

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



April 8, 2014

**Advice Letter 4372-E**

Brian K. Cherry  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**Subject: Revisions to Electric Schedule DA-CRS, Direct Access Cost  
Responsibility Surcharge, in Compliance with D.12-04-012**

Dear Mr. Cherry:

Advice Letter 4372-E is effective April 1, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, 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

Fax: 415.973.7226

March 7, 2014

**Advice 4372-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Revisions To Electric Schedule DA-CRS, Direct Access Cost Responsibility Surcharge, In Compliance With Decision (D.) 12-04-012**

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**

This advice filing revises PG&E's Electric Schedule DA-CRS, Direct Access Cost Responsibility Surcharge, in compliance with Ordering Paragraphs (OP) 1 and 2 of the California Public Utilities Commission's (Commission or CPUC) Decision (D.) 12-04-012, to clarify that customers who were on direct access (DA) service before February 1, 2001, but returned to bundled service after September 20, 2001 (continuous DA customers) and subsequently returned to DA service according to the procedures adopted in Resolution E-3843 and revised in D.11-12-018, are subject to the vintaging process adopted in D.08-09-012 and are responsible for "New World Generation Costs" applicable to their assigned vintage.

**Background**

On September 5, 2008, the Commission issued D.08-09-012 adopting a methodology known as "vintaging" to implement a non-bypassable charge to recover the uneconomic or stranded costs related to new generation resources from departing customers. D.08-09-012, in addition to adopting a methodology for calculating this charge, also set policies for determining which customers bear responsibility for these costs.

On June 24, 2011, Southern California Edison (SCE) filed Application 11-06-026 requesting a modification to Appendix D and OP 4 of D.08-09-012 to clarify that continuous DA customers who had returned to bundled service and subsequently returned to DA service are responsible for the "New World Generation Costs" element of the cost responsibility surcharge.

On April 19, 2012, the Commission issued D.12-04-012 modifying D.08-09-012 to clarify that continuous DA customers who returned to bundled service and then returned back to DA service are subject to the vintaging process adopted in D.08-09-012 and are responsible for the New World Generation Charges applicable to their assigned vintage. PG&E, SCE and San Diego Gas & Electric Company (SDG&E) were directed to implement the changes necessary to bring their tariffs and billing practices into conformity with the clarifications adopted in D.12-04-012 within 12 months of the mailing of the order, April 24, 2013.

On April 16, 2013, PG&E requested that the Commission grant an extension of time to April 1, 2014 to comply with D.12-04-012 regarding the requirement to implement New World Generation Charges. On April 19, 2013, Paul Clanon, Executive Director of the California Public Utilities Commission, granted PG&E's request for an extension of time to April 1, 2014.

PG&E has identified only twenty-three (23)\* non-residential Continuous DA customers for whom the New World Generation Charge would be applicable. The New World Generation Charge is equal to the Power Charge Indifference Adjustment (PCIA) less the Department of Water Resource Power Charge which is currently a small credit. To implement the New World Generation Charge in a cost-effective manner for such a small customer population, PG&E is proposing to set the applicable vintage New World Generation Charge equal to the comparable vintage PCIA and to characterize the line-item charge on the bill as a "PCIA" charge. PG&E is proposing to implement the New World Generation Charge on a prospective basis commencing on the customer's first billing period on or after April 1, 2014.

### **Tariff Revisions**

In compliance with OP 2 of D.12-04-012, PG&E proposes the following revisions to Special Condition 6 of electric rate Schedule DA-CRS, *Direct Access Cost Responsibility Surcharge*:

Pursuant to Resolution E-3843, ~~effective December 4, 2003, D.08-09-012, D.11-12-018, and D.12-04-012~~, a customer who was on DA service prior to February 1, 2001, and returned to bundled service after September 20, 2001, shall be exempt from the DWR Bond Charge ~~and the PCIA components of DA CRS~~. These customers are not exempt from the PCIA applicable to their assigned vintage and ongoing CTC, and ~~will~~ may be billed for these charges under their otherwise-applicable rate schedule.

### **Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or

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\* As of April 16, 2013, based upon PG&E's historic billing records.

E-mail, no later than March 27, 2014, which is 20 days from the date of this filing. Protests should be submitted to:

CPUC Energy Division  
ED Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

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

Copies 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 E-mail or U.S. Mail (and by facsimile, 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

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

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

### **Effective Date**

PG&E requests that this Tier 1 advice filing become effective on April 1, 2014.

**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 Application (A.) 11-06-026. Address changes to the General Order 96-B service list should be directed to PG&E at email address [PGETariffs@pge.com](mailto: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](mailto:Process_Office@cpuc.ca.gov). 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

cc: Service List A.11-06-026

Attachments

# 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 E)**

Utility type:

ELC       GAS  
 PLC       HEAT       WATER

Contact Person: **Shirley Wong**

Phone #: **(415) 972-5505**

E-mail: **slwb@pge.com and PGETariffs@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) #: **4372-E**

Tier: **1**

Subject of AL: **Revisions To Electric Schedule DA-CRS, Direct Access Cost Responsibility Surcharge, In Compliance With Decision (D.) 12-04-012**

Keywords (choose from CPUC listing): **Compliance, Billing, Direct Access, Surcharge**

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **D.12-04-012**

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: **April 1, 2014**

No. of tariff sheets: **3**

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: **Electric Schedule DA-CRS, Direct Access Cost Responsibility Surcharge**

