

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



May 15, 2014

**Advice Letter 4380-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: Modification to Agricultural Account Aggregation Study Memorandum  
Account, Electric Preliminary Statement Part FV, in Compliance with  
D.14-03-002.**

Dear Mr. Cherry:

Advice Letter 4380-E is effective March 13, 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 24, 2014

**Advice 4380-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Modification to Agricultural Account Aggregation Study Memorandum Account, Electric Preliminary Statement Part FV, in Compliance with Decision 14-03-002**

Pacific Gas and Electric Company (PG&E) hereby submits for filing proposed revisions to its electric preliminary statement tariff sheets. Attachment 1 provides proposed revisions to electric Preliminary Statement Part FV, *Agricultural Account Aggregation Study Memorandum Account (AAASMA)*. This tariff provision is made pursuant to California Public Utilities Commission (Commission or CPUC) Decision (D.) 14-03-002, for an effective date of March 13, 2014.

**Purpose**

PG&E is filing a Tier 1 advice letter to request this tariff revision in compliance with Ordering Paragraph 3 of D.14-03-002, modifying D.11-12-053 in A.10-03-014, PG&E's 2011 GRC Phase 2 proceeding, on non-residential rate design issues. D.14-03-002 modifies the amount of consultant costs and customer incentive payments previously authorized in D.11-12-053 for an agricultural account aggregation study.

The filing will not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

**Background**

D.11-12-053 adopted an Agricultural Rate Design Settlement, which provided for recovery of up to \$150,000 for customer participation incentives to defray participation costs, and \$100,000 for customer coordination and other study costs incurred by the consultants in performing an agricultural account aggregation study, for a total cost of up to \$250,000 plus interest. The Study was intended to obtain information on participating agricultural customers' electrical usage to enable evaluation of agricultural account aggregation. (See D.11-12-053, Appendix F, Term V.B.4, "Account Aggregation," and in Appendix F, Exhibit C, Term 3, "Costs of the Study".)

In Advice 3980-E, filed December 28, 2011, PG&E proposed and the Commission approved a tracking account to record actual account aggregation study expenditures for later recovery as authorized, as described above.

D.14-03-002 modified the terms noted above to increase the consultant costs to a total of up to \$120,000, decrease the customer incentives to \$130,000, and to redistribute the customer incentives based on a total of \$45,000 in direct incentives to customer participants, and a total of \$85,000 to California Bountiful Foundation, a non-profit 501(c)(3) agricultural organization for the purpose of supporting and furthering the goals of the study.

D.14-03-002 also modified the December 31, 2013 deadline for PG&E and the agricultural parties to submit their account aggregation study reports to March 1, 2014. The CPUC's Executive Director approved this same extension in a letter dated December 18, 2013, plus a further extension to March 7, 2014 in a letter dated March 3, 2014. The respective agricultural account aggregation study reports by PG&E and by the agricultural parties were submitted to the Commission on March 7, 2014. Therefore, the total costs in the AAASMA are to be recovered in January 1, 2015 agricultural distribution component rates through the Annual Electric True-Up (AET) process.

### **Tariff Changes**

Electric Preliminary Statement Part FV, *Agricultural Account Aggregation Study Memorandum Account (AAASMA)*, is modified as attached.

### **Protests**

Anyone wishing to protest this filing may do so by sending a letter by April 14, 2014, which is 21 days from the date of this filing.<sup>1</sup> Protests must 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 of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

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<sup>1</sup> The 20 day protest period concludes on a Sunday. PG&E hereby moves this date to the following business day.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) 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 be approved effective on **March 13, 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 parties on the service list for A.10-03-014 and A.13-04-012. Address changes to the General Order 96-B service list should be directed to PG&E at email address 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. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can be accessed electronically at: <http://www.pge.com/tariffs>.

A handwritten signature in cursive script that reads "Brian Cherry /s/w".

