

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 28, 2012

Advice Letters 4149-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: Routine Annual Advice Filing for Dedicated Rate Component Series 1 and Series 2 Charge True-Up Mechanism

Dear Mr. Cherry:

Advice Letter 4149-E is effective as of January 1, 2013.

Sincerely,

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

Edward F. Randolph, Director
Energy Division



November 30, 2012

Advice 4149-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Final Routine Annual Advice Filing for Dedicated Rate
Component Series 1 and Series 2 Charge True-Up Mechanism**

Pursuant to the California Public Utilities Commission's ("CPUC" or "Commission") Decision ("D.") 04-11-015 ("Decision"), Pacific Gas and Electric Company ("PG&E"), as servicer of the Energy Recovery Bonds ("ERBs") and on behalf of PG&E's Energy Recovery Funding LLC ("PERF"), proposes to eliminate the Dedicated Rate Component ("DRC") Charge for Series 2005-1, Classes A-4 and A-5 of the ERBs ("DRC Series 1 Charge"), and Series 2005-2, Classes A-2 and A-3 of the ERBs ("DRC Series 2 Charge").

Purpose

Since the ERBs will be paid in full in December 2012¹, in this annual advice filing for updating the DRC charges PG&E:

- 1) Eliminates effective January 1, 2013 the DRC Series 1 Charge and Series 2 Charge from rate schedules for non-exempt customers, as set forth in D.04-11-015.
- 2) Eliminates Preliminary Statement Part DP, Dedicated Rate Component (DRC)

¹ As provided in Section 1.01 of the Indenture, dated February 10, 2005, between PG&E Energy Recovery Funding LLC, Issuer, and Deutsche Bank National Trust Company, Trustee, "Payment date means, with respect to any Class, the March 25, June 25, September 25 and December 25 of each year or, if any such date is not a Business Day, the next succeeding Business Day." Because the scheduled ERB maturity date is December 25, 2012, which is a holiday, PG&E will make the final ERB payment the following day, on December 26, 2012.

- 3) Revises Preliminary Statement Part I, Rate Summary, to remove the End Cost Recovery Amount Energy Recovery Bond DRC Series Charge 1 and Series 2 Charge.

Background

In D.03-12-035, which approved the plan for PG&E's emergence from bankruptcy, the Commission established a regulatory asset pertaining to PG&E's liabilities incurred on behalf of its electric ratepayers during the Power Crisis of 2000 to 2001. The purpose of the regulatory asset, along with other provisions of the bankruptcy-emergence plan approved by the Commission, was to enhance PG&E's fiscal soundness and allow it to emerge from bankruptcy as a credit-worthy entity. In D.04-11-015, the Commission granted PG&E authority to issue ERBs to refinance the regulatory asset and associated federal and state income and franchise taxes, and consequently to reduce PG&E's electric rates.

ERBs are an asset-backed security; investors rely on the cash flows generated by a specific asset that was sold by PG&E to PERF, a Special Purpose Entity that issued the bonds secured by this asset. The asset that was sold is Recovery Property, a current property right that was created by Senate Bill 772 as a right to receive future revenues from a non-bypassable customer charge (the DRC Charge) that will cover debt service and all related ERB costs.

Series 2005-1 of the ERBS was issued on February 10, 2005; the initial DRC Series 1 Charge went into effect on March 1, 2005. Series 2005-2 of the ERBs was issued on November 9, 2005; the initial DRC Series 2 Charge went into effect on January 1, 2006.

In D.04-11-015, the Commission authorized PG&E to file Routine True-Up Mechanism Advice Letters at least annually, and not more than quarterly, at least 15 days before the end of the calendar year for the annual filings, and at least 15 days before the end of the quarter for the quarterly filings. These filings are intended to ensure that the actual revenues collected under the DRC Charges are neither more nor less than those required to repay the ERBs as scheduled. Routine True-up Mechanism Advice Letter filings are those where PG&E uses the method found reasonable by the Commission in D.04-11-015 to revise existing DRC Charges.

Tariff Changes

Electric Preliminary Statement Part I, Rate Schedule Summary- is revised to remove the DRC Series 1 charge and Series 2 charge.

Preliminary Statement Part DP, Dedicated Rate Component- is eliminated from PG&E's tariffs.

Protests

Anyone wishing to protest this advice letter may do so by letter sent via U.S. mail, facsimile or E-mail, no later than **December 20, 2012**, which is 20 days after the date of this submission. Protests must be submitted to:

CPUC Energy Division
E D 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

In accordance with D.04-11-015, Annual Routine True-Up Mechanism Advice Letters for annual DRC Charge adjustments shall be filed at least 15 days before the end of each year and these adjustments to DRC Charges shall be effective at the beginning of the next quarter. No Commission resolution is required for this Tier 2 Advice Letter. Therefore, the DRC Series 1 Charge and the DRC Series 2 Charge shall be eliminated effective **January 1, 2013**.

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 service list for Application ("A.") 04-07-032. 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/>.



