September 30, 2009

Advice Letter 3042-G/3516-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: Add Additional Site to the Hazardous Substance Mechanism

Dear Mr. Cherry:

Advice Letter 3042-G/3516-E is effective September 20, 2009.

Sincerely,

Julie A. Fitch, Director
Energy Division
August 21, 2009

Advice 3042-G/3516-E
(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Add Additional Site to the Hazardous Substance Mechanism

Purpose

Pacific Gas & Electric Company (PG&E) hereby requests Commission approval to include one additional site, Greyhound Bus Depot Property located in 425 Front St., Santa Cruz, CA, to its Hazardous Substance Cost Recovery Account as referenced within Gas and Electric Preliminary Statements Part AN and Part S Hazardous Substance Mechanism, in compliance with Decision (D.) 94-05-020. A description of the site is set forth in Attachment I to this filing.

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 September 10, 2009, 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:
Advice 3042-G/3516-E
- 2 -

August 21, 2009

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: mas@cpuc.ca.gov and jni@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4005 and Honesto Gatchalian, Energy Division, at the address shown above. It is also requested that a copy of the protest be sent via postal mail and facsimile to PG&E 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, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177
Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Effective Date

PG&E requests that this advice filing become effective on September 20, 2009, 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 should be directed to San Heng (415) 973-2640. Approval letters should be sent to PG&E Tariffs at PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs/

Vice President - Regulatory Relations

Attachment 1 – Site Descriptions
**Company name/CPUC Utility No.** Pacific Gas and Electric Company (ID U39 M)  

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: San Heng</th>
<th>Phone #: 415-973-2640</th>
<th>E-mail: <a href="mailto:S1HQ@PGE.COM">S1HQ@PGE.COM</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>☑ GAS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ PLC</td>
<td>☐ HEAT</td>
<td>☐ WATER</td>
<td></td>
</tr>
</tbody>
</table>

**EXPLANATION OF UTILITY TYPE**  
ELC = Electric  
GAS = Gas  
PLC = Pipeline  
HEAT = Heat  
WATER = Water

**Advice Letter (AL) #:** 3042-G/3516-E  
**Tier:** [2]  
**Subject of AL:** Add Additional Site to the Hazardous Substance Mechanism  
**Keywords (choose from CPUC listing):** HSM

**AL filing type:** ☑ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other  
**If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:** Doesn’t apply  
**Does AL replace a withdrawn or rejected AL?** No  
**Summarize differences between the AL and the prior withdrawn or rejected AL:** No

**Is AL requesting confidential treatment?** 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:**

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**Resolution Required?** ☑ Yes ☐ No

**Requested effective date:** September 20, 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:** 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  
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
Site Name: Greyhound Bus Depot Property

Location: 425 Front St.
Santa Cruz, California

Source, Nature, and Approximate Date of Contamination: Greyhound Lines has operated a passenger bus depot at the site since 1965. Site assessments and investigations have been performed since 2002 as part of the redevelopment of the property. Contaminants of concern in site soils include polynuclear aromatic hydrocarbons, lead, and petroleum hydrocarbons.

Utility Operations at the Site: None known. Previous owners of the property included Big Creek Power Company, which operated a transformer station on the property from approximately 1905 until approximately 1910.

Environmental Agency Actions: In May 2009 as part of the redevelopment, an application was made for the property to be included in the Department of Toxic Substances Control’s Expedited Remedial Action Program (ERAP). Santa Cruz Redevelopment Agency is requesting further soil removal/cleanup and contends that PG&E is a responsible party for site cleanup due to its former MGP operations in the late 1800’s and early 1900’s.

Nature of Costs: The Greyhound Bus Depot Property 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 substance cleanup costs found appropriate for recovery in the Hazardous Substance Cleanup Cost Recovery Collaborative Report.
Aglet
Alcantar & Kahl
Ameresco
Anderson & Poole
Arizona Public Service Company
BART
BP Energy Company
Barkovich & Yap, Inc.
Bartle Wells Associates
C & H Sugar Co.
CA Bldg Industry Association
CAISO
CLECA Law Office
CSC Energy Services
California Cotton Ginners & Growers Assn
California Energy Commission
California League of Food Processors
California Public Utilities Commission
Calpine
Cameron McKenna
Casner, Steve
Chamberlain, Eric
Chevron Company
Chris, King
City of Glendale
City of Palo Alto
City of San Jose
Clean Energy Fuels
Coast Economic Consulting
Commerce Energy
Commercial Energy
Consumer Federation of California
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center
Department of Water Resources
Department of the Army
Dept of General Services
Division of Business Advisory Services
Douglass & Liddell
Downey & Brand
Duke Energy
Dutcher, John
Ellison Schneider & Harris LLP
Foster Farms
G. A. Krause & Assoc.
GLJ Publications
Goodin, MacBride, Squier, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
International Power Technology
Intestate Gas Services, Inc.
Los Angeles Dept of Water & Power
Luce, Forward, Hamilton & Scripps LLP
MBMC, Inc.
MRW & Associates
Manatt Phelps Phillips
Matthew V. Brady & Associates
McKenzie & Associates
Merced Irrigation District
Mirant
Modesto Irrigation District
Morgan Stanley
Morrison & Foerster
New United Motor Mfg., Inc.
Norris & Wong Associates
North Coast Solar Resources
Occidental Energy Marketing, Inc.
OnGrid Solar
Praxair
R. W. Beck & Associates
RCS, Inc.
Recon Research
SCD Energy Solutions
SCE
SMUD
SPURR
Santa Fe Jets
Seattle City Light
Sempra Utilities
Sierra Pacific Power Company
Silicon Valley Power
Southern California Edison Company
Sunshine Design
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tecogen, Inc.
Tiger Natural Gas, Inc.
Tioga Energy
TransCanada
Turlock Irrigation District
U S Borax, Inc.
United Cogen
Utility Cost Management
Utility Specialists
Verizon
Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)
eMeter Corporation