

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 9, 2015

Advice Letter 4501-E

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

**Subject: Establish Electric Preliminary Statement Part GJ – Major
Emergency Balancing Account (MEBA), in Compliance with
the 2014 General Rate Case D.14-08-032**

Dear Ms. Allen:

Advice Letter 4501-E is effective January 1, 2014.

Sincerely,

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

Edward Randolph
Director, Energy Division

September 29, 2014

Advice 4501-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject Establish Electric Preliminary Statement Part GJ - Major Emergency
Balancing Account (MEBA), in Compliance with the 2014 General
Rate Case Decision 14-08-032**

Purpose

In accordance with Ordering Paragraph (OP) 9 of Decision (D.) 14-08-032, Pacific Gas and Electric Company (PG&E) is establishing Electric Preliminary Statement Part GJ – *Major Emergency Balancing Account (MEBA)*, effective January 1, 2014, to recover costs for responding to major emergencies and catastrophic events, where those costs cannot be recovered through the Catastrophic Event Memorandum Account (CEMA) mechanism. The affected tariff sheets are listed on the enclosed Attachment 1.

Background

On November 15, 2012, PG&E filed its 2014 General Rate Case (GRC) Application (A.) 12-11-009. In this application, PG&E proposed generation and distribution base revenue requirements for test year 2014 and attrition years 2015 and 2016. On April 18, 2013 the California Public Utilities Commission (Commission or CPUC) issued D.13-04-023 granting PG&E's request to make its 2014 GRC revenue requirement effective January 1, 2014, including interest covering the period subsequent to January 1, 2014¹. On August 14, 2014, the CPUC issued D.14-08-032 in PG&E's 2014 GRC adopting base revenue requirements for the 2014-2016 GRC period.

OP 9 of D.14-08-032 requires that within 45 days of the effective date of that decision, PG&E file a Tier 1 advice letter to implement a two-way balancing account to recover costs for responding to major emergencies and catastrophic events, where those costs cannot be recovered through the CEMA mechanism.

¹ D.13-04-023, OPs 2 and 3.

Tariff Revisions

Establish Electric Preliminary Statement Part GJ - Major Emergency Balancing Account (MEBA).

The filing will not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than October 20, 2014, which is 21 days² 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:

Meredith Allen
Senior Director, 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

² The 20-day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.

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

PG&E requests that this Tier 1 advice filing become effective on January 1, 2014, pursuant to OP 9 of D.14-08-032.

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 A.12-11-009. 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/>.

Meredith Allen /KHC

Senior Director, Regulatory Relations

Attachments

cc: Service List A.12-11-009

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: Kingsley Cheng

Phone #: (415) 973-5265

E-mail: k2c0@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) #: **4501-E**

Tier: **1**

Subject of AL: **Establish Electric Preliminary Statement Part GJ - Major Emergency Balancing Account (MEBA), in Compliance with the 2014 General Rate Case Decision 14-08-032**

Keywords (choose from CPUC listing): Compliance, Balancing Account, GRC/General Rate Case

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.14-08-032

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: No

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: _____

Resolution Required? Yes No

Requested effective date: **January 1, 2014**

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: New Electric Preliminary Statement Part GJ - Major Emergency Balancing Account (MEBA)

Service affected and changes proposed: 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 21 days¹ 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: Meredith Allen
Senior Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

¹ The 20-day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.

**ATTACHMENT 1
Advice 4501-E**

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

Title of Sheet

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

34390-E ELECTRIC PRELIMINARY STATEMENT PART
GJ
MAJOR EMERGENCY BALANCING ACCOUNT
(MEBA)
Sheet 1

34391-E ELECTRIC TABLE OF CONTENTS
Sheet 1

34381-E

34392-E ELECTRIC TABLE OF CONTENTS
PRELIMINARY STATEMENT
Sheet 18

34366-E



ELECTRIC PRELIMINARY STATEMENT PART GJ
MAJOR EMERGENCY BALANCING ACCOUNT (MEBA)

Sheet 1 (N)
 (N)

- GJ. Major Emergency Balancing Account (MEBA) (N)
1. **PURPOSE:** The purpose of the MEBA is to recover actual expenses and capital revenue requirements resulting from responding to major emergencies and catastrophic events not eligible for recovery through the Catastrophic Event Memorandum Account (CEMA). In some cases, costs relating to major emergencies that are found by the Commission not to be eligible for recovery through the CEMA process may be recoverable through the MEBA. The MEBA is a two-way balancing account that records the difference between actual and adopted expenses and capital revenue requirements.
 2. **APPLICABILITY:** The MEBA shall apply to all customer classes, except for those schedules or contracts specifically excluded by the Commission.
 3. **REVISION DATE:** Disposition of the balances in this account shall be through the Annual Electric True-up advice filing through the Distribution Revenue Adjustment Mechanism (DRAM), or as otherwise authorized by the Commission.
 4. **RATES:** The MEBA does not have a rate component.
 5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the MEBA by making entries to this account at the end of each month as follows:
 - a) A credit entry equal to one-twelfth of the adopted annual revenue requirements, excluding the allowance for Franchise Fees and Uncollectible Accounts expense (FF&U).
 - b) A debit entry equal to actual expenses incurred;
 - c) A debit entry equal to the capital-related revenue requirement, excluding Franchise Fees and Uncollectible Allowance Expense (FF&U), related to the actual capital costs incurred. Capital-related revenue requirements include depreciation expense, the return on investment, federal and state income taxes, and property taxes associated with the costs
 - 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 of the balance in this account at the beginning of the month and the balance in this account after the above entries 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)

(Continued)



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Sheet 1

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SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
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	Preliminary Statements	33840,32706,30376,34343,34357,34358,34359, 34392-E	(T)
	Rules	34360,34382,34339-E	
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PRELIMINARY STATEMENT

Sheet 18

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
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Part GA	Greenhouse Gas Expense Memorandum Account	32419,32420-E
Part GB	Greenhouse Gas Revenue Balancing Account	32421-E
Part GC	California Energy Systems for the 21 st Century Balancing Account	33937-E
Part GD	Smart Grid Pilot Deployment Project Balancing Account	32540-32542-E
Part GE	Statewide Marketing, Education and Outreach Expenditure Balancing Account	32643-E
Part GF	Customer Data Access Balancing Account – Electric	33136-E
Part GH	Mobile Home Park Balancing Account - Electric	33894-E
Part GI	Energy Data Center Memorandum Account – Electric	33940-E
Part GJ	Major Emergency Balancing Account (MEBA)	34390-E
Part GN	San Francisco Incandescent Streetlight Replacement Account	34364-E

(N)

(Continued)

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

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