

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



June 23, 2009

**Advice Letter 3377-E**

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: Notice of the Transmission Access Charge Balancing Account  
Adjustment (TACBAA) Filing with the Federal Energy Regulatory  
Commission**

Dear Mr. Cherry:

Advice Letter 3377-E is effective March 1, 2009.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie A. Fitch".

Julie A. Fitch, Director  
Energy Division



December 15, 2008

**Advice 3377-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Notice of the Transmission Access Charge Balancing Account Adjustment (TACBAA) filing with the Federal Energy Regulatory Commission**

**Purpose**

Pacific Gas and Electric Company (PG&E) hereby submits this advice letter to provide the Commission with notice of PG&E's recent Transmission Access Charge Balancing Account Adjustment (TACBAA) filing with the Federal Energy Regulatory Commission (FERC).

**Background**

On December 5, 2008, PG&E filed its TACBAA filing with FERC in Docket No. ER09-376-000. Commission Resolution E-3930, approved on May 26, 2005, established a new process for CPUC notification and review of transmission-related changes, and embodies this understanding in new Process Element 1, where it states, "The Commission recognizes that under the filed rate doctrine, the Commission should allow a pass through of these transmission rates that are filed with and become effective at the FERC." PG&E is filing this advice letter to provide the Commission with notice of the FERC filing to allow the pass through of the transmission rates.

**TACBAA Rate**

The TACBAA is a ratemaking mechanism designed to ensure that the amount of costs shifted from New Participating Transmission Owners (TOs) in the ISO control area to existing TOs will be recovered from PG&E's end-use customers.

As described in the TO Tariff the effective date for the updated TACBAA is March 1 each year. This revision will coincide with several other retail rate adjustments ordered for March 1, 2009, including the effective date of rates proposed in PG&E's TO11 rate case (FERC Docket No. ER08-1318-000).

On October 17, 2008, PG&E filed Advice Letter 3355-E to notify the California Public Utilities Commission (Commission) of PG&E's TO11 transmission rate case filing.

Section 5.7 of PG&E's TO Tariff describes the items to be included in the Transmission Access Charge Balancing Account (TACBA) and sets forth the procedure for revising the TACBAA rate on an annual basis. The 2009 TACBAA rate is based on the balance in the TACBA as of December 31, 2008, and a forecast of the net annual Access Charge billings by the ISO to PG&E during the following year.

The total revenue requirement used in the development of the retail 2009 TACBAA rate is the sum of four components: (1) the forecasted 2009 TACBA costs of negative \$980,830, (2) the balance of the TACBA plus interest as of December 31, 2008, of negative \$4,582,382, and (3) the Franchise Fees and Uncollectible Amount of negative \$57,051. The resultant TACBAA revenue requirement is negative \$5,620,263, and the corresponding rate is negative \$0.00006/kWh.

### **Compliance with Resolution E-3930**

PG&E submits this advice pursuant to Process Element 3 of Resolution E-3930. Consistent with past practice, PG&E has also provided the Commission with a complete copy of the FERC filing on the same date that it was filed with FERC, by service to Mr. Frank Lindh of the Commission's Legal Division.

In this advice, PG&E requests authority to revise each corresponding transmission rate component of its CPUC-jurisdictional tariffs on the date which FERC ultimately authorizes these changes to become effective subject to refund, and to make corresponding adjustments to its total applicable CPUC-jurisdictional rates, with exceptions only as described below for the residential tariffs.

As described under Process Elements 5 and 6 of Resolution E-3930, California Assembly Bill 1X (AB 1X) constraints continue to apply to total rates for residential usage up to 130 percent of baseline ("Tier 1 and 2 usage"). Accordingly, PG&E will revise rates consistent with current practice and in compliance with this requirement.

The TACBA rate will change from (\$0.00039) to (\$0.00006). We will provide the more detailed information prior to March 1, 2009, or the date which FERC ultimately authorizes these TACBAA changes to become effective subject to refund, once all other rate changes that take place on or before March 1, 2009 are identified.

As anticipated under Process Element 4 of Resolution E-3930, PG&E will supplement this advice letter when the requested TACBAA rate changes are approved, modified, denied or have been otherwise acted upon by the FERC. To the extent possible, PG&E proposes to consolidate the final tariff changes with other rate changes occurring at the same time.

### **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 **January 5, 2009**, which is 21 days after the date of this filing. 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: [ijnj@cpuc.ca.gov](mailto:ijnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto: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:

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](mailto:PGETariffs@pge.com)

**Effective Date**

PG&E requests that this advice filing become effective on March 1, 2009.

