) Create one new Electric Program Investment Charge Balancing Account to recover authorized funding for renewables and electric RD&D programs. This balancing account will be named Electric Preliminary Statement Part FU, "Electric Program Investment Charge." This account will track the difference between the EPIC collections and the authorized funding for Renewables and RD&D programs, on an interim basis and subject to refund. The revenue recorded in these accounts will not be disbursed until authorized by the Commission in a subsequent decision.
- 2) Add a rate component to Sheet 2 of Electric Preliminary Statement I, "Rate Schedule Summary," on an illustrative basis.<sup>4</sup>
- 3) Remove the recovery of the RD&D and Renewables program funding from Electric Preliminary Statement Part DA, "Public Purpose Program Revenue Adjustment Mechanism (PPPRAM)."
- 4) Close Electric Preliminary Statements Part CO, "PU Code Section 399.8 Renewables Balancing Account (RBA)," and Part CN, "PU Code section 399.8 Research Development and Demonstration Balancing Account (RDDDBA)."<sup>5</sup>
- 5) Remove reference to the PGC in the Electric Public Purpose Program Low Income Balancing Account (PPPLIBA) in Preliminary Statement Part P, "Customer Energy Efficiency Adjustment (CEEA)."<sup>6</sup>
- 6) Make other minor revisions for consistency.

### PGC-EE Decision

In compliance with the PGC-EE Decision, PG&E proposes the following tariff changes to be effective January 1, 2012:

- 1) Revise the PPPRAM to continue to recover the former "PGC legacy" portion of Energy Efficiency funding in that account.
- 2) Revise Preliminary Statements Part DI, "Procurement Energy Efficiency Balancing Account (PEEBA)," to consolidate tracking of the electric portion of energy efficiency expenditures into one account.

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<sup>4</sup> PG&E will file its revised Preliminary Statement Part I, including the new PPP EPIC rate component in its supplemental Annual True-up advice letter on December 30, 2011.

<sup>5</sup> In accordance with the current approved tariff, PG&E will make its 4<sup>th</sup> quarter PGC remittance to the CEC by December 31, 2011.

<sup>6</sup> Assigned Commissioner Ruling (ACR) in A. 08-05-022 dated March 30, 2011, directed the utilities to begin using the brand name, Energy Savings Assistance (ESA) Program in place of the LIEE program. PG&E has changed the name from LIEE to ESA in the text of the CEEA, consistent with this guidance.

- 3) Close the electric Public Purpose Program Energy Efficiency Balancing Account (PPPEEBA) in Electric Preliminary Statement Part P, "Customer Energy Efficiency Adjustment (CEEA)."
- 4) Replace "procurement portion" with "electric portion" in Preliminary Statement Part EF, "Procurement Energy Efficiency Revenue Adjustment Mechanism (PEERAM)."
- 5) Remove reference to the closed PPPEEBA account in Electric Preliminary Statement Part FE, "On-Bill Financing Balancing Account (OBFBA-electric)."
- 6) Make other clarifying revisions for consistency.

### **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 11, 2012**, 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:

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, California 94177

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

**Effective Date**

In compliance with D.11-12-035 and D.11-12-038, this is a Tier 1 advice letter and PG&E requests that this advice filing be approved as of the date of filing, December 22, 2011, for tariff changes to become effective **January 1, 2012**.

**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 lists for R.11-10-003 and R.09-11-014. Address changes to the General Order 96-B service list should be directed to PG&E at email address 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. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs>.

A handwritten signature in cursive script that reads "Brian Cherry".

