

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 19, 2010

Advice Letter 3107-G/3643-E

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

**Subject: Establish Electric and Gas SmartMeter Evaluation Memorandum
Account (SEMAs) per the Assigned Commissioner Ruling on
February 16, 2010**

Dear Ms. Yura:

Advice Letter 3107-G/3643-E is effective April 29, 2010.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



March 30, 2010

Advice 3107-G/3643-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Establish Electric and Gas SmartMeter Evaluation Memorandum Account (SEMAs) per the Assigned Commissioner Ruling on February 16, 2010

In accordance with the Assigned Commissioner Ruling (ACR) issued on February 16, 2010, in Application (A.) 09-12-020, Pacific Gas and Electric Company (PG&E) hereby submits a Tier 2 advice letter to establish Electric Preliminary Statement FH, *SmartMeter Evaluation Memorandum Account - Electric (SEMA-E)*, and Gas Preliminary Statement CD, *SmartMeter Evaluation Memorandum Account - Gas (SEMA-G)*, to allow PG&E to track and record the consultant costs related to the evaluation of SmartMeter devices, software and billing systems that support the SmartMeter devices, and other associated expenses. The affected tariff sheets are listed on the enclosed Attachment 1.

Background

The California Public Utilities Commission (Commission) authorized PG&E to deploy SmartMeter devices in Decision (D.) 06-07-027, followed by D.09-03-026 authorizing an upgrade. In response to public concerns raised about PG&E's deployment of SmartMeter devices in the San Joaquin Valley, the Commission determined at its November 20, 2009 business meeting that independent testing of PG&E's SmartMeter devices and related software, should be undertaken. Pursuant to Public Utilities Code Section 632, the Commission found that extraordinary circumstances justify expedited contracting by the Commission for the necessary consulting services.

On February 16, 2010, Commissioner Michael R. Peevey issued an Assigned Commissioner Ruling in A.09-12-020 directing PG&E to pay the Commission's consultant expenses related to the evaluation of SmartMeter devices, software and billing systems that support the SmartMeter devices and all other expenses involved in the consultant's evaluation of PG&E's SmartMeter program.

The ACR required PG&E to meet and confer with Energy Division prior to submitting the advice letter regarding appropriate tariff language. PG&E provided a draft of this advice letter to the Energy Division staff for their review prior to its submittal. In a March 25, 2010 telephone discussion, the Energy Division staff agreed that PG&E can file the advice letter subject to the normal CPUC review process that will take place after it has been filed.

Proposed Preliminary Statements

Pursuant to the February 16, 2010 ACR, PG&E is requesting Commission authority to establish the electric and gas SmartMeter Evaluation Memorandum Accounts (SEMA-E and SEMA-G) to track and record costs associated with the independent consultant evaluation.

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 **April 19, 2010**, which is 20 days after the date of this filing. Protests should be mailed to:

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

Facsimile: (415) 703-2200
E-mail: mas@cpuc.ca.gov and jnj@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 also should 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:

Pacific Gas and Electric Company
Attention: Jane Yura
Vice President, Regulation and Rates
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

Facsimile: (415) 973-6520
E-mail: PGETariffs@pge.com

Effective Date

PG&E requests that this advice filing become effective on **April 29, 2010**, which is 30 days from the date of this filing. Per the February 16, 2010 ACR, PG&E submits this advice letter as a Tier 2 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 on the service lists for A.07-12-009 and A.09-12-020. Advice letter filings can also be accessed electronically at: **<http://www.pge.com/tariffs>**.

Handwritten signature of Jane Yura-OB in black ink.

Vice President, Regulation and Rates

Attachments

cc: Service List for A.07-12-009
Service List for A.09-12-020

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 M)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Olivia Brown

Phone #: 415.973.9312

E-mail: oxb4@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) #: 3107-G/3643-E

Tier: 2

Subject of AL: Establish Electric and Gas SmartMeter Evaluation Memorandum Account (SEMAs) per the Assigned Commissioner Ruling on February 16, 2010

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 #: 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 AL: N/A

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: N/A

Resolution Required? Yes No

Requested effective date: April 29, 2010

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). N/A

Tariff schedules affected: New Electric Preliminary Statement FH and New Gas Preliminary Statement CD

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:

**CPUC, Energy Division
Tariff Files, Room 4005
DMS Branch**

**505 Van Ness Ave., San Francisco, CA 94102
jn@cpuc.ca.gov and mas@cpuc.ca.gov**

Pacific Gas and Electric Company

Attn: Jane K. Yura, Vice President, Regulation and Rates

77 Beale Street, Mail Code B10B

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 3107-G**

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

Title of Sheet

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

28120-G GAS PRELIMINARY STATEMENT PART CD
SMARTMETER EVALUATION MEMORANDUM
ACCOUNT - GAS
Sheet 1

28121-G GAS TABLE OF CONTENTS
Sheet 1

28118-G

28122-G GAS TABLE OF CONTENTS
Sheet 5

28116-G



GAS PRELIMINARY STATEMENT PART CD
SMARTMETER EVALUATION MEMORANDUM ACCOUNT - GAS

Sheet 1 (N)
 (N)

