

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



Advice Letter 2855-G/3093-E

September 7, 2007

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

Subject: Revise the Electric Low Income Energy Efficiency Memorandum
Account (LIEEMA); Close the Electric and Gas LIEEMA

Dear Mr. Cherry:

Advice Letter 2855-G/3093-E is effective August 26, 2007.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean H. Gallagher".

Sean H. Gallagher, Director
Energy Division



July 27, 2007

**Advice 2855-G/3093-E
(Pacific Gas and Electric Company ID U 39 M)**

Public Utilities Commission of the State of California

**Subject: **Revise the Electric Low Income Energy Efficiency Memorandum
Account (LIEEMA); Close the Electric and Gas LIEEMA****

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its gas and electric tariffs. The affected tariff sheets are listed on the enclosed Attachment 1.

Purpose

This advice letter revises the electric LIEEMA to allow for a transfer of the balance to the Distribution Revenue Adjustment Mechanism (DRAM), pursuant to Resolution E-4108. Upon the completion of this transfer, PG&E will close the electric and gas LIEEMA.

On September 19, 2002, the California Public Utilities Commission (Commission) approved Resolution G-3340, which ordered PG&E to “establish a memorandum account to record costs for continuing the LIEE program through the end of PY 2002, subject to reasonableness review and future collection in rates.”¹ PG&E subsequently filed Advice Letter (AL) 2414-G/2290-E which created the electric and gas LIEEMA. Following Energy Division approval of AL 2414-G/2290-E on February 25, 2003, PG&E transferred the LIEE program expenses within the scope covered by Resolution G-3340 from the electric Public Purpose Programs Low Income Balancing Account (PPPLIBA) to the electric LIEEMA.² In 2004, the Commission conducted an audit of LIEE program expenses, which was later suspended. PG&E filed AL 2974-E on January 25, 2007, seeking recovery of the expenses recorded in the electric LIEEMA plus accrued interest.

On July 26, 2007, the Commission approved AL 2974-E in Resolution E-4108. In the Resolution, the Commission authorized PG&E to transfer the electric LIEEMA balance to the Distribution Revenue Adjustment Mechanism (DRAM) for recovery in the next Annual Electric True-Up.³ PG&E files this AL to revise the electric LIEEMA preliminary statement by adding a new accounting procedure to allow for the transfer of the electric LIEEMA balance to the DRAM. Once this transfer has taken place,

¹ Resolution G-3340, Ordering Paragraph 4.

² No expenses were ever recorded in the gas LIEEMA.

³ Ordering Paragraph 2.

PG&E will close the electric and gas LIEEMA, as no further costs will be recorded in these accounts.

Tariff Changes

PG&E provides in Attachment 1, revised Electric Preliminary Statement Part AK – Low Income Energy Efficiency Memorandum Account (LIEEMA).

Protest Period

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 **August 16, 2007**, which is 20 days after the date of this filing.

CPUC Energy Division
Tariff Files, Room 4005
DMS Branch
505 Van Ness Avenue
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: ijn@cpuc.ca.gov and 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 should be sent via both e-mail and facsimile to PG&E on the same date it is mailed or delivered to the Commission at the address shown below.

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

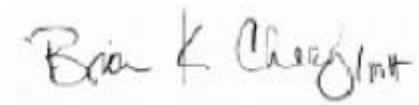
Effective Date

PG&E requests that this advice filing become effective on regular notice, **August 26, 2007**, which is 30 calendar days after the date of filing.

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 A.05-06-006. Address changes to the General Order 96-B service list should be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at:

<http://www.pge.com/tariffs>

A handwritten signature in black ink, appearing to read "Brian K. Chappell". The signature is written in a cursive style and is centered on the page.