Vice President - Regulation and Rates

cc: Service Lists R.11-10-003 and R.09-11-014

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 E)**

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) #: **3976-E**

Tier: **1**

Subject of AL: **Creating New Electric Program Investment Charge (EPIC) Balancing Account (Preliminary Statement Part FU) and Revisions to Public Purpose Program Balancing Accounts in Compliance With Decision 11-12-035 and Decision 11-12-038**

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

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.11-12-035, D.11-12-038

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: **January 1, 2012**

No. of tariff sheets: 14

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 Parts CN, CO, DA, DI, EF, FE, and P; new Preliminary Statement Part FU

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](mailto:jnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto: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](mailto:PGETariffs@pge.com)

**ATTACHMENT 1  
Advice 3976-E**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
30834-E	ELECTRIC PRELIMINARY STATEMENT PART P CUSTOMER ENERGY EFFICIENCY ADJUSTMENT Sheet 1	29484-E
30835-E	ELECTRIC PRELIMINARY STATEMENT PART P CUSTOMER ENERGY EFFICIENCY ADJUSTMENT Sheet 3	29729-E
30836-E	ELECTRIC PRELIMINARY STATEMENT PART DA PUBLIC PURPOSE PROGRAMS REVENUE ADJUSTMENT MECHANISM Sheet 1	27551-E
30837-E	ELECTRIC PRELIMINARY STATEMENT PART DI PROCUREMENT ENERGY EFFICIENCY BALANCING ACCOUNT Sheet 1	29731-E
30838-E	ELECTRIC PRELIMINARY STATEMENT PART DI PROCUREMENT ENERGY EFFICIENCY BALANCING ACCOUNT Sheet 2	29732-E
30839-E	ELECTRIC PRELIMINARY STATEMENT PART EF PROCUREMENT ENERGY EFFICIENCY REVENUE ADJUSTMENT MECHANISM Sheet 1	25392-E
30840-E	ELECTRIC PRELIMINARY STATEMENT PART FE ON-BILL FINANCING BALANCING ACCOUNT (OBFBA) Sheet 1	29489-E
30841-E	ELECTRIC PRELIMINARY STATEMENT PART FU ELECTRIC PROGRAM INVESTMENT CHARGE - RENEWABLES BALANCING ACCOUNT Sheet 1	

**ATTACHMENT 1  
Advice 3976-E**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
30842-E	ELECTRIC TABLE OF CONTENTS Sheet 1	30830-E
30843-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 11	30068-E
30844-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 14	30832-E
30845-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 15	30684-E
30846-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 16	30405-E
30847-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 17	30676-E



**ELECTRIC PRELIMINARY STATEMENT PART P**  
**CUSTOMER ENERGY EFFICIENCY ADJUSTMENT**

Sheet 1

P. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA)

1. PURPOSE: The purpose of the Customer Energy Efficiency Adjustment (CEEA) is to: 1) reflect in rates any incentives earned under the Customer Energy Efficiency (CEE) incentive mechanism; and 2) to track the electric portion of Energy Savings Assistance (ESA) program, formerly Low-Income Energy Efficiency (LIEE) program, expenditures against the Electric portion of ESA program funding. (D)/(N)  
(T)
2. APPLICABILITY: The CEEA shall apply to all rate schedules and contracts for electric service subject to the jurisdiction of the Commission, except for those schedules and contracts specifically excluded by the Commission.
3. RATES: The Customer Energy Efficiency Incentive Account (CEEIA) balance is included the effective rates set forth in each electric rate schedule (see Preliminary Statement, Part B), as applicable. The other subaccount of the CEEA is a one-way expense tracking account and does not have a rate component. (T)  
(T)
4. ACCOUNTING PROCEDURE: The CEEA consists of the following two subaccounts: (T)
  - The "Customer Energy Efficiency Incentive Account" (CEEIA), purpose is to record amounts to be reflected in rates for any incentives earned or penalties incurred by PG&E under the Customer Energy Efficiency (CEE) incentive mechanism. (D)
  - The "Electric Public Purpose Program Low-Income Balancing Account" (PPPLIBA), purpose is to track the electric portion of PG&E's ESA program expenditures against the Electric PCG portion of ESA program funding. (T)  
(T)

(Continued)

Advice Letter No: 3976-E  
 Decision No. 11-12-035,11-12-038

Issued by  
**Brian K. Cherry**  
 Vice President  
 Regulation and Rates

Date Filed December 22, 2011  
 Effective January 1, 2012  
 Resolution No. \_\_\_\_\_



**ELECTRIC PRELIMINARY STATEMENT PART P**  
**CUSTOMER ENERGY EFFICIENCY ADJUSTMENT**

Sheet 3

P. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA) (Cont'd.)

