

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



June 27, 2012

**Advice Letters 3302G and 4050E**

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

**Subject: Add One New Site to Hazardous Substance Mechanism.**

Dear Mr. Cherry:

Advice Letters 3302-G and 4050-E is effective June 22, 2012

Sincerely,

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

Edward F. Randolph, Director  
Energy Division



Brian K. Cherry  
Vice President  
Regulation and Rates

Pacific Gas and Electric Company  
77 Beale St., Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

Fax : 415-973-6520

May 23, 2012

**Advice 3302-G/4050-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject: Add One New Site to Hazardous Substance Mechanism**

**Purpose**

Pacific Gas & Electric Company (“PG&E”) hereby requests California Public Utilities Commission (“Commission”) approval to include one additional site in the Hazardous Substance Cost Recovery Account as referenced within Gas Preliminary Statement Part AN and Electric Preliminary Statement Part S, *Hazardous Substance*, in compliance with Decision (“D.”) 94-05-020. A description of each site is set forth in Attachment I to this filing. The site is as follows:

| Site Name  | Location   |
|------------|--|
| Ultra-Chem | 1300-1310 Old Bayshore Highway<br>San Jose, California |

**Background**

D.94-05-020 requires California utilities to file an advice letter in order to include additional sites as part of the Hazardous Substance Mechanism. For each site the advice letter shall list: 1) the name of the site(s); 2) the location of the site(s); 3) the source, nature and approximate date of the contamination; 4) utility operations (historical and current) at the site(s), if any; and 5) environmental agency actions and oversight regarding the site(s), if any. In addition, D. 96-07-016 requires utilities to demonstrate that: 1) clean-up costs for which recovery is being sought are not being recovered through base rates or through any other recovery procedure, and 2) all of the costs for which recovery is being sought are hazardous waste clean-up costs (including insurance costs) found appropriate for recovery in the Collaborative Report.

**Protests**

Anyone wishing to protest this filing may do so by sending a letter by **June 12, 2012**, which is **20** 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:

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

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

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and facsimile to Pacific Gas and Electric Company on the same date it is mailed or delivered to the Commission at the address shown below:

Pacific Gas and Electric Company  
Attention: Brian K. Cherry  
Vice President, Regulation and Rates  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-6520  
E-mail: PG&ETariffs@pge.com

**Effective Date**

PG&E requests that this advice filing become effective on **June 22, 2012**, which is 30 days after the date of filing. This Advice Letter is submitted 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. Address changes to the General Order 96-B service list and all electronic approvals 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](mailto:Process_Office@cpuc.ca.gov). Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs/>.

A handwritten signature in black ink that reads "Brian Cherry" followed by a stylized flourish.

Vice President – Regulation and Rates

cc: Robert Finkelstein - TURN ([bfinkelstein@turn.org](mailto:bfinkelstein@turn.org))

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: Greg Backens

Phone #: 415-973-4390

E-mail: gab4@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) #: **3302-G/4050-E**

**Tier: 2**

Subject of AL: **Add One New Site to Hazardous Substance Mechanism**

Keywords (choose from CPUC listing): Hazardous Waste

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: 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? No.

If so, what information is the utility seeking confidential treatment for: N/A

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: **June 22, 2012**

No. of tariff sheets: 0

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

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**

**EDTariffUnit@cpuc.ca.gov**

**Pacific Gas and Electric Company**

**Attn: Brian K. Cherry, Vice President, Regulation and Rates**

**77 Beale Street, Mail Code B10C**

**P.O. Box 770000**

**San Francisco, CA 94177**

**E-mail: PGETariffs@pge.com**

**Site Name: Ultra-Chem**

**Location: 1300-1310 Old Bayshore Highway, San Jose, California**

**Source, Nature, and Approximate Date of Contamination:**

Based on a Department of Toxic Substances Control (DTSC) Enforcement Order, various businesses have historically operated at the site, including pesticide, fungicide, insecticide, and weed killer manufacturing; hazardous waste management, storage, treatment and transfer; and auto salvage and dismantling. The nature of the contaminants identified at the site are varied, and include; dichlorodiphenyldichloroethane (4, 4' – DDD), pentachlorophenol, dichlorodiphenyltrichloroethane (4, 4 – DDT), methylene chloride, pesticides, volatile organic compounds, semi-volatile organic compounds, total petroleum hydrocarbons, chlorinated biphenyls, cyanides and metals. Most of the contaminants have been identified in the soil and groundwater. The dates of releases are between 1983-1986.

