



ELECTRIC PRELIMINARY STATEMENT PART P
CUSTOMER ENERGY EFFICIENCY ADJUSTMENT

Sheet 1

P. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA)

1. PURPOSE: The purpose of the Customer Energy Efficiency Adjustment (CEEA) is to: 1) reflect in rates any incentives earned under the Customer Energy Efficiency (CEE) incentive mechanism; and 2) to track the electric portion of Energy Savings Assistance (ESA) program, formerly Low-Income Energy Efficiency (LIEE) program, expenditures against the Electric portion of ESA program funding. (D)/(N)
(T)
2. APPLICABILITY: The CEEA shall apply to all rate schedules and contracts for electric service subject to the jurisdiction of the Commission, except for those schedules and contracts specifically excluded by the Commission.
3. RATES: The Customer Energy Efficiency Incentive Account (CEEIA) balance is included the effective rates set forth in each electric rate schedule (see Preliminary Statement, Part B), as applicable. The other subaccount of the CEEA is a one-way expense tracking account and does not have a rate component. (T)
(T)
4. ACCOUNTING PROCEDURE: The CEEA consists of the following two subaccounts: (T)
 - The "Customer Energy Efficiency Incentive Account" (CEEIA), purpose is to record amounts to be reflected in rates for any incentives earned or penalties incurred by PG&E under the Customer Energy Efficiency (CEE) incentive mechanism. (D)
 - The "Electric Public Purpose Program Low-Income Balancing Account" (PPPLIBA), purpose is to track the electric portion of PG&E's ESA program expenditures against the Electric PCG portion of ESA program funding. (T)
(T)

(Continued)



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CUSTOMER ENERGY EFFICIENCY ADJUSTMENT

Sheet 2

P. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA) (Cont'd)

5. Customer Energy Efficiency Incentive Balancing Account (CEEIA): The following entries will be made to this subaccount each month or as applicable:
 - a. A debit or credit entry equal to the electric portion of CEE shareholder incentives earned or penalties incurred by PG&E, as authorized by the Commission to be recovered in rates;
 - b. A credit entry equal to the revenues from the CEE Incentive Rate component, excluding an allowance for Franchise Fees and Uncollectible Accounts Expense (F&U);
 - c. A debit or credit entry equal to any amounts authorized by the Commission to be recorded in this subaccount;
 - d. A debit or credit entry, as appropriate, to transfer the balance to other accounts for recovery in rates, as approved by the Commission; and
 - e. Interest does not accrue in this subaccount pursuant to Decision (D.) 07-09-043.

(D)

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Advice Letter No: 3667-E-A
 Decision No. D.09-09-047

Issued by
Jane K. Yura
 Vice President
 Regulation and Rates

Date Filed June 17, 2010
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 Resolution No. _____



ELECTRIC PRELIMINARY STATEMENT PART P
CUSTOMER ENERGY EFFICIENCY ADJUSTMENT

Sheet 3

P. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA) (Cont'd.)

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|----|---|-----|-----|
| | | (D) | |
| 6. | Electric Public Purpose Program Low-Income Balancing Account (PPPLIBA): The following entries will be made to this subaccount each month or as applicable: | (T) | (L) |
| a. | A debit entry equal to the electric portion of expenses incurred for authorized LIEE program-related activities; | | |
| b. | A credit entry equal to one-twelfth of the Electric PGC portion of authorized LIEE programs for the current program year (See corresponding debit entry in electric Preliminary Statement Part DA - Public Purpose Programs Revenue Adjustment Mechanism); | | |
| c. | A debit or credit entry equal to any amounts authorized by the Commission to be recorded in this subaccount; | | |
| d. | A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the Commission; and | | |
| e. | An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth the interest rate on Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release H.15, or its successor. | | |
| | | | (L) |

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ELECTRIC PRELIMINARY STATEMENT PART P
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Sheet 4

P. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA) (Cont'd.)

- 7. Electric Public Purpose Program Low-Income Balancing Account (PPPLIBA): The following entries will be made to this subaccount each month or as applicable: (L)

 - a. A debit entry equal to the electric portion of expenses incurred for authorized LIEE program-related activities; |
 - b. A credit entry equal to one-twelfth of the Electric PGC portion of authorized LIEE programs for the current program year (See corresponding debit entry in electric Preliminary Statement Part DA - Public Purpose Programs Revenue Adjustment Mechanism); |
 - c. A debit or credit entry equal to any amounts authorized by the Commission to be recorded in this subaccount; |
 - d. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the Commission; and |
 - e. An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth the interest rate on Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release H.15, or its successor. | (L)