**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 should be directed to Rose de la Torre at (415) 973-4716. Send all electronic approvals to [PGETariffs@pge.com](mailto: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 "Brian K. Cherry / Sr". The signature is written in a cursive style with a large, sweeping "B" and a long, trailing "y".

Vice President - Regulatory Relations

# 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: Daren Chan

Phone #: (415) 973-5361

E-mail: D1CT@pge.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

Advice Letter (AL) #: **3377-E**

**Tier: 2**

Subject of AL: Notice of the Transmission Access Charge Balancing Account Adjustment (TACBAA) filing with the Federal Energy Regulatory Commission

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 #: Res. E-3930

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:

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:

Resolution Required?  Yes  No

Requested effective date: **March 1, 2009**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): TBD

Estimated system average rate effect (%): TBD

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: Pass-through of FERC rate

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](mailto:jnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto: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](mailto:PGETariffs@pge.com)

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

Aglet	Department of the Army	Northern California Power Association
Agnews Developmental Center	Dept of General Services	Occidental Energy Marketing, Inc.
Alcantar & Kahl	Division of Business Advisory Services	OnGrid Solar
Ancillary Services Coalition	Douglas & Liddell	PPL EnergyPlus, LLC
Anderson & Poole	Douglass & Liddell	Pinnacle CNG Company
Arizona Public Service Company	Downey & Brand	Praxair
BART	Duke Energy	R. W. Beck & Associates
BP Energy Company	Duncan, Virgil E.	RCS, Inc.
Barkovich & Yap, Inc.	Dutcher, John	RMC Lonestar
Bartle Wells Associates	Ellison Schneider & Harris LLP	Recon Research
Blue Ridge Gas	Energy Management Services, LLC	SCD Energy Solutions
Braun & Associates	FPL Energy Project Management, Inc.	SCE
C & H Sugar Co.	Foster Farms	SESCO
CA Bldg Industry Association	Foster, Wheeler, Martinez	SMUD
CAISO	Franciscan Mobilehome	SPURR
CLECA Law Office	G. A. Krause & Assoc.	Santa Fe Jets
CSC Energy Services	GLJ Publications	Seattle City Light
California Cotton Ginners & Growers Assn	Goodin, MacBride, Squeri, Schlotz & Ritchie	Sempra Utilities
California Energy Commission	Green Power Institute	Sequoia Union HS Dist
California League of Food Processors	Hanna & Morton	Sierra Pacific Power Company
California Public Utilities Commission	Heeg, Peggy A.	Silicon Valley Power
Calpine	Hitachi	Smurfit Stone Container Corp
Cameron McKenna	Hogan Manufacturing, Inc.	Southern California Edison Company
Cardinal Cogen	Imperial Irrigation District	St. Paul Assoc.
Casner, Steve	Innercite	Sunshine Design
Cerox	International Power Technology	Sutherland, Asbill & Brennan
Chamberlain, Eric	Intestate Gas Services, Inc.	TFS Energy
Chevron Company	J. R. Wood, Inc.	Tabors Caramanis & Associates
Chris, King	JTM, Inc.	Tecogen, Inc.
City of Glendale	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
City of Palo Alto	Luce, Forward, Hamilton & Scripps LLP	Tioga Energy
City of San Jose	MBMC, Inc.	TransCanada
	MRW & Associates	Turlock Irrigation District

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

<b>Clean Energy Fuels</b>	<b>Manatt Phelps Phillips</b>	<b>U S Borax, Inc.</b>
<b>Coast Economic Consulting</b>	<b>Matthew V. Brady &amp; Associates</b>	<b>United Cogen</b>
<b>Commerce Energy</b>	<b>McKenzie &amp; Associates</b>	<b>Utility Cost Management</b>
<b>Commercial Energy</b>	<b>Meek, Daniel W.</b>	<b>Utility Resource Network</b>
<b>Constellation</b>	<b>Merced Irrigation District</b>	<b>Utility Specialists</b>
<b>Constellation New Energy</b>	<b>Mirant</b>	<b>Vandenberg Air Force</b>
<b>Consumer Federation of California</b>	<b>Modesto Irrigation District</b>	<b>Verizon</b>
<b>Crossborder Energy</b>	<b>Morgan Stanley</b>	<b>Wellhead Electric Company</b>
<b>Davis Wright Tremaine LLP</b>	<b>Morrison &amp; Foerster</b>	<b>Western Manufactured Housing Communities Association (WMA)</b>
<b>Day Carter Murphy</b>	<b>New United Motor Mfg., Inc.</b>	<b>White &amp; Case</b>
<b>Defense Energy Support Center</b>	<b>Norris &amp; Wong Associates</b>	<b>eMeter Corporation</b>
<b>Department of Water Resources</b>	<b>North Coast SolarResources</b>	