**Utility Operations at the Site:**

PG&E has never had any type of ownership interest in the site or conducted any utility operations there. PG&E's involvement in an enforcement order recently issued by DTSC appears to stem from PG&E's status as a generator of hazardous waste, which may have been transported to the site by PG&E's contractor(s).

**Environmental Agency Actions:**

Agency involvement at this site dates back to a least 1977. Since then, the Department of Health Services (predecessor to DTSC), the San Francisco Bay Regional Water Quality Control Board, Santa Clara County and DTSC have all been involved, at different times. While releases were initially identified in 1977, and through the present, the site has not been cleaned up. In 2003, the DTSC completed a RCRA Facility Assessment, identifying 11 Single Waste Management Units (SWMUs). Three parties entered into a Voluntary Cleanup Agreement with DTSC in 2008, for a limited investigation. On May 2, 2012, DTSC issued an Enforcement Order for Corrective Action naming PG&E as a Respondent, along with 64 other entities. The Enforcement Order is effective May 22, 2012.

**Nature of Costs:**

The cleanup costs for which PG&E is seeking HSM recovery are not being recovered in base rates or through any other recovery procedure. All cleanup costs to be recorded by PG&E in the HSM memorandum accounts will be hazardous waste cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.

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

|  |   |  |
|--|---|--|
| AT&T                                     | Dept of General Services                    | North Coast SolarResources                                 |
| Alcantar & Kahl LLP                      | Douglass & Liddell                          | Occidental Energy Marketing, Inc.                          |
| Ameresco                                 | Downey & Brand                              | OnGrid Solar   |
| Anderson & Poole                         | Duke Energy                                 | Praxair  |
| BART                                     | Economic Sciences Corporation               | R. W. Beck & Associates                                    |
| Barkovich & Yap, Inc.                    | Ellison Schneider & Harris LLP              | RCS, Inc.  |
| Bartle Wells Associates                  | Foster Farms                                | Recurrent Energy   |
| Bloomberg                                | G. A. Krause & Assoc.                       | SCD Energy Solutions                                       |
| Bloomberg New Energy Finance             | GLJ Publications                            | SCE  |
| Boston Properties                        | GenOn Energy, Inc.                          | SMUD   |
| Braun Blaising McLaughlin, P.C.          | Goodin, MacBride, Squeri, Schlotz & Ritchie | SPURR  |
| Brookfield Renewable Power               | Green Power Institute                       | San Francisco Public Utilities Commission                  |
| CA Bldg Industry Association             | Hanna & Morton                              | Seattle City Light   |
| CLECA Law Office                         | Hitachi                                     | Sempra Utilities   |
| CSC Energy Services                      | In House Energy                             | Sierra Pacific Power Company                               |
| California Cotton Ginners & Growers Assn | International Power Technology              | Silicon Valley Power                                       |
| California Energy Commission             | Intestate Gas Services, Inc.                | Silo Energy LLC  |
| California League of Food Processors     | Lawrence Berkeley National Lab              | Southern California Edison Company                         |
| California Public Utilities Commission   | Los Angeles Dept of Water & Power           | Spark Energy, L.P.   |
| Calpine                                  | Luce, Forward, Hamilton & Scripps LLP       | Sun Light & Power  |
| Casner, Steve                            | MAC Lighting Consulting                     | Sunrun Inc.  |
| Center for Biological Diversity          | MBMC, Inc.                                  | Sunshine Design  |
| Chris, King                              | MRW & Associates                            | Sutherland, Asbill & Brennan                               |
| City of Palo Alto                        | Manatt Phelps Phillips                      | Tecogen, Inc.  |
| City of Palo Alto Utilities              | Marin Energy Authority                      | Tiger Natural Gas, Inc.                                    |
| City of San Jose                         | McKenzie & Associates                       | TransCanada  |
| City of Santa Rosa                       | 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        | Morrison & Foerster LLP                     | Verizon  |
| Crossborder Energy                       | NLine Energy, Inc.                          | Wellhead Electric Company                                  |
| Davis Wright Tremaine LLP                | NRG West                                    | Western Manufactured Housing Communities Association (WMA) |
| Day Carter Murphy                        | NaturEner                                   | eMeter Corporation   |
| Defense Energy Support Center            | Norris & Wong Associates                    |  |
| Department of Water Resources            | North America Power Partners                |  |