April 28, 2011

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: Annual Adjustments to the Electric Public Purpose Goods Charge  
Funding Obligations in Compliance with Resolution E-3792

Dear Ms. Yura:

Advice Letter 3819-E is effective January 1, 2011.

Sincerely,

Julie A. Fitch, Director  
Energy Division
March 28, 2011

Advice 3819-E
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Annual Adjustments to the Electric Public Purpose Goods Charge Funding Obligations in Compliance With Resolution E-3792

Pacific Gas and Electric Company ("PG&E") hereby submits the annual adjustments to the electric public goods charge ("PGC") funding obligations in compliance with Resolution E-3792. The 2011 PGC funding obligations for PG&E will remain the same as 2010.

Purpose

This filing complies with Resolution E-3792 issued on December 17, 2002. Specifically, this filing submits the annual adjustments to the electric PGC funding obligations in compliance with Ordering Paragraph 7 of Resolution E-3792.

Background

Resolution E-3792 specified the methodology for utilities to adjust the electric PGC funding obligations required by Public Utility Code Section 399.8(d)(2). This section states: "The [target funding] amounts shall be adjusted annually at a rate equal to the lesser of the annual growth in electric commodity sales or inflation, as defined by the gross domestic product deflator."

The section did not identify when these adjustments should begin, but since the section extended these programs starting January 1, 2002, Resolution E-3792 proposed applying the adjustment methodology one year later, on January 1, 2003. Advice Letter 2363-E dated March 28, 2003, was PG&E’s first filing in compliance with this resolution. That advice letter stated that adjustments for 2003 would be based on changes in sales and prices during 2002. Continuing that methodology, adjustments for 2011 will be based on changes in sales and prices during 2010.

1 Resolution E-3792 requires that this advice filing be submitted by March 31 of each year.
As directed in Resolution E-3792, the utilities should each determine the adjusted target funding amounts that result from the adjustment methodology and, on or before March 31, 2003, and for each subsequent year ending with 2011, file an advice letter with the Commission that adjusts the authorizations and allocations found in Table 7 of Resolution E-3792, consistent with PUC Section 399.8(d)(2). Resolution E-3792 also specified that the adjustment to the utility's allocated amounts in Table 7 should be governed by changes in its own sales (assuming that this statistic is lower than the rate of inflation), rather than by changes in the sales of all three utilities. The Resolution further states that if the lower of sales change and price change is negative in any one year, authorization for the subsequent year shall remain constant.

In accordance with SB 1036, Chapter 685, Statutes of 2007, and the amendments to Section 399.8 of the Public Utilities Code, the utilities are required to collect $65,500,000 per year for renewable energy, which represents a reduction of 51.5 percent from the original $135,000,000. On April 10, 2008, the CPUC issued Resolution E-4160 that reduced the renewable portion of the PGC funding obligation effective January 1, 2008. Advice Letter 3245-E approved on June 11, 2008, implemented this reduction of 2008.

### 2011 PGC Funding Obligation

PG&E’s electric sales were 84.064 billion kWh in 2010 and 85.763 billion kWh in 2009. The percentage change of sales between 2010 and 2009 is therefore (84,064 – 85,763)/85,763 = -1.98 percent.

On Friday, February 25, 2011, the annual GDP (Gross Domestic Product) deflator for 2010 was 110.662 as published by the U.S. Department of Commerce. The annual GDP deflator on Friday, February 26, 2010, was 109.761, as stated in PG&E’s Advice Letter 3634-E. The percentage change in prices as measured by the change in the annual GDP deflator between 2010 and 2009 is therefore (110.662-109.761)/109.761 = 0.8 percent.

The change in sales is the lower of the above two statistics, and is negative, hence, the funding authorization for 2011 will remain the same as 2010.

