

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 6, 2010

Advice Letter 3154-G

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 Gas Preliminary Statement CE, *San Bruno*
*Independent Review Panel Memorandum Account***

Dear Ms. Yura:

Advice Letter 3154-G is effective October 6, 2010.

Sincerely,

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

Julie A. Fitch, Director
Energy Division



Jane K. Yura
Vice President
Regulation and Rates

Pacific Gas and Electric Company
77 Beale St., Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-6520

October 15, 2010

Advice 3154-G

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

**Subject: Establish Gas Preliminary Statement CE, San Bruno
Independent Review Panel Memorandum Account**

Pacific Gas and Electric Company (PG&E) hereby submits this Advice Letter to establish Gas Preliminary Statement CE, the *San Bruno Independent Review Panel Memorandum Account (SBIRPMA)*.

Purpose

PG&E files this Advice Letter in compliance with Ordering Paragraph 3 of Resolution L-405, which authorizes PG&E to establish the SBIRPMA to record the costs that will be incurred by the Independent Review Panel.

Background

On September 23, 2010, the California Public Utilities Commission (Commission, CPUC) adopted Resolution L-403, establishing an Independent Review Panel tasked with conducting a comprehensive study and investigation of the September 9, 2010 explosion and fire along a PG&E natural gas transmission pipeline in San Bruno, California. The investigation by the Panel will include a technical assessment of events, their root cause, and recommendations for action by the Commission to best ensure such an incident is not repeated elsewhere. The Panel will also review the facts gathered and make recommendations to the Commission for the improvement of the safe management of PG&E's natural gas transmission lines.

On October 14, 2010, the Commission identified the members of the Independent Review Panel and adopted Resolution L-405, which declared that an emergency exists requiring immediate action by the Commission to hire expert consultants immediately to assist the Panel to investigate the safety of increasing the pressure of PG&E's pipeline to its normal operating pressure during the winter of 2010 through 2011, or whether other measures should be taken to ensure a sufficient supply of natural gas to PG&E customers on the San Francisco Peninsula and the City and County of San Francisco.

In Resolution L-405, the Commission ordered that PG&E pay for the costs of the Independent Review Panel and record such costs in a memorandum account. Resolution L-405 further stated that issues regarding the allocation of costs of the Panel between shareholders and customers shall be determined later.

Proposed Preliminary Statement

Pursuant to OP 3 of Resolution L-405, PG&E is requesting Commission authority to establish Gas Preliminary Statement CE, the SBIRPMA for gas (SBIRPMA-G), and record the costs of the Independent Review Panel.

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 **October 25, 2010**, which is 10 days after the date of this filing¹. Protests should be mailed to:

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

Facsimile: (415) 703-2200
E-mail: jnj@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 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:

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, California 94177

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

¹ Pursuant to General Order 96-B, Section 1.3, in a specific instance and for good cause, the Director of the appropriate Industry Division may shorten the protest and reply period under the General Rules.

Effective Date

PG&E requests that this Tier 2 advice filing become effective as of October 6, 2010, so that the costs billed to and paid by PG&E for the Independent Review Panel beginning on October 6, 2010, can be tracked in the SBIRPMA.

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 lists for A.09-09-013 and A.09-12-020. Address changes to the General Order 96-B service list 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. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

A handwritten signature in black ink that reads "Jane Yura-OB". The signature is written in a cursive style.

Vice President - Regulation and Rates

cc: Service Lists for A.09-09-013 and A.09-12-020

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 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) #: 3154-G

Tier: 2

Subject of AL: San Bruno Independent Review Panel Memorandum Account

Keywords (choose from CPUC listing): Compliance, Memorandum Account

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Resolution L-405

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: October 6, 2010

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). N/A

Tariff schedules affected: new Electric Preliminary Statement CE

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

jnj@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 3154-G**

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

Title of Sheet

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

28559-G GAS PRELIMINARY STATEMENT CE
SAN BRUNO INDEPENDENT REVIEW PANEL
MEMORANDUM ACCOUNT (SBIRPMA)
Sheet 1

28560-G GAS TABLE OF CONTENTS
Sheet 1

28557-G

28561-G GAS TABLE OF CONTENTS
Sheet 5

28425-G



GAS PRELIMINARY STATEMENT CE
SAN BRUNO INDEPENDENT REVIEW PANEL MEMORANDUM ACCOUNT
(SBIRPMA)

Sheet 1 (N)
 (N)

CE. SAN BRUNO INDEPENDENT REVIEW PANEL MEMORANDUM ACCOUNT (SBIRPMA) (N)

1. **PURPOSE:** The purpose of the SBIRPMA is to record the costs of an Independent Review Panel (Panel) of experts established by the Commission under Resolution L-403, adopted on September 23, 2010. The Independent Review Panel was established for the purposes of conducting a comprehensive study and investigation of the September 9, 2010 explosion and fire along a PG&E natural gas transmission pipeline in San Bruno, California. The Panel's investigation shall include a technical assessment of the events and their root causes, and recommendations for action by the Commission to best ensure such an accident is not repeated elsewhere. The Panel's recommendations may include changes to design, construction, operation, maintenance, and replacement of natural gas facilities, management practices at PG&E in the areas of pipeline integrity and public safety, regulatory changes by the Commission itself, statutory changes to be recommended by the Commission, and other recommendations deemed appropriate by the Panel. The Panel will also review the facts gathered and make recommendations to the Commission for the improvement of the safe management of PG&E's natural gas transmission lines. The allocation of costs of the Panel between PG&E shareholders and customers shall be determined by the Commission in a future proceeding. (N)
2. **APPLICABILITY:** The SBIRPMA shall apply to all gas customers except for those specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balance in the account shall be determined by the Commission in a future proceeding.
4. **RATES:** The SBIRPMA does not have a separate rate component.
5. **ACCOUNTING PROCEDURE:**
 PG&E shall make entries at the end of each month as follows:
 - a) A debit entry equal to any cost of the Independent Review Panel of experts for the purposes of conducting a comprehensive study and investigation of the September 9, 2010 explosion and fire along a PG&E natural gas transmission pipeline in San Bruno, California.
 - b) A debit or credit entry equal to any other amounts authorized by the Commission to be recorded in this account.
 - c) A debit or credit entry equal to any amount authorized by the Commission to transfer amounts to other regulatory accounts, as appropriate, for rate recovery.
 - d) 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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Part AN	Hazardous Substance Mechanism.....	23281-23283,16693-16694-G
Part AW	Self-Generation Program Memorandum Account	24767-G
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Part BI	Public Purpose Program Surcharge-Research, Development and Demonstration Balancing Account.....	23365,23366-G
Part BL	Noncore Distribution Fixed Cost Account.....	28415-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.....	28304,27419-G
Part BX	Wildfire Expense Memorandum Account.....	27806-G
Part BY	On-Bill Financing Balancing Account (OBFBA).....	28305-G
Part BZ	Gas Disconnection Memorandum Account.....	28046-G
Part CA	California Solar Initiative Thermal Program Memorandum Account.....	28059,28060
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Part CD	SmartMeter Evaluation Memorandum Account – Gas.....	28120-G
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(Continued)

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

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