

STATE OF CALIFORNIA

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298

ARNOLD SCHWARZENEGGER, Governor



June 3, 2009

**Advice Letter 3451-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: SmartMeter Upgrade Application – Compliance with D.09-03-026**

Dear Mr. Cherry:

Advice Letter 3451-E is effective May 13, 2009.

Sincerely,

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

Julie A. Fitch, Director  
Energy Division

**Brian K. Cherry**  
Vice President  
Regulatory Relations

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

415.973.4977  
Fax: 415.973.7226

April 13, 2009

**Advice 3451-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: SmartMeter Upgrade Application – Compliance With Decision  
09-03-026**

Pacific Gas and Electric Company (PG&E) hereby submits its advice letter in compliance with Ordering Paragraphs 3 and 4 of Decision (D.) 09-03-026 concerning PG&E's upgrade to its SmartMeter program.

**Purpose**

This advice letter meets the requirement to file an advice letter as set forth in D.09-03-026, Ordering Paragraphs 3 and 4.

**Discussion**

Ordering Paragraphs 3 and 4 of D.09-03-026 state:

3. PG&E shall file an advice letter no later than 30 days from the effective date of this decision, to implement rates for 2009 to cover the costs of the SmartMeter Upgrade.
4. PG&E shall use its results of operations model incorporating the costs adopted in this decision to determine the appropriate revenue requirements for the SmartMeter Upgrade project. Detailed results shall be included in PG&E's advice letter that implements rates for the SmartMeter Upgrade.

With regard to Ordering Paragraph 3, PG&E requests that the rate increase authorized by this decision be implemented on or before January 1, 2010. PG&E does not have immediate plans to implement in rates other revenue requirement changes and seeks Commission authority to implement this rate change in conjunction with other changes and in a manner to best smooth rate changes over time, provided PG&E will not implement this change any later than with its next Annual Electric True Up (typically filed in December for rates effective January 1). If PG&E determines that this rate change is best implemented before January 1, it

will file an advice letter including rates and updated revenue requirements at least five days before the proposed implementation date.

In accordance with Ordering Paragraph 4, PG&E has calculated the annual revenue requirements adopted by this decision for five years. The estimated revenue requirements are summarized below<sup>1</sup>:

Year	Revenue Requirement
2009	\$8.92 million
2010	\$25.997 million
2011	\$47.159 million
2012	\$84.686 million
2013	\$74.426 million

### **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 **May 4, 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: [jnj@cpuc.ca.gov](mailto:jnj@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

---

<sup>1</sup> Work papers are available upon written request.

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 regular notice, **May 13, 2009**, which is 30 calendar days after the date of 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 the parties on the service list for A.07-12-009. 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>



Vice President, Regulatory Relations

Attachments

cc: Service List A.07-12-009

# 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: Contact Person: Megan Lawson  
 ELC  GAS Phone #: (415) 973-1877  
 PLC  HEAT  WATER E-mail: mehr@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) #: 3451-E

Tier: [2]

Subject of AL: SmartMeter Upgrade Application – Compliance With Decision 09-03-026

Keywords (choose from CPUC listing): compliance, demand side management

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.09-03-026

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: May 13, 2009

No. of tariff sheets: N/A

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:

Service affected and changes proposed:

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: 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

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