- |    |   |     |     |
|----|---|-----|-----|
|    |   | (D) |     |
| 6. | Electric Public Purpose Program Low-Income Balancing Account (PPPLIBA): The following entries will be made to this subaccount each month or as applicable:  | (T) | (L) |
| a. | A debit entry equal to the electric portion of expenses incurred for authorized LIEE program-related activities;  |     |     |
| b. | A credit entry equal to one-twelfth of the Electric PGC portion of authorized LIEE programs for the current program year (See corresponding debit entry in electric Preliminary Statement Part DA - Public Purpose Programs Revenue Adjustment Mechanism);  |     |     |
| c. | A debit or credit entry equal to any amounts authorized by the Commission to be recorded in this subaccount;  |     |     |
| d. | A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the Commission; and   |     |     |
| e. | An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth the interest rate on Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release H.15, or its successor. |     |     |
|    |   |     | (L) |

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART DA** Sheet 1  
**PUBLIC PURPOSE PROGRAMS REVENUE ADJUSTMENT MECHANISM**

DA. PUBLIC PURPOSE PROGRAMS REVENUE ADJUSTMENT MECHANISM (PPPRAM)

1. PURPOSE: The purpose of the PPPRAM is to record certain authorized Public Purpose Programs (PPP) revenue requirements and to assure full recovery of those amounts. The PPP revenue requirements recovered through this account are the electric public goods charge "legacy" portion of Energy Efficiency (EE) programs pursuant to D.11-12-038 and the electric portion of Energy Savings Assistance (ESA), formerly Low-Income Energy Efficiency (LIEE) programs,. (T)  
 |  
 |  
 |  
 (T)
2. APPLICABILITY: The PPPRAM shall apply to all customer bills for service under all rate schedules and contracts for electric service subject to the jurisdiction of the Commission, except for those rate schedules or contracts specifically excluded by the Commission.
3. REVISION DATE: Disposition of the balance in this account shall be determined through the Annual Electric True-Up advice letter process, or as otherwise determined by the CPUC. (T)  
 (T)
4. RATES: The PPPRAM rate equals the PPP rates included in the effective rates set forth in each rate schedule as a separate non-bypassable charge less the rates for: 1) California Alternate Rates for Energy Account (CARE) surcharge; 2) Procurement Energy Efficiency; and 3) Electric Program Investment Charge shown in Preliminary Statement Part I. (T)  
 |  
 |  
 (T)
5. ACCOUNTING PROCEDURES: The following entries will be made to this account each month or as applicable:
  - a. A debit entry equal to one-twelfth of the annual Commission-authorized PPP revenue requirements recovered in this account, including an allowance for franchise fees and uncollectible accounts expense (FF&U). (T)  
 |  
 (T)
  - b. A credit entry equal to the revenue from the PPPRAM rates as defined in the "Rates" section above. (T)  
 (D)
  - c. A debit or credit entry equal to any amounts authorized by the CPUC to be recorded in this account.
  - d. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts, as approved by the CPUC. (N)
  - e. An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth of 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. (N)  
 (T)



**ELECTRIC PRELIMINARY STATEMENT PART DI**  
**PROCUREMENT ENERGY EFFICIENCY BALANCING ACCOUNT**

Sheet 1

DI. PROCUREMENT ENERGY EFFICIENCY BALANCING ACCOUNT (PEEBA)

1. PURPOSE:

Decision 03-12-062 established the one-way Procurement Energy Efficiency Balancing Account (PEEBA) to track PG&E's procurement energy efficiency (EE) costs and revenues associated with authorized programs. Decision 11-12-038 authorized the PEEBA to track the electric portion of PG&E's EE program expenditures against the electric portion of authorized EE program funding.

(N)/(T)  
 (T)

2. APPLICABILITY:

The PEEBA balance shall apply to all customer classes, except for any classes that may be specifically excluded by the CPUC.

3. REVISION DATE:

The disposition of the balance in this account shall be as authorized by the Commission.