Vice President, Regulatory Relations

### **Attachments**

cc: Service Lists A.10-03-014 and A.13-04-012

# 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) #: **4380-E**

Tier: **1**

Subject of AL: **Modification to Agricultural Account Aggregation Study Memorandum Account, Electric Preliminary Statement Part FV, in Compliance with Decision 14-03-002**

Keywords (choose from CPUC listing): **Compliance, Agricultural, Memorandum Account**

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **Decision 14-03-002**

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: **March 13, 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 Preliminary Statement FV, Agricultural Account Aggregation Study Memorandum Account (AAASMA)**

Service affected and changes proposed: **Modify consultant cost, customer incentive payments, and rate recovery date.**

Protests<sup>1</sup>, 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., 4<sup>th</sup> 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)

<sup>1</sup> The 20 day protest period concludes on a Sunday. PG&E hereby moves this date to the following business day.

**ATTACHMENT 1  
Advice 4380-E**

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
33668-E	AGRICULTURAL ACCOUNT AGGREGATION STUDY MEMORANDUM ACCOUNT (AAASMA) Sheet 1	30868-E
33669-E	ELECTRIC TABLE OF CONTENTS Sheet 1	33653-E
33670-E	ELECTRIC TABLE OF CONTENTS PRELIMINARY STATEMENT Sheet 17	33171-E



**AGRICULTURAL ACCOUNT AGGREGATION STUDY  
 MEMORANDUM ACCOUNT (AAASMA)**

Sheet 1

FV. AGRICULTURAL ACCOUNT AGGREGATION STUDY MEMORANDUM ACCOUNT (AAASMA)

1. **PURPOSE:** The purpose of the AAASMA is to record and recover the expense costs associated with conducting an agricultural account aggregation study to be filed in PG&E's 2014 General Rate Case (GRC) Phase 2 proceeding, as ordered in 2011 GRC Phase 2 D.11-12-053. The total costs excluding interest are not to exceed \$250,000, comprised of customer participation incentives not to exceed \$150,000, nor more than \$10,000 to any one participating farm operation, for up to 15 farm operations, and consultant costs not to exceed \$100,000. Subsequently, D.14-03-002 modified these terms to increase the consultant costs to \$120,000, decrease the customer incentives to \$130,000, and to redistribute the customer incentives based on \$45,000 in direct incentives to customer participants, and \$85,000 to California Bountiful Foundation, a non-profit 501(c)(3) agricultural organization. (N)
2. **APPLICABILITY:** The AAASMA shall apply only to agricultural electric customers, and shall not apply to Schedule E-37.
3. **REVISION DATE:** Disposition of amounts in this account shall be transferred to the Distribution Revenue Adjustment Mechanism (DRAM) once the study is made available in PG&E's 2014 GRC Phase 2 proceeding. The DRAM amounts shall be recovered in January 1, 2015 rates through the Annual Electric True-Up process, or as otherwise directed by the Commission. (T)
4. **DISTRIBUTION RATES:** There is no rate component for the AAASMA.
5. **ACCOUNTING PROCEDURES:** PG&E shall maintain the AAASMA by making entries to this account at the end of each month as follows:
  - a. A debit entry for the AAASMA expense items supporting the study noted above equal to: (T)
    - (1) an expense amount for participant and California Bountiful Foundation incentives. (T)
    - (2) an expense amount for consultant payments. (T)
  - b. A debit entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.



**ELECTRIC TABLE OF CONTENTS**

Sheet 1

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<b>SCHEDULE</b>	<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>	
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	Preliminary Statements .....	33649,32706,30376,32544,32398,30846, <b>33670</b> ,33138-E	(T)
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**PRELIMINARY STATEMENT**

Sheet 17

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Part FD	Smart Grid Project Memorandum Account.....	28944,28945-E
Part FE	On-Bill Financing Balancing Account (OBFBA).....	30840-E
Part FF	Electric Disconnection Memorandum Account.....	28933-E
Part FG	CARE/TANF Balancing Account.....	28950-E
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Part FX	Revised Customer Energy Statement Balancing Account – Electric (RCESBA-E).....	31472-E
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(T)

(Continued)

**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	