

PUBLIC UTILITIES COMMISSION505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298**Advice Letter 4409-E, 4409-E-A, 4409-E-B, 4409-E-C**

January 5, 2015

Meredith Allen
Senior Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

Subject: PG&E's First Quarter 2014 Procurement Transactions Compliance Filing

Dear Ms. Allen:

On April 30, 2014, Pacific Gas and Electric Company (PG&E) filed a Tier 2 Advice Letter (AL) 4409-E to comply with D.02-10-062, D.03-12-062, D.04-07-028, D.04-01-050, D.04-12-048 and D.07-12-052. Contained in the Advice Letter filing was the Procurement Transaction Quarterly Compliance Report (QCR) for the period January through March 2014 (Q1 2014). The AL is a compliance filing seeking to demonstrate that PG&E's electric and gas procurement transactions for the first quarter of 2014 are in conformance with PG&E's Bundled Procurement Plan approved in D.12-01-033 and D.12-04-046.

On May 20, 2014, the Cogeneration Parties filed a protest to AL 4409-E, raising two broad objections to the AL: 1) the Commission should "enforce existing orders in a consistent, systematic, and non-discriminatory manner for the public release of [confidential procurement] data", and 2) data reported public elsewhere should not be redacted here.¹

On May 28, 2014, PG&E filed a reply to the Cogeneration Parties' protest, stating that "the protest should be rejected because: 1) the policy issues raised by the Cogeneration Parties regarding the public disclosure of confidential procurement data is outside the scope of this advice letter filing; 2) PG&E's claim regarding confidential periods for certain specific data is appropriate; and 3) PG&E has not publicly released the specific information that the Cogeneration Parties argue has been released elsewhere."

¹ The Cogeneration Parties consist of the California Cogeneration Council, the Cogeneration Association of California, and the Independent Energy Producers Association.

On June 27, 2014, Energy Division suspended the AL to allow additional time to complete the review.

On August 8, 2014, PG&E filed a supplement to the Advice Letter, 4409-E-A, to include the public Independent Evaluator (IE) report for PG&E's second Combined Heat and Power (CHP) Request for Offer (RFO) as a public attachment to AL 