Therefore, the electric PGC funding obligations for PG&E, effective January 1, 2011, will continue to be:

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2 Per PU Code 399.8.
3 Resolution E-3792, p. 10.
4 SB 1036, Ch. 685, Stats 2007/PRC 25743(b)(1) eliminated the 51.5% New Account component of the CEC’s renewable funding.
5 Resolution E-3792, Table 5.
7 Department of Commerce, Bureau of Economic Analysis, Table 1.1.9 – Implicit Price Deflators for Gross Domestic Product.
The revenue requirement established for the PGC is recovered through the Public Purpose Program Revenue Adjustment Mechanism (PPPRAM) (electric Preliminary Statement Part DA), including an allowance for franchise fees and uncollectible accounts expense. Since there will be no change to the PGC for 2011, no adjustment to PPPRAM rates will result from this advice letter.

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 18, 2011, which is 21 days after 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:

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) 973-6520
E-Mail: PGETariffs@pge.com

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8 Since the protest period ends on a weekend, PG&E is moving the end of the protest period to the following business day.
Effective Date

PG&E is filing this advice letter as a Tier 1 and requests that this advice filing become effective on January 1, 2011.

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 service list for A.08-07-021. Address changes to the General Order 96-B service list and all electronic approvals should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission’s Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. AL filings may also be accessed electronically at: http://www.pge.com/tariffs.

Jane Yui

Vice President – Regulation and Rates

cc: Service List for A.08-07-021

Attachments
Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type: ☑ ELC  ☑ GAS  ☑ PLC  ☑ HEAT  ☑ WATER  
Contact Person: Linda Tom-Martinez  
Phone #: (415) 973-4612  
E-mail: lmt1@pge.com

**EXPLANATION OF UTILITY TYPE**

<table>
<thead>
<tr>
<th>ELC</th>
<th>GAS</th>
<th>PLC</th>
<th>HEAT</th>
<th>WATER</th>
</tr>
</thead>
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<tr>
<td>Electric</td>
<td>Gas</td>
<td>Pipeline</td>
<td>Heat</td>
<td>Water</td>
</tr>
</tbody>
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**Advice Letter (AL) #:** 3819-E  
**Tier:** 1  
**Subject of AL:** **Annual Adjustments to the Electric Public Purpose Goods Charge Funding Obligations in Compliance With Resolution E-3792**

**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 #: **Resolution E-3792**

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:

Confidential information will be made available to those who have executed a nondisclosure agreement: □ Yes  □ No

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: **January 1, 2011**

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: N/A

Pending advice letters that revise the same tariff sheets: 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 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
PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV

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BART
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California Energy Commission
California League of Food Processors
California Public Utilities Commission
Calpine
Cardinal Cogen
Casner, Steve
Chris, King
City of Palo Alto
City of Palo Alto Utilities
Clean Energy Fuels
Coast Economic Consulting
Commercial Energy
Consumer Federation of California
Crossborder Energy
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Defense Energy Support Center
Department of Water Resources
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Modesto Irrigation District
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NLine Energy, Inc.
NRG West
Navigant Consulting
Norris & Wong Associates
North America Power Partners
North Coast Solar Resources
Northern California Power Association
Occidental Energy Marketing, Inc.
OnGrid Solar
Praxair
R. W. Beck & Associates
RCS, Inc.
Recurrent Energy
SDC Energy Solutions
SCE
SMUD
SPURR
San Francisco Public Utilities Commission
Santa Fe Jets
Seattle City Light
Sempra Utilities
Sierra Pacific Power Company
Silicon Valley Power
Silo Energy LLC
Southern California Edison Company
Spark Energy, L.P.
Sun Light & Power
Sunshine Design
Sutherland, Asbill & Brennan
Tabors Caramanis & Brennan
Tecogen, Inc.
Tiger Natural Gas, Inc.
TransCanada
Turlock Irrigation District
United Cogen
Utility Cost Management
Utility Specialists
Verizon
Wellhead Electric Company
Western Manufactured Housing
Communities Association (WMA)
eMeter Corporation