(D)

4. RATES:

The PEEBA does not have a separate rate component.

(T)

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART DI**  
**PROCUREMENT ENERGY EFFICIENCY BALANCING ACCOUNT**

Sheet 2

DI. PROCUREMENT ENERGY EFFICIENCY BALANCING ACCOUNT (PEEBA)

5. ACCOUNTING PROCEDURE:

PG&E shall maintain the PEEBA by making entries as follows:

- a. A debit entry equal to the electric portion of authorized EE program expenses. (T)
- b. A credit entry equal to one-twelfth of the electric portion of authorized EE funding for the current program year (see corresponding debit entry in electric Preliminary Statement Parts EF - Procurement Energy Efficiency Revenue Adjustment Mechanism (PEERAM) and Part DA – Public Purpose Program Revenue Adjustment Mechanism (PPPRAM)). (N)
- c. One-time debit entry equal to the electric portion of the initial authorized revolving loan amount, and any subsequent amount authorized by the Commission (see corresponding credit entry in electric Preliminary Statement Part FE – On-Bill Financing Balancing Account (OBFBA-Electric); the electric portion of other OBF expenses are recorded in entry 5.a, above.) (T)
- d. A debit entry equal to the electric portion of write-off for any OBF loan defaults (see offsetting tracking entries in OBFBA - Electric). (T)
- e. A credit entry to partially reverse the OBF loan pool transfer made in entry 6c, above, equal to the write off for any OBF loan default recorded in entry 6d, above.
- f. A debit or credit entry equal to any amount authorized by the CPUC to be recorded in this subaccount.
- g. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC.
- h. An entry equal to interest on the average balance at the beginning of the month and the balance after the above entries are made, 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.



**ELECTRIC PRELIMINARY STATEMENT PART EF** Sheet 1  
**PROCUREMENT ENERGY EFFICIENCY REVENUE ADJUSTMENT MECHANISM**

EF. PROCUREMENT ENERGY EFFICIENCY REVENUE ADJUSTMENT MECHANISM (PEERAM)

1. PURPOSE:

Per Decision 03-12-062, and as clarified in Decision 11-12-038, the purpose of the Procurement Energy Efficiency Revenue Adjustment Mechanism (PEERAM) is to ensure the collection of PG&E's procurement energy efficiency revenues. The PEERAM tracks the procurement portion of revenues against the procurement portion of the authorized energy efficiency revenue requirement. (N)  
 (D)/(N)

2. APPLICABILITY:

The balance in the PEERAM shall apply to all customer classes, except for any classes that may be specifically excluded by the CPUC. (T)

3. REVISION DATE:

Disposition of balance in the PEERAM shall be determined through the Annual Electric True-Up (AET) advice letter process. (T)

4. RATES:

The PEERAM rate is collected as part of the non-bypassable public purpose program rate set forth in each rate schedule. The PEERAM rate is separately identified in Part I of the Preliminary Statement.

5. ACCOUNTING PROCEDURE:

PG&E shall maintain the PEERAM by making the following entries to this account each month, or as applicable : (N)  
 (N)/(D)

- a. A debit entry equal to one-twelfth of the procurement portion of the annual authorized energy efficiency revenue requirement. (N)  
 (D)
- b. A credit entry equal to the revenue from the PEERAM rate component. (N)
- c. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC.
- d. An entry equal to interest on the average balance at the beginning of the month and the balance after the above entries are made 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)/(N)  
 (N)



**ELECTRIC PRELIMINARY STATEMENT PART FE**  
**ON-BILL FINANCING BALANCING ACCOUNT (OBFBA)**

Sheet 1

FE. On-Bill Financing Balancing Account (OBFBA)

