

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



June 20, 2011

Advice Letter 3636-E

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

**Subject: Close the Customer Credit Holding Account and Remit
Excess Funds to the Department of Water Resources**

Dear Ms. Yura:

Advice Letter 3636-E is effective April 19, 2010.

Sincerely,

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

Julie A. Fitch, Director
Energy Division

March 19, 2010

Advice 3636-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Close the Customer Credit Holding Account and Remit Excess Funds to the Department of Water Resources

Pacific Gas and Electric Company (PG&E) hereby submits for filing revisions to its electric tariffs. The affected tariff sheets are listed on the enclosed Attachment 1.

Purpose

PG&E submits this advice letter requesting the California Public Utilities Commission's (Commission or CPUC) concurrence to remit to the Department of Water Resources (DWR) any undistributed, excess funds in the Customer Credit Holding Account (CCHA) Account and thereafter to modify its Electric Preliminary Statement, by removing Part CU, and to close the CCHA.

Background

In Decision (D.) 03-09-018 the CPUC allocated the 2003 revenue requirement reduction of \$1.002 billion among the three California investor-owned utilities (IOUs) and ordered the utilities to return the revenue requirement reduction to bundled customers paying the DWR bond charge through a one-time bill credit.¹ D.03-09-018 also required PG&E to establish the Customer Credit Holding Account, the purpose of which was to track the difference, with interest, between the DWR revenue requirement reduction allocated to PG&E customers and the bill credits paid to customers.² Ordering Paragraph 11 stated, "Any remaining balance in the CCHA is subject to further Commission direction."

As of January 26, 2004, PG&E had refunded \$441.464 million to its eligible customers of PG&E's total refund amount of \$444.183 million. On March 24,

¹ See D.03-09-018, Ordering Paragraph 3.

² *Id.*, Ordering Paragraph 8 created the new Customer Credit Holding Account and ordered PG&E to "make an accounting entry to place the amount of excess DWR funds that should be returned to PG&E ratepayers" in the CCHA. Ordering Paragraph 10 required that funds "flow from the CCHA to ratepayers consistent with the collection curve".

2004, DWR issued a memorandum re-affirming DWR's previous recommendation that the IOUs return any undistributed balances to DWR and that DWR would ensure that these remaining funds be used to lower DWR's next revenue requirement. On April 1, 2004, PG&E filed Advice 2419-E-A, supporting the approach proposed by DWR to remit to DWR the remaining unfunded balance in PG&E's CCHA of \$2.719 million (\$444.183 million less \$441.464 million) plus accrued interest. PG&E proposed to withhold \$100,000 from this amount for any potential customer bill credit adjustment claims. The Energy Division approved Advice 2419-E-A, effective September 5, 2003.

Remaining Excess Funds to be Returned to DWR for the Benefit of PG&E Customers

In accordance with Advice 2419-E-A, PG&E remitted \$3.558 million (\$2.619 million in principal plus \$0.939 million in interest) to DWR in April 2004. Except for interest entries, there has been no activity in the CCHA since September 2004. As of February 28, 2010, there is a credit balance in the CCHA of \$131,642.84. PG&E requests the Commission's approval to remit this remaining balance, which includes interest, to DWR. Consistent with the earlier remittance, PG&E recommends that the Commission require that this remaining remittance be tracked by DWR to reduce PG&E's share of future DWR revenue requirements.

Preliminary Statement Changes

PG&E proposes to modify its Electric Preliminary Statement to remove Part CU, and close the CCHA.

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 **April 8, 2010**, 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

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

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Effective Date

PG&E requests that this Tier 2 advice filing become effective on regular notice, April 19, 2010.³

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 email PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

Jane Yura - OB

Vice President – Regulation and Rates

Attachments

³ April 18, 2010, which is 30 calendar days after the date of filing, falls on a Sunday. As a result, PG&E requests this advice letter become effective on the next business day.

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: 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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3636-E

Tier: 2

Subject of AL: Close the Customer Holding Account (CCHA) and Remit Excess Funds to the Department of Water Resources

Keywords (choose from CPUC listing): Preliminary Statement

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: N/A

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: N/A

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: N/A

Resolution Required? Yes No

Requested effective date: April 19, 2010

No. of tariff sheets: 2

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: Jane K. Yura, Vice President, Regulation and Rates

77 Beale Street, Mail Code B10B

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 3636-E**

**Cal P.U.C.
Sheet No.**

Title of Sheet

**Cancelling Cal
P.U.C. Sheet No.**

29152-E ELECTRIC TABLE OF CONTENTS
Sheet 1

29057-E

29153-E ELECTRIC TABLE OF CONTENTS
PRELIMINARY STATEMENT
Sheet 7

28907-E



ELECTRIC TABLE OF CONTENTS

Sheet 1

TABLE OF CONTENTS

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
	Title Page	29152-E	(T)
	Rate Schedules	29051,29052,29053,29054-E	
	Preliminary Statements	29055,29153,28585,28935-E	(T)
	Rules	29056-E	
	Sample Forms	28385,28922,28932,28261,27639,28706,28424,28366-E	

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ELECTRIC TABLE OF CONTENTS
PRELIMINARY STATEMENT

Sheet 7

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Preliminary Statements		
Part CC	Real Time Energy Metering Memorandum Account.....	18307,18308-E
Part CD	Kern Restoration and Operation Memorandum Account.....	18509-E
Part CE	Baseline Balancing Account.....	23410,23411-E
Part CF	Net Energy Metering Memorandum Account	18831-E
Part CG	Utility Generation Balancing Account.....	27779,25926-E
Part CH	Utility Retained Generation Income Tax Memorandum Account.....	20502-E
Part CI	Wholesale DWR/ISO Cost Memorandum Account	20503-E
Part CJ	Negative Ongoing Transition Charge Memorandum Account	25999-E
Part CK	Distribution Bypass Deferral Rate Memorandum Account	20619-E
Part CL	Distributed Energy Resources Memorandum Account.....	19042-E
Part CM	Bond Charge Balancing Account (BCBA)	20245,19556-E
Part CN	Research, Development, and Demonstration Balancing Account.....	27574-E
Part CO	Renewables Balancing Account.....	27575-E
Part CP	Energy Resource Recovery Account	28044,25085,27225, 28045-E
Part CQ	Modified Transition Cost Balancing Account.....	25896,26415-E
Part CR	Common Area Balancing Account	19768,19769-E
Part CS	Advanced Metering and Demand Response Account.....	26376-26378-E
Part CU	Customer Credit Card Holding Account	21533-E
Part CZ	Distribution Revenue Adjustment Mechanism.....	27780,28714,27815-E

(D)

(Continued)

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

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