Vice President – Regulatory Relations

cc: Service List for A.04-07-032

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: Kimberly Chang

Phone #: (415) 972-5472

E-mail: kwcc@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) #: **4149-E**

Tier: **2**

Subject of AL: **Routine Annual Advice Filing for Dedicated Rate Component Series 1 and Series 2 Charge True-Up Mechanism**

Keywords (choose from CPUC listing): Compliance

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D. 04-11-015

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: _____

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, 2013**

No. of tariff sheets: 4

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 I, Electric Preliminary Statement Part DP

Service affected and changes proposed: Eliminate DRC Series 1 Charge and Series 2 Charge for rate schedules for non-exempt customers, Eliminate Preliminary Statement Part DP, Dedicated Rate Component (DRC), and Revise Preliminary Statement Part I, Rate Summary, to remove the End Cost Recovery Amount Energy Recovery Bond Dedicated Rate Component (DRC) Charge – Series 1 and the End Cost Recovery Amount Energy Recovery Bond Dedicated Rate Component (DRC) – Series 2

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:

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

**ATTACHMENT 1
Advice 4149-E**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
32164-E	ELECTRIC PRELIMINARY STATEMENT PART I RATE SCHEDULE SUMMARY Sheet 2	31691-E
32165-E	ELECTRIC TABLE OF CONTENTS Sheet 1	32151-E
32166-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 11	31854-E
32167-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 15	31139-E



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.	\$0.00291
Public Purpose Programs	Electric Program Investment Charge	All rate schedules, all customers.	\$0.00082
Generation	Power Charge Collection Balancing Account (PCCBA)	Core rate schedules: residential, small light and power, agriculture, and streetlights, all bundled service customers.	(\$0.00456) (R)
Generation	Power Charge Collection Balancing Account (PCCBA)	Noncore rate schedules: all remaining schedules, all bundled service customers.	(\$0.00456) (R)
Generation	Energy Resource Recovery Account (ERRA)	All rate schedules, all bundled service customers.	\$0.04952 (I)
Generation	DWR Franchise Fees	All rate schedules, all bundled service customers.	\$0.00000 (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
			(D)
			(D)
Energy Cost Recovery Amount	Energy Recovery Bond Balancing Account	All rate schedules, all customers.	(\$0.00075)

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Part K	Energy Commission Tax	29922-E
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**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

1st Light Energy	Department of General Services	North America Power Partners
AT&T	Department of Water Resources	North Coast SolarResources
Alcantar & Kahl LLP	Dept of General Services	Northern California Power Association
Ameresco	Douglass & Liddell	Occidental Energy Marketing, Inc.
Anderson & Poole	Downey & Brand	OnGrid Solar
BART	Duke Energy	PG&E
Barkovich & Yap, Inc.	Economic Sciences Corporation	Praxair
Bartle Wells Associates	Ellison Schneider & Harris LLP	R. W. Beck & Associates
Bloomberg	Foster Farms	RCS, Inc.
Bloomberg New Energy Finance	G. A. Krause & Assoc.	SCD Energy Solutions
Boston Properties	GLJ Publications	SCE
Braun Blaising McLaughlin, P.C.	GenOn Energy Inc.	SMUD
Brookfield Renewable Power	GenOn Energy, Inc.	SPURR
CA Bldg Industry Association	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Public Utilities Commission
CENERGY POWER	Green Power Institute	Seattle City Light
CLECA Law Office	Hanna & Morton	Sempra Utilities
California Cotton Ginners & Growers Assn	Hitachi	Sierra Pacific Power Company
California Energy Commission	In House Energy	Silicon Valley Power
California League of Food Processors	International Power Technology	Silo Energy LLC
California Public Utilities Commission	Intestate Gas Services, Inc.	Southern California Edison Company
Calpine	Lawrence Berkeley National Lab	Spark Energy, L.P.
Cardinal Cogen	Los Angeles County Office of Education	Sun Light & Power
Casner, Steve	Los Angeles Dept of Water & Power	Sunrun Inc.
Center for Biological Diversity	MAC Lighting Consulting	Sunshine Design
Chris, King	MRW & Associates	Sutherland, Asbill & Brennan
City of Palo Alto	Manatt Phelps Phillips	Tecogen, Inc.
City of Palo Alto Utilities	Marin Energy Authority	Tiger Natural Gas, Inc.
City of San Jose	McKenna Long & Aldridge LLP	TransCanada
City of Santa Rosa	McKenzie & Associates	Turlock Irrigation District
Clean Energy Fuels	Merced Irrigation District	United Cogen
Clean Power	Modesto Irrigation District	Utility Cost Management
Coast Economic Consulting	Morgan Stanley	Utility Specialists
Commercial Energy	Morrison & Foerster	Verizon
Consumer Federation of California	Morrison & Foerster LLP	Wellhead Electric Company
Crossborder Energy	NLine Energy, Inc.	Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP	NRG West	eMeter Corporation
Day Carter Murphy	NaturEner	
Defense Energy Support Center	Norris & Wong Associates	