Service affected and changes proposed: **Revisions to Special Condition 6 of Schedule DA-CRS in compliance with D.12-04-012 (See "Tariff Revisions" section on p. 2.)**

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  
ED Tariff Unit  
505 Van Ness Ave., 4th Floor  
San Francisco, CA 94102  
E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@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](mailto:PGETariffs@pge.com)

**ATTACHMENT 1  
Advice 4372-E**

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

**Title of Sheet**

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

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33655-E	ELECTRIC SCHEDULE DA-CRS DIRECT ACCESS COST RESPONSIBILITY SURCHARGE Sheet 2	30658-E
33656-E	ELECTRIC TABLE OF CONTENTS Sheet 1	33653-E
33657-E	ELECTRIC TABLE OF CONTENTS RATE SCHEDULES Sheet 8	32817-E



**ELECTRIC SCHEDULE DA-CRS**  
**DIRECT ACCESS COST RESPONSIBILITY SURCHARGE**

Sheet 2

SPECIAL  
 CONDITIONS:  
 (Cont'd.)

- 6. Pursuant to Resolution E-3843, D.08-09-012, D.11-12-018, and D.12-04-012, a customer who was on DA service prior to February 1, 2001, and returned to bundled service after September 20, 2001, shall be exempt from the DWR Bond Charge component of DA CRS. These customers are not exempt from the PCIA applicable to their assigned vintage and ongoing CTC, and may be billed for these charges under their otherwise-applicable rate schedule. (T)
- 7. Pursuant to D.08-09-012 and Resolution E-4226, the PCIA may vary among DA customers depending on what resource commitments have been made as of their departure date. On and after July 1, 2009, the vintage of the PCIA applicable to customers who are not exempt from the DWR Bond Charge and the PCIA portions of the DA CRS, as defined in Special Conditions 2 and 6, above, is based upon the date PG&E receives the six (6) month advance notice from the customer. If the six-month advance notice is received in the first six months of the calendar year (e.g., 2010), the DA customers are assigned the CRS for the prior year (i.e., 2009 vintage). If the six-month advance notice is received on or after July 1 of a given year (e.g., 2010), DA customers are assigned the CRS for the current year (i.e., 2010 vintage). Billing for vintaged CRS (beginning with the 2009 vintage) shall begin with rates effective on January 1, 2010. (T)
- 8. The vintage of the PCIA applicable to a customer who has continuously been on DA or CCA service and has not returned to PG&E for generation services, except under Transitional Bundled Service (TBS), as prescribed in Rule 22.1, is not affected by changes in electric commodity service provider. (T)
- 9. Pursuant to Resolution E-4226, DA customers who are assigned a CRS prior to the 2009 vintage will not be responsible for paying the D.04-12-048 non-bypassable charge (NBC) portion of the PCIA as defined in Ordering Paragraph 6 of D.08-09-012.

Advice Letter No: 4372-E  
 Decision No. 12-04-012

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

Date Filed March 7, 2014  
 Effective April 1, 2014  
 Resolution No. \_\_\_\_\_



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Sheet 1

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Advice Letter No: 4372-E  
 Decision No. 12-04-012

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 Vice President  
 Regulatory Relations

Date Filed March 7, 2014  
 Effective \_\_\_\_\_  
 Resolution No. \_\_\_\_\_



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Sheet 8

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Advice Letter No: 4372-E  
 Decision No. 12-04-012

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

Date Filed March 7, 2014  
 Effective April 1, 2014  
 Resolution No. \_\_\_\_\_

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

1st Light Energy	Douglass & Liddell	Occidental Energy Marketing, Inc.
AT&T	Downey & Brand	OnGrid Solar
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Pacific Gas and Electric Company
Anderson & Poole	G. A. Krause & Assoc.	Praxair
BART	GenOn Energy Inc.	Regulatory & Cogeneration Service, Inc.
Barkovich & Yap, Inc.	GenOn Energy, Inc.	SCD Energy Solutions
Bartle Wells Associates	Goodin, MacBride, Squeri, Schlotz & Ritchie	SCE
Braun Blasing McLaughlin, P.C.	Green Power Institute	SDG&E and SoCalGas
CENERGY POWER	Hanna & Morton	SPURR
California Cotton Ginners & Growers Assn	In House Energy	San Francisco Public Utilities Commission
California Energy Commission	International Power Technology	Seattle City Light
California Public Utilities Commission	Intestate Gas Services, Inc.	Sempra Utilities
California State Association of Counties	K&L Gates LLP	SoCalGas
Calpine	Kelly Group	Southern California Edison Company
Casner, Steve	Linde	Spark Energy
Center for Biological Diversity	Los Angeles County Integrated Waste Management Task Force	Sun Light & Power
City of Palo Alto	Los Angeles Dept of Water & Power	Sunshine Design
City of San Jose	MRW & Associates	Tecogen, Inc.
Clean Power	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Coast Economic Consulting	Marin Energy Authority	TransCanada
Commercial Energy	McKenna Long & Aldridge LLP	Utility Cost Management
County of Tehama - Department of Public Works	McKenzie & Associates	Utility Power Solutions
Crossborder Energy	Modesto Irrigation District	Utility Specialists
Davis Wright Tremaine LLP	Morgan Stanley	Verizon
Day Carter Murphy	NLine Energy, Inc.	Water and Energy Consulting
Defense Energy Support Center	NRG Solar	Wellhead Electric Company
Dept of General Services	Nexant, Inc.	Western Manufactured Housing Communities Association (WMA)
Division of Ratepayer Advocates	North America Power Partners	