1. **PURPOSE:** The purpose of the On-Bill Financing Balancing Account (OBFBA) is to record the electric portion of authorized revolving loan pool net of default, and to track loan amounts and loan repayment activities under PG&E's On-Bill Financing program (OBF) pursuant to Decision (D.)09-09-047, and applicable tariffs. The OBF loan program is subject to the availability of funds and any increase to the revolving loan pool is covered by the fund-shifting or budget augmentation rules laid out in D. 09-09-047 or subsequent Commission authorization. Pursuant to D. 09-09-047, the amounts recorded in this account will not be included in the calculation of PG&E's energy efficiency program cost effectiveness.
2. **APPLICABILITY:** The OBFBA shall apply to all customer bills for service under all rate schedules and contracts for electric service subject to the jurisdiction of the Commission, except for those rate schedules or contracts specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balance in this account shall be through the Annual Electric True-Up advice letter process, or as otherwise authorized by the Commission at such time as the OBF program service is no longer provided.
4. **RATES:** The OBFBA does not have a separate rate element.
5. **ACCOUNTING PROCEDURES:** The following entries shall be made at the end of each month or as applicable:
  - a. a credit entry equal to the electric portion of the initial authorized revolving loan amount, and any subsequent amount authorized by the Commission (see corresponding debit entry in electric Preliminary Statement Part DI – Procurement Energy Efficiency Balancing Account (PEEBA). The electric portion of other OBF expenses are recorded in the electric PEEBA.); (T)/(D)  
(D)
  - b. a debit entry equal to the electric portion of amount loaned to customers;
  - c. a credit entry equal to the electric portion of the loan repayments;
  - d. a debit entry equal to the electric portion of any OBF loan defaults (see corresponding credit entry e. below);
  - e. a credit entry equal to any OBF loan defaults, as an offsetting entry to entry d. above for tracking purposes only (the debit entry to record the electric portion of default expense is in the electric PEEBA); (D)
  - f. a debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC; and
  - g. an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after above entries are made, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H. 15, or its successor.



**ELECTRIC PRELIMINARY STATEMENT PART FU**  
**ELECTRIC PROGRAM INVESTMENT CHARGE - RENEWABLES**  
**BALANCING ACCOUNT**

Sheet 1 (N)  
 (N)

- FU. ELECTRIC PROGRAM INVESTMENT CHARGE (EPIC) (N)
1. PURPOSE: The purpose of the Electric Program Investment Charge - Balancing Account (EPIC) is to assure recovery of the Renewables and Research, Development, and Demonstration (RDD) Program funding on an interim basis, and subject to refund, as authorized by the Commission in Decision 11-12-035. The authorized funding recovered in this account will not be disbursed until authorized by the Commission in a subsequent decision. (N)
  2. APPLICABILITY: The EPIC shall apply to all customer classes, except for any classes that may be specifically excluded by the CPUC.
  3. REVISION DATE: The disposition of the balance in the EPIC shall be determined through the Annual Electric True-up (AET) advice letter process, or as otherwise authorized by the CPUC.
  4. RATES: The EPIC is collected as part of non-bypassable public purpose program rates set forth in each rate schedule. The EPIC is separately identified in Electric Preliminary Statement Part I.
  5. ACCOUNTING PROCEDURE: The following entries will be made to this account each month or as applicable:
    - a. A debit entry equal to one twelfth of the annual authorized EPIC Program funding, plus an allowance for franchise fees and uncollectible accounts expense (FF&U).
    - b. A credit entry equal to the revenue from the EPIC rate component.
    - c. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC.
    - d. An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, 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. (N)



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Sheet 1

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Advice Letter No: 3976-E  
 Decision No. 11-12-035,11-12-038

Issued by  
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 Vice President  
 Regulation and Rates

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**PRELIMINARY STATEMENT**

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Advice Letter No: 3976-E  
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# Advice 3976-E

Preliminary Statement I  
(Illustrative)



**ELECTRIC PRELIMINARY STATEMENT PART I**  
**RATE SCHEDULE SUMMARY**

Sheet 2

I. Rate Summary (Cont'd.)

The following rates are used to separate billed revenue for accounting purposes. (Cont'd.)

