

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 5, 2014

Advice Letters: 4125-E & 4125-E-A

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

**SUBJECT: CUSTOMER ONLINE PRICE, USAGE AND COST INFORMATION AND PROVIDING
WHOLESALE PRICES PER RESOLUTION E-4530**

Dear Mr. Cherry:

Advice Letters 4125-E & 4125-E-A are effective as of October 15, 2012.

Sincerely,

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

Edward Randolph
Director, Energy Division



Brian K. Cherry
Vice President
Regulatory Relations

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

Fax: 415.973.7226

February 7, 2014

Advice 4125-E-A

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Customer Online Price, Usage and Cost Information and Providing Wholesale Prices Per Resolution E-4530

Pacific Gas and Electric Company ("PG&E") hereby submits for filing its amendment to advice letter 4125-E.

Purpose

The purpose of this supplemental advice letter is to comply with Energy Division's January 10, 2014 letter directing PG&E to file an amendment to its Tier 1 advice letter 4125-E.

The purpose of advice letter 4125-E was to comply with Ordering Paragraphs ("OP") 4, 5, and 6 of Resolution E-4530, which required PG&E to file a Tier 1 advice letter to (1) make changes to its Electric Rule 12, as directed in this Resolution, (2) inform the California Public Utilities Commission ("CPUC" or "Commission") of the definition of the "all in" price, and (3) provide an update on the progress of the development of the wholesale market "index" price signal. This amendment to advice letter 4125-E specifically addresses the "all in" price.

Background

In D.11-07-056, OP 6, the Commission ordered PG&E, along with Southern California Edison ("SCE"), and San Diego Gas & Electric Company ("SDG&E"), to change its tariffs within six months "to make price, usage and cost information available to its customers online and updated at least on a daily basis, with each day's usage, data, along with applicable price and cost details and with hourly or 15-minute granularity, available by the next day." OP 6 also ordered that the tariff changes "must offer residential customers bill-to-date, bill forecast data, projected month-end tiered rate, and notifications as the customers cross rate tiers as part of the pricing data provided to customers." Lastly, OP 6 stated that "[t]he prices must state an "all in" price that customers pay for electricity."

On January 30, 2012, PG&E filed advice letter 3995-E in compliance with D.11-07-056. On September 13, 2012, the Commission issued Resolution E-4530, which approved PG&E advice letter 3995-E with modifications.¹ OP 4 directed PG&E “to file a Tier 1 advice letter within 30 days of approval of this Resolution making changes to Electric Rule 12, as directed in this Resolution.” OP 5 directed PG&E, SCE, and SDG&E “to inform the CPUC of the definition of the “all in” price as part of the Tier 1 Advice Letter.”

On October 15, 2012, PG&E filed advice letter 4125-E in compliance with OP 4, 5, and 6 of Resolution E-4530, which directed PG&E to make changes to its Electric Rule 12 and to inform the Commission of the definition of the “all-in” price, among other matters. In advice letter 4125-E, PG&E stated:

PG&E displays pricing, usage and cost information through its online energy management tool, “My Energy”. This information is broken down by year, by bill, and by day under the “My Usage” section. This information is updated on a daily basis.

In the cost by year presentation, all components of a customer’s bill (as stated in the applicable tariff) are included. The cost by bill and cost by day presentation includes energy charges by kWh. The pricing components can be found in the applicable tariff. They do not include other fees such as demand charges, connected load charges, monthly customer charges, and other fees such as local utility user taxes and certain other taxes, surcharges and fees or medical baseline adjustments, as indicated on the webpage.

On May 21, 2013, Energy Division notified PG&E that the all-in price described in advice letter 4125-E that is used to calculate the cost by bill and cost by day presentment did not comply with D.11-07-056 because it did not include all charges that would be paid by a customer in their electric bill. Energy Division stated that this “all-in” price “systematically understated the price shown to the customer on the website.”²

Through a series of communications with Energy Division, PG&E discussed various options to address this issue through My Energy, PG&E’s online presentment tool.

In a letter dated January 10, 2014, Energy Division directed PG&E to file an amendment to Advice letter 4125-E that (1) describes the omitted charges and adjustments, (2) describes the 1.5% adjustment and how it was derived, and (3) indicates that this is a temporary solution that will be replaced with a long term solution.

¹ Resolution E-4530 also approved, with modifications, Southern California Edison advice letter 2693-E and San Diego Gas & Electric advice letter 2328-E.

² Letter from Energy Division to PG&E, January 10, 2014.

Discussion

In response to the Energy Division's January 10, 2014 letter, PG&E responds to the following three points.

1. Description of charges and adjustments not included in the all-in price presentment in My Energy:

The monthly recurring non-energy charges and adjustments that are not included in the all-in price presentment in My Energy are described below.

Demand charge – This charge recovers some of the costs PG&E incurs in providing sufficient operating capacity to meet that customer's maximum demand. The demand charge is based on the highest level of kW required by the customer during a billing period.

Connected load charge – A type of demand charge typically for agricultural customers that may be based on maximum metered demand or on the sum of the nameplate capacity ratings of the customer's electrical equipment, expressed in kW or horsepower (hp).

Customer charge – A flat amount that is intended to recover most of the costs of providing electric or gas service that are directly attributable to serving individual customers.

Meter charge – Where applicable, this charge covers the additional capital and administrative costs of providing customers with time-of-use service rather than standard electric service.

