

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 21, 2015

Advice Letter 4551-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: Electrical Capacity Procurement Limits and Ratable Rates
in PG&E's Bundled Procurement Plan**

Dear Ms. Allen:

Advice Letter 4551-E is effective December 17, 2014.

Sincerely,

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

Edward Randolph
Director, Energy Division



Meredith Allen
Senior Director
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

December 17, 2014

Advice 4551-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Electrical Capacity Procurement Limits and Ratable Rates in Pacific Gas and Electric Company's Bundled Procurement Plan

Introduction

Pacific Gas and Electric Company ("PG&E") hereby submits to the California Public Utilities Commission ("Commission" or "CPUC") this advice letter filing to address electrical capacity procurement limits and ratable rates in PG&E's approved Bundled Procurement Plan ("BPP").

Background

On October 11, 2012, the Commission issued Resolution E-4544, which approved PG&E's BPP consistent with Decisions ("D.") 12-01-033 and 12-04-046. PG&E's BPP establishes electrical capacity procurement limits and ratable rates that apply to electric capacity transactions with deliveries beyond the prompt calendar year.¹ The BPP provides that PG&E will file an "annual (or more frequent, if necessary) update to its electrical capacity procurement limit and ratable rates in a Tier 1 advice letter during the years which PG&E does not file an updated conformed bundled procurement plan."²

Accordingly, PG&E submitted Advice Letter 4289-E on September 30, 2013 to update its electrical capacity procurement limits and ratable rates derived from the Commission's standardized planning assumptions applicable to Track 2 of the 2012 Long Term Procurement Plan ("LTPP") Proceeding. The Commission approved Advice Letter 4289-E on November 6, 2013.

¹ BPP, Sheet Nos. 43-44.

² BPP, Sheet No. 44.

On October 3, 2014, in Phase 2 on the 2014 LTPP Proceeding, PG&E filed its proposed 2014 BPP. PG&E put forth updated capacity procurement limits, as well as the addition of electric energy, natural gas, and greenhouse gas compliance instrument procurement limits, as part of its proposed 2014 BPP.

PG&E is awaiting further Commission or Administrative Law Judge action or guidance in Phase 2 of the 2014 LTPP.

Discussion

In this Advice Letter, PG&E has adjusted the previously approved ratable rates to account for approved procurement since Advice Letter 4289-E was filed, but is not proposing any updates be made to its approved electrical capacity procurement limits. A revised Table PGE-3 is included in confidential Attachment A and B. PG&E proposes that any further updates to its BPP procurement limits be made as part of Phase 2 of the 2014 LTPP Proceeding.

Confidentiality

In support of this Advice Letter, PG&E submits Confidential Appendices A and B in the manner directed by D.08-04-023 and the August 22, 2006, Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with D.06-06-066 to demonstrate the confidentiality of the material and to invoke the protection of confidential utility information provided under General Order 66-C and Public Utilities Code Section 454.5(g). A separate Declaration Seeking Confidential Treatment is being filed concurrently with this Advice Letter.

Confidential Appendices

Appendix A Redlined Sheet 106 of PG&E's Bundled Procurement Plan³

Appendix B Clean Sheet 106 of PG&E's Bundled Procurement Plan

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 6, 2015, which is twenty days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

³ Confidential Workpapers supporting the updated ratable rates are available upon request.

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, CA, 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of the protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest should also 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:

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

Tier Designation

PG&E is designating this as a Tier 1 Advice Letter, in accordance with the BPP.

Effective Date

PG&E requests that this advice letter become effective December 17, 2014.

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.12-03-014 and R.13-12-010. Address changes to the General Order 96-B list and electronic approvals should be directed to 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>.

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: Jennifer Wirowek

Phone #: (415) 973-1419

E-mail: J6ws@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) #: **4551-E**

Tier: **1**

Subject of AL: **Electrical Capacity Procurement Limits and Ratable Rates in Pacific Gas and Electric Company's Bundled Procurement Plan**

Keywords (choose from CPUC listing): Procurement

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.12-01-033 and D.12-04-046

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: Yes, see Confidential Declaration and Matrix

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: Elizabeth Ingram (415) 973-8613

Resolution Required? Yes No

Requested effective date: **December 17, 2014**

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

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: 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

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

**DECLARATION OF ELIZABETH INGRAM
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION
CONTAINED IN PG&E'S ADVICE LETTER 4551-E**

I, Elizabeth Ingram, declare:

1. I am a Principal in the Portfolio Management Department within the Energy Procurement Organization at Pacific Gas and Electric Company (PG&E). In this position, my responsibilities include overseeing commercial and compliance activities. This declaration is based on my personal knowledge of PG&E's procurement practices and my understanding of the Commission's decisions protecting the confidentiality of market-sensitive information concerning electric procurement of an investor-owned utility.

2. Based on my knowledge and experience, and in accordance with the "Administrative Law Judge's Ruling Clarifying Interim Procedures For Complying With Decision 06-06-066," issued in Rulemaking 05-06-040 on August 22, 2006, I make this declaration seeking confidential treatment for Advice Letter 4551-E which addresses electrical capacity procurement limits and ratable rates in PG&E's Bundled Procurement Plan.

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes data and information covered by General Order (GO)-66-C, Section 2.2b, which would place PG&E in an unfair business disadvantage if disclosed; and Public Utilities Code Section 454.5(g), which would reveal market sensitive information. The matrix also specifies why confidential protection is justified. Finally, the matrix specifies that: (1) the information is not already public; and (2) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I

am incorporating into this declaration all of the explanatory text that is pertinent to my testimony in the attached matrix.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on December 17, 2014 at San Francisco, California.

A handwritten signature in black ink, consisting of a large, fluid, cursive loop that starts on the left, goes up and over, then loops back down and under, ending on the right. The signature is positioned above a horizontal line.

Elizabeth Ingram

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)
ADVICE LETTER 4551-E
December 17, 2014**

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	1) Constitutes data listed in Appendix 1 to D.06-06-066 (Y/N)	2) Data correspond to category in Appendix 1: (Y/N)	3) Complies with limitations of D.06-06-066 (Y/N)	4) Data not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
Document: Advice Letter 4551-E Attachment A and B							
Table PGE-3	N	General Order 66-C, Section 2.2; Public Utilities Code Section 454.5(g);	N/A	Y	Y	This information discloses PG&E's procurement limits and ratable rates for electrical capacity. The release of this commercially sensitive information could cause harm to PG&E's customers and put PG&E at an unfair business disadvantage if this information was disclosed and then used by market participants to gain an insight into PG&E's procurement needs and thus gain a commercial advantage. In addition, this information is similar to the type of procurement information that is confidential and protected under D.06-06-066, Section VI.A: Utility Bundled Net Open (Long or Short) Position for Capacity (MW)).	No quantification in GO 66-C and PUC Section 454.5(g)

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

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