Vice President - Regulatory Relations

Attachments

cc: Service List – A.05-06-006

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)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Megan Hughes

Phone #: (415) 973-1877

E-mail: mehr@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) #: **2855-G/3093-E**

Tier 2

Subject of AL: Revise the Electric Low Income Energy Efficiency Memorandum Account (LIEEMA); Close the Electric and Gas LIEEMA

Keywords (choose from CPUC listing): LIEE, memorandum account

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: N/A

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 AL¹: _____

Resolution Required? Yes No

Requested effective date: **August 26, 2007**

No. of tariff sheets: 6

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: Gas Prelim Statement AK and Electric Prelim Statement AK

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests 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 and mas@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Brian K. Cherry
Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

¹ Discuss in AL if more space is needed.

**ATTACHMENT 1
Advice 2855-G**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
25091-G	Table of Contents -- Preliminary Statements	24854-G
25092-G	Table of Contents -- Title Page	24995-G
Delete	Preliminary Statement Part AK--Low Income Energy Efficiency Memorandum Account	21244-G

**ATTACHMENT 1
Advice 3093-E**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
26485-E	Preliminary Statement Part AK--Low Income Energy Efficiency Memorandum Account	19227-E
26486-E	Table of Contents -- Preliminary Statements	26416-E
26487-E	Table of Contents -- Title Page	26418-E

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Part AE	Core Pipeline Demand Charge Account	23301-G
Part AG	Core Firm Storage Account.....	23280-G
Part AH	Air Quality Adjustment Clause	14928-14930-G
Part AI	Applicant Installation Trench Inspection Deferred Account.....	19533-G
Part AJ	Applicant Installation Trench Inspection Memorandum Account.....	19534-G
Part AK	Low Income Energy Efficiency Memorandum Account	delete -G (D)
Part AN	Hazardous Substance Mechanism.....	23281-23283, 16693-16694-G
Part AV	Capital Audit Consultant Cost Memorandum Account	20432-G
Part AW	Self-Generation Program Memorandum Account	24767-G
Part AX	Food Service Technology Center Memorandum Account.....	20987-G
Part BA	Public Purpose Program - Energy Efficiency	23360-23361-G
Part BB	Public Purpose Program Memorandum Account	23362-23363-G
Part BC	Financial Hedging Memorandum Account (FHMA)	21818-G
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Part BG	Gas Credit Facilities Fees Tracking Account	22096-G
Part BH	Public Purpose Program Surcharge - Low Income Energy Efficiency Balancing Account	23364-G
Part BI	Public Purpose Program Surcharge - Research, Development and Demonstration Balancing Account	23365-23366-G
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Part BM	Gas Advanced Metering Account.....	23406-23407-G
Part BN	Pension Interest Memorandum Account (PIMA-G)	23777-G
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Sample Forms	24844, 24933, 24851, 24674-G	



PRELIMINARY STATEMENT
 (Continued)

AK. LOW INCOME ENERGY EFFICIENCY MEMORANDUM ACCOUNT (LIEEMA)

1. PURPOSE:

The purpose of the LIEEMA is to record the incremental costs for continuing the Low Income Energy Efficiency (LIEE) program through the end of Program Year 2002, subject to reasonableness review and future collection in rates as ordered in Resolution G-3340.

2. APPLICABILITY:

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

3. REVISION DATE:

Disposition of amounts in this account shall be determined in a future proceeding as authorized by the CPUC.

4. RATES:

This account does not have a rate component.

5. ACCOUNTING PROCEDURE:

PG&E shall maintain the LIEEMA by making entries at the end of each month as follows:

- a. A debit entry equal to the electric incremental portion of LIEE costs for continuing the LIEE program through the end of 2002.
- b. A credit entry to transfer the balance in the electric LIEEMA to the Distribution Revenue Adjustment Mechanism (DRAM) for recovery in the 2008 Annual Electric True-Up, pursuant to Resolution E-4108. (N)
I
(N)
- c. A debit entry equal to the interest on the average of the balance at the beginning of the month and the balance after the entries above, 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.