Billed Component	Subcomponent	Applicability	Rate (per kWh)	
Public Purpose Programs	Procurement Energy Efficiency Revenue Adjustment Mechanism	All rate schedules, all customers.	\$0.00268 (R)	
Public Purpose Programs	Electric Program Investment Charge (EPIC)	All rate schedules, all customers.	\$0.xxxxx	(N)       (N)
Generation	Power Charge Collection Balancing Account (PCCBA)	Core rate schedules: residential, small light and power, agriculture, and streetlights, all bundled service customers.	(\$0.00350) (R)	
Generation	Power Charge Collection Balancing Account (PCCBA)	Noncore rate schedules: all remaining schedules, all bundled service customers.	(\$0.00350) (R)	
Generation	Energy Resource Recovery Account (ERRA)	All rate schedules, all bundled service customers.	\$0.04486 (R)	
Generation	DWR Franchise Fees	All rate schedules, all bundled service customers.	\$0.00001 (R)	
Generation	Regulatory Asset Tax Balancing Account (RATBA)	All rate schedules, all bundled service customers.	\$0.00000	
Generation	Headroom Account (HA)	All rate schedules, all bundled service customers.	\$0.00000	
Energy Cost Recovery Amount	Energy Recovery Bond Dedicated Rate Component (DRC) Charge - Series 1	All rate schedules, all customers.	\$0.00345 (R)	
Energy Cost Recovery Amount	Energy Recovery Bond Dedicated Rate Component (DRC) Charge - Series 2	All rate schedules, all customers.	\$0.00174 (R)	
Energy Cost Recovery Amount	Energy Recovery Bond Balancing Account	All rate schedules, all customers.	(\$0.00047) (I)	

(Continued)

Advice Letter No:  
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 Vice President  
 Regulation and Rates

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# Advice 3976-E

Retiring Tariffs



**ELECTRIC PRELIMINARY STATEMENT PART CN**  
**PU CODE SECTION 399.8 RESEARCH DEVELOPMENT**  
**AND DEMONSTRATION BALANCING ACCOUNT**

Sheet 1

CN. PU CODE SECTION 399.8 – RESEARCH, DEVELOPMENT, AND DEMONSTRATION  
 BALANCING ACCOUNT (RDDBA)

1. **PURPOSE:** The purpose of the Research, Development, and Demonstration (RDD) Balancing Account (RDDBA) is to track the authorized RDD program funding and the amount remitted to the California Energy Commission (CEC) pursuant to P.U. Code Section 399.8 beginning with customer billings on January 1, 2002 forward, as ordered in Ordering Paragraph 1 of Resolution E-3792 dated December 17, 2002. The amount remitted to CEC quarterly will include the interest earned on collected funds, as ordered in OP 2 of Res. E-3792.
2. **APPLICABILITY:** The RDDBA shall apply to all customer classes, except for any classes that may be specifically excluded by the CPUC.
3. **RATES:** This account does not have a separate rate component.
4. **ACCOUNTING PROCEDURE:** The following entries will be made to this account each month or as applicable:
  - a. A credit entry equal to one twelfth of the annual authorized RDD funding. (See corresponding debit entry in electric Preliminary Statement Part DA - Public Purpose Program Revenue Adjustment Mechanism).
  - b. A debit entry equal to the amount remitted quarterly to the CEC (1/12 of the annual authorized funding times three months, including interest). (T)
  - c. An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, 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.

*Retired Effective 1/1/2012*

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

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Calpine	Luce, Forward, Hamilton & Scripps LLP	Sun Light & Power
Cardinal Cogen	MAC Lighting Consulting	Sunshine Design
Casner, Steve	MBMC, Inc.	Sutherland, Asbill & Brennan
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City of Santa Rosa	Modesto Irrigation District	Turlock Irrigation District
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Coast Economic Consulting	Morrison & Foerster	Utility Cost Management
Commercial Energy	NLine Energy, Inc.	Utility Specialists
Consumer Federation of California	NRG West	Verizon
Crossborder Energy	NaturEner	Wellhead Electric Company
Davis Wright Tremaine LLP	Navigant Consulting	Western Manufactured Housing Communities Association (WMA)
Day Carter Murphy	Norris & Wong Associates	eMeter Corporation
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Department of Water Resources	North Coast SolarResources	