Utility user taxes and city franchise surcharges – A tax imposed by local governments on PG&E's customers. PG&E is required to bill customers within the city or county for the taxes due, collect the taxes from customers, and then pay the taxes to the city or county. The tax is calculated as a percentage of the charges billed by PG&E for energy use.

Energy Commission tax – The California legislature established the Energy Commission tax in 1975. The State Board of Equalization administers the tax, pursuant to current Sections 40001 et seq., of the Revenue and Taxation Code of the State of California. The tax provides additional funding for the California Energy Commission. PG&E is required to collect the Energy Resources Surcharge Tax pursuant to Part 19 of Division 2 of the California Revenue and Taxation Code. The tax will be stated as a separate item on the billing statement. It is currently fixed at \$0.00029 per kilowatt-hour. This tax rate is subject to revision from time to time by the Energy Commission, subject to a statutory maximum. The tax does not apply to the federal government and

certain other agencies as described in the above section of the Revenue and Taxation Code.

Medical baseline adjustments – If a customer or a full-time resident in the customer's home has a medical disability, the customer may qualify for a Standard Medical Baseline Quantity in addition to its regular Baseline quantity. The Standard Medical Baseline Quantity is 16.438 kWh per day (approximately) year-round. PG&E will incorporate the medical baseline adjustment into its all-in price presentment in My Energy by the end of the first quarter 2014.

2. Description of 1.5% non-energy price adjustment:

PG&E proposes to adjust upward the rate used in the bill forecast and the bill-to-date forecast calculations in My Energy by a constant amount of 1.5% as a non-energy price adjustment by the fourth quarter of 2014. This 1.5% amount represents a system-wide average of the utility users tax, energy commission tax, and city franchise surcharge for PG&E's residential customers. The forecasted bills will continue to be rounded to the nearest \$5, which is approximately 6.7% of the average residential bills. Therefore, many customers may not see the effect of the 1.5% price adjustment.

3. The 1.5% non-energy price adjustment is temporary and will be replaced pending a final resolution of this matter:

PG&E views this 1.5% non-energy price adjustment as a temporary solution. PG&E plans to develop a long term solution after further analysis. When that is complete, PG&E will meet with Energy Division to present a time table for its implementation.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than February 27, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@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 shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

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

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

As directed by Energy Division in its January 10, 2014 letter, PG&E submits this supplemental advice letter as an amendment to its **Tier 1** advice letter. PG&E requests that this advice filing become effective on **October 15, 2012**, which is the original date of filing of this advice letter.

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 parties on the service list for R.08-12-009. 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>

Brian Cherry /IG

Vice President, Regulatory Relations

cc: Service List for R.08-12-009

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: Igor Grinberg

Phone #: 415-973-8580

E-mail: ixg8@pge.com and PGETariffs@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) #: **4125-E-A**

Tier: 1

Subject of AL: **Supplemental: Customer Online Price, Usage and Cost Information and Providing Wholesale Prices Per Resolution E-4530**

Keywords (choose from CPUC listing): Compliance and Demand Side Management

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Resolution E-4530

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

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: N/A

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

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: **October 15, 2012**

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).

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:

California Public Utilities Commission
Energy Division
EDTariffUnit
505 Van Ness Ave., 4th Flr.
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Brian Cherry
Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
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**

1st Light Energy	Douglass & Liddell	OnGrid Solar
AT&T	Downey & Brand	Pacific Gas and Electric Company
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Praxair
Anderson & Poole	G. A. Krause & Assoc.	Regulatory & Cogeneration Service, Inc.
BART	GenOn Energy Inc.	SCD Energy Solutions
Barkovich & Yap, Inc.	GenOn Energy, Inc.	SCE
Bartle Wells Associates	Goodin, MacBride, Squeri, Schlotz & Ritchie	SDG&E and SoCalGas
Braun Blasing McLaughlin, P.C.	Green Power Institute	SPURR
CENERGY POWER	Hanna & Morton	San Francisco Public Utilities Commission
California Cotton Ginners & Growers Assn	In House Energy	Seattle City Light
California Energy Commission	International Power Technology	Sempra Utilities
California Public Utilities Commission	Intestate Gas Services, Inc.	SoCalGas
California State Association of Counties	K&L Gates LLP	Southern California Edison Company
Calpine	Kelly Group	Spark Energy
Casner, Steve	Linde	Sun Light & Power
Center for Biological Diversity	Los Angeles Dept of Water & Power	Sunshine Design
City of Palo Alto	MRW & Associates	Tecogen, Inc.
City of San Jose	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Clean Power	Marin Energy Authority	TransCanada
Coast Economic Consulting	McKenna Long & Aldridge LLP	Utility Cost Management
Commercial Energy	McKenzie & Associates	Utility Power Solutions
County of Tehama - Department of Public Works	Modesto Irrigation District	Utility Specialists
Crossborder Energy	Morgan Stanley	Verizon
Davis Wright Tremaine LLP	NLine Energy, Inc.	Water and Energy Consulting
Day Carter Murphy	NRG Solar	Wellhead Electric Company
Defense Energy Support Center	Nexant, Inc.	Western Manufactured Housing Communities Association (WMA)
Dept of General Services	North America Power Partners	
Division of Ratepayer Advocates	Occidental Energy Marketing, Inc.	