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Part H	Interest	10579-E
Part I	Rate Schedule Summary	26403, 25665-E
Part J	Income Tax Component of Contributions Provision	20380, 11503-E
Part K	Energy Commission Tax	24297-E
Part M	California Alternate Rates for Energy Account.....	26200-E
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**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

ABAG Power Pool	Douglass & Liddell	PG&E National Energy Group
Accent Energy	Downey, Brand, Seymour & Rohwer	Pinnacle CNG Company
Aglet Consumer Alliance	Duke Energy	PITCO
Agnews Developmental Center	Duke Energy North America	Plurimi, Inc.
Ahmed, Ali	Duncan, Virgil E.	PPL EnergyPlus, LLC
Alcantar & Kahl	Dutcher, John	Praxair, Inc.
Ancillary Services Coalition	Dynergy Inc.	Price, Roy
Anderson Donovan & Poole P.C.	Ellison Schneider	Product Development Dept
Applied Power Technologies	Energy Law Group LLP	R. M. Hairston & Company
APS Energy Services Co Inc	Energy Management Services, LLC	R. W. Beck & Associates
Arter & Hadden LLP	Exelon Energy Ohio, Inc	Recon Research
Avista Corp	Exeter Associates	Regional Cogeneration Service
Barkovich & Yap, Inc.	Foster Farms	RMC Lonestar
BART	Foster, Wheeler, Martinez	Sacramento Municipal Utility District
Bartle Wells Associates	Franciscan Mobilehome	SCD Energy Solutions
Blue Ridge Gas	Future Resources Associates, Inc	Seattle City Light
Bohannon Development Co	G. A. Krause & Assoc	Sempra
BP Energy Company	Gas Transmission Northwest Corporation	Sempra Energy
Braun & Associates	GLJ Energy Publications	Sequoia Union HS Dist
C & H Sugar Co.	Goodin, MacBride, Squeri, Schlotz &	SESCO
CA Bldg Industry Association	Hanna & Morton	Sierra Pacific Power Company
CA Cotton Ginners & Growers Assoc.	Heeg, Peggy A.	Silicon Valley Power
CA League of Food Processors	Hitachi Global Storage Technologies	Smurfit Stone Container Corp
CA Water Service Group	Hogan Manufacturing, Inc	Southern California Edison
California Energy Commission	House, Lon	SPURR
California Farm Bureau Federation	Imperial Irrigation District	St. Paul Assoc
California Gas Acquisition Svcs	Integrated Utility Consulting Group	Sutherland, Asbill & Brennan
California ISO	International Power Technology	Tabors Caramanis & Associates
Calpine	Interstate Gas Services, Inc.	Tecogen, Inc
Calpine Corp	IUCG/Sunshine Design LLC	TFS Energy
Calpine Gilroy Cogen	J. R. Wood, Inc	Transcanada
Cambridge Energy Research Assoc	JTM, Inc	Turlock Irrigation District
Cameron McKenna	Luce, Forward, Hamilton & Scripps	U S Borax, Inc
Cardinal Cogen	Manatt, Phelps & Phillips	United Cogen Inc.
Cellnet Data Systems	Marcus, David	URM Groups
Chevron Texaco	Matthew V. Brady & Associates	Utility Resource Network
Chevron USA Production Co.	Maynor, Donald H.	Wellhead Electric Company
City of Glendale	MBMC, Inc.	White & Case
City of Healdsburg	McKenzie & Assoc	WMA
City of Palo Alto	McKenzie & Associates	
City of Redding	Meek, Daniel W.	
CLECA Law Office	Mirant California, LLC	
Commerce Energy	Modesto Irrigation Dist	
Constellation New Energy	Morrison & Foerster	
CPUC	Morse Richard Weisenmiller & Assoc.	
Cross Border Inc	Navigant Consulting	
Crossborder Inc	New United Motor Mfg, Inc	
CSC Energy Services	Norris & Wong Associates	
Davis, Wright, Tremaine LLP	North Coast Solar Resources	
Defense Fuel Support Center	Northern California Power Agency	
Department of the Army	Office of Energy Assessments	
Department of Water & Power City	OnGrid Solar	
DGS Natural Gas Services	Palo Alto Muni Utilities	