December 1, 2009

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:  2009 Energy Resource Recovery Account (ERRA)
Final Bill Credit Amount Compliance Filing

Dear Mr. Cherry:

Advice Letter 3548-E is effective October 30, 2009.

Sincerely,

Julie A. Fitch, Director
Energy Division
October 30, 2009

Advice 3548-E
(Pacific Gas and Electric Company ID U 39E)

Public Utilities Commission of the State of California

Subject: 2009 Energy Resource Recovery Account (ERRA) Final Bill Credit Amount Compliance Filing

Purpose

Pursuant to Ordering Paragraph 1 of Decision (D.) 09-10-021, “Decision Granting the Application of Pacific Gas and Electric Company for Electric Bill Credits Under the ERRA Trigger Mechanism,” Pacific Gas and Electric Company (PG&E) hereby submits for filing the final aggregate amount of bill credits to be effective on customers’ energy statements during the 2009 November/December billing cycle.

The ERRA balance as of September 30, 2009, including franchise fees and uncollectables, is overcollected by $227.1 million. Using this balance, PG&E estimates that the end of year 2009 forecast ERRA overcollection will be approximately $408.6 million¹ and will use this amount as the final aggregate bill credit to be credited in accordance with its Generation Credit Rate method.

D.09-10-021, Ordering Paragraph 1, requires that this Tier 1 advice letter be submitted on October 30, 2009.

Background

Pursuant to D.02-10-062 and D.04-01-050, on August 14, 2009, PG&E filed Application 09-08-005, “Expedited Application of Pacific Gas and Electric Company for Electric Bill Credits Under the Energy Resource Recovery Account (ERRA) Trigger Mechanism,” in which PG&E notified the CPUC that its ERRA balance was estimated to become overcollected by $398.6 million by the end of 2009, thereby exceeding PG&E’s 2009 trigger amount. In its application, PG&E

¹ The end of year forecast ERRA overcollection is $404,469,179.16, FF&U is $4,147,831.43 providing a total aggregate bill credit amount of $408,617,010.59.
requested that the estimated overcollection be credited to its bundled customers as a one-time credit instead of amortizing it over a minimum of 90 days, as would be done using pro-forma trigger amortization requirements.

On September 8, 2009, PG&E updated its estimate of the ERRA overcollection to be $424.4 million.

On October 15, 2009, in D.09-10-021, the Commission approved PG&E’s request to issue a one time ERRA bill credit and ordered PG&E to file an update for the “final aggregate amount” using “a Tier 1 advice filing on October 30, 2009” (OP1). Today’s Tier 1 filing complies with the requirements of OP1 of D.09-10-021.

Final Aggregate Amount of Bill Credits

The final aggregate amount of bill credits is approximately $408.6 million.

Protest Period

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 November 19, 2009, which is 20 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

Copies should also 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.

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

Facsimile: (415) 973-7226
Email: PGETariffs@pge.com
Effective Date

In accordance with D.09-10-021, the effective date of this advice letter is October 30, 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 and all electronic approvals should be directed to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs.

Vice President - Regulatory Relations

cc: Service List A.09-06-001
Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type:  
- ✔️ ELC  
- ✔️ GAS  
- ☐ PLC  
- ☐ HEAT  
- ☐ WATER  
Contact Person: Olivia Brown  
Phone #: 415.973.9312  
E-mail: oxb4@pge.com

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

Advice Letter (AL) #: 3548-E  
Tier: 1

Subject of AL: **2009 Energy Resource Recovery Account (ERRA) Final Bill Credit Amount Compliance Filing**

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 #: **D.09-10-021**

Does AL replace a withdrawn or rejected AL? ☐ Yes  
☐ If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: No

Is AL requesting confidential treatment? ☐ Yes  
☐ 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: N/A

Resolution Required? ✔️ Yes  
☐ No

Requested effective date: **October 30, 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). N/A

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
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
Cardinal Cogen
Casner, Steve
Chamberlain, Eric
Chevron Company
Chris, King
City of Glendale
City of Palo Alto
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
Douglas & Liddell
Douglas & Liddell
Downey & Brand
Duke Energy
Dutcher, John
Ellison Schneider & Harris LLP
FPL Energy Project Management, Inc.
Foster Farms
G. A. Krause & Assoc.
GLJ Publications
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
Hitachi
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 SolarResources
Northern California Power Association
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
Silo Energy LLC
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