CD. SMARTMETER EVALUATION MEMORANDUM ACCOUNT - GAS (SEMA-G)

(N)

1. **PURPOSE:** The purpose of the SEMA-G is to record and track costs associated with the payment of the Commission's consultant costs related to the evaluation of PG&E's SmartMeter Program, as set forth in the Assigned Commissioner Ruling issued in Application 09-12-020 on February 16, 2010. Applicable costs include any of the Commission's consultant expenses related to the evaluation of SmartMeter devices, software and billing systems that support the SmartMeter devices, and all other consultant expenses involved in the consultant's evaluation of PG&E's SmartMeter Program. (N)
2. **APPLICABILITY:** The SEMA-G shall apply to all gas customers except for those specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balance in this account shall be determined in the Commission proceeding A.09-12-020.
4. **RATES:** This account does not currently have a rate component.
5. **ACCOUNTING PROCEDURE:** PG&E shall make entries to this account at the end of each month as follows:
 - a) A debit entry equal to any consultant expense submitted by the Commission for the activities set forth above.
 - b) A debit or credit entry to transfer the balance to other regulatory accounts as appropriate for rate recovery, upon approval by the Commission.
 - c) A debit or credit entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entry, at a rate equal to one-twelfth of the rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(N)



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Sheet 1

TITLE OF SHEET	CAL P.U.C. SHEET NO.	
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Preliminary Statements	28099,28122-G	(T)
Rules	27883-G	
Maps, Contracts and Deviations.....	23208-G	
Sample Forms	27715,27626,27262,27113,25059-G	

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Part AC	Catastrophic Event Memorandum Account.....	14178,14179-G
Part AE	Core Pipeline Demand Charge Account.....	23301-G
Part AG	Core Firm Storage Account.....	23280-G
Part AN	Hazardous Substance Mechanism.....	23281-23283,16693-16694-G
Part AW	Self-Generation Program Memorandum Account	24767-G
Part BA	Public Purpose Program-Energy Efficiency.....	23360-23361-G
Part BB	Public Purpose Program Memorandum Account	23362-23363-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
Part BL	Noncore Distribution Fixed Cost Account.....	24740-G
Part BP	SmartMeter Project Balancing Account-Gas	24123-24124-G
Part BQ	Pension Contribution Balancing Account	24853,24224-G
Part BS	Climate Balancing Account	24741-G
Part BT	Non-Tariffed Products and Services Balancing Account.....	26710-G
Part BW	Energy Efficiency 2009 – 2011 Memorandum Account.....	27418,27419-G
Part BZ	Gas Disconnection Memorandum Account.....	28046-G
Part CC	Sempre and Price Indexing Cases Gas Settlement Refund Memorandum Account (SPGSRMA).....	28111-G
Part CD	SmartMeter Evaluation Memorandum Account (SEMA-G).....	28120-G

(N)

(Continued)

**ATTACHMENT 1
Advice 3643-E**

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

Title of Sheet

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

29149-E ELECTRIC PRELIMINARY STATEMENT PART
FH
SMARTMETER EVALUATION MEMORANDUM
ACCOUNT - ELECTRIC
Sheet 1

29150-E ELECTRIC TABLE OF CONTENTS
Sheet 1

29057-E

29151-E ELECTRIC TABLE OF CONTENTS
PRELIMINARY STATEMENT
Sheet 9

28935-E



ELECTRIC PRELIMINARY STATEMENT PART FH
SMARTMETER EVALUATION MEMORANDUM ACCOUNT - ELECTRIC

Sheet 1 (N)
 (N)

FH. SMARTMETER EVALUATION MEMORANDUM ACCOUNT - ELECTRIC (SEMA-E) (N)

1. PURPOSE: The purpose of the SEMA-E is to record and track costs associated with the payment of the Commission's consultant costs related to the evaluation of PG&E's SmartMeter Program, as set forth in the Assigned Commissioner Ruling issued in Application 09-12-020 on February 16, 2010. Applicable costs include any of the Commission's consultant expenses related to the evaluation of SmartMeter devices, software and billing systems that support the SmartMeter devices, and all other consultant expenses involved in the consultant's evaluation of PG&E's SmartMeter Program. (N)
2. APPLICABILITY: The SEMA-E shall apply to all electric customers except for those specifically excluded by the Commission.
3. REVISION DATE: Disposition of the balance in this account shall be determined in the Commission proceeding A.09-12-020.
4. RATES: This account does not currently have a rate component.
5. ACCOUNTING PROCEDURE: PG&E shall make entries to this account at the end of each month as follows:
 - a) A debit entry equal to any consultant expense submitted by the Commission for the activities set forth above.
 - b) A debit or credit entry to transfer the balance to other regulatory accounts as appropriate for rate recovery, upon approval by the Commission.
 - c) A debit or credit entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entry, at a rate equal to one-twelfth of the rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (N)



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Sheet 1

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	Preliminary Statements	29055,28907,28585,29151-E	(T)
	Rules	29056-E	
	Sample Forms	28385,28922,28932,28261,27639,28706,28424,28366-E	

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PRELIMINARY STATEMENT

Sheet 9

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
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Part EA	Internal Combustion Conversion Incentives Balancing Account.....	23642-E
Part EC	Demand Response Expenditures Balancing Account (DREBA).....	27867, 27868-E
Part ED	Demand Response Revenue Balancing Account (DRRBA).....	27869-E
Part EF	Procurement Energy Efficiency Revenue Adjustment Mechanism (PEERAM)	25392-E
Part EH	Negative Indifference Amount Memorandum Account (NIAMA).....	25088-E
Part EI	SmartMeter Project Balancing Account - Electric	28231,28232-E
Part EJ	Pension Contribution Balancing Account.....	26297,25228-E
Part EK	Land Conservation Plan Implementation Account (LCPIA)	26324-E
Part EL	Renewables Portfolio Standard Cost Memorandum Account.....	27643-E
Part EM	ClimateSmart Balancing Account	26098-E
Part EN	British Columbia Renewable Study Balancing Account.....	28041-E
Part EO	California Solar Initiative Balancing Account	26211-26213-E
Part EP	Market Redesign and Technology Upgrade Memorandum Account	27623, 27624-E
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Part ER	Air Conditioning Tracking Memorandum Account	26721 -E
Part ET	Non-Tariffed Products and Services Balancing Account.....	26730-E
Part EV	Air Conditioning Expenditures Balancing Account.....	27297-E
Part EW	Long-Term Procurement Plan Technical Assistance Memorandum Account.....	27311-E
Part EX	Dynamic Pricing Memorandum Account.....	27667-27669-E
Part EY	Energy Efficiency 2009-2011 Memorandum Account.....	28022-28023-E
Part EZ	Land Conservation Plan Environmental Remediation Memorandum Account	27881-E
Part FA	Gateway Settlement Balancing Account.....	28019-E
Part FB	Fire Hazard Prevention Memorandum Account.....	28410-E
Part FD	Smart Grid Project Memorandum Account.....	28563-E
Part FF	Electric Disconnection Memorandum Account.....	28933-E
Part FH	SmartMeter Evaluation Memorandum Account – Electric (SEMA-E).....	29149-E (N)

(Continued)

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

Aglet	Day Carter Murphy	Occidental Energy Marketing, Inc.
Alcantar & Kahl	Defense Energy Support Center	OnGrid Solar
Ameresco	Department of Water Resources	Praxair
Anderson & Poole	Department of the Army	R. W. Beck & Associates
Arizona Public Service Company	Dept of General Services	RCS, Inc.
BART	Division of Business Advisory Services	Recon Research
BP Energy Company	Douglass & Liddell	SCD Energy Solutions
Barkovich & Yap, Inc.	Downey & Brand	SCE
Bartle Wells Associates	Duke Energy	SMUD
Bloomberg New Energy Finance	Dutcher, John	SPURR
Boston Properties	Economic Sciences Corporation	Santa Fe Jets
C & H Sugar Co.	Ellison Schneider & Harris LLP	Seattle City Light
CA Bldg Industry Association	Foster Farms	Sempra Utilities
CAISO	G. A. Krause & Assoc.	Sierra Pacific Power Company
CLECA Law Office	GLJ Publications	Silicon Valley Power
CSC Energy Services	Goodin, MacBride, Squeri, Schlotz & Ritchie	Silo Energy LLC
California Cotton Ginners & Growers Assn	Green Power Institute	Southern California Edison Company
California Energy Commission	Hanna & Morton	Sunshine Design
California League of Food Processors	International Power Technology	Sutherland, Asbill & Brennan
California Public Utilities Commission	Intestate Gas Services, Inc.	Tabors Caramanis & Associates
Calpine	Los Angeles Dept of Water & Power	Tecogen, Inc.
Cameron McKenna	Luce, Forward, Hamilton & Scripps LLP	Tiger Natural Gas, Inc.
Casner, Steve	MBMC, Inc.	Tioga Energy
Chamberlain, Eric	MRW & Associates	TransCanada
Chris, King	Manatt Phelps Phillips	Turlock Irrigation District
City of Glendale	McKenzie & Associates	U S Borax, Inc.
City of Palo Alto	Merced Irrigation District	United Cogen
Clean Energy Fuels	Mirant	Utility Cost Management
Coast Economic Consulting	Modesto Irrigation District	Utility Specialists
Commerce Energy	Morgan Stanley	Verizon
Commercial Energy	Morrison & Foerster	Wellhead Electric Company
Consumer Federation of California	NRG West	Western Manufactured Housing Communities Association (WMA)
Crossborder Energy	New United Motor Mfg., Inc.	eMeter Corporation
Davis Wright Tremaine LLP	Norris & Wong Associates	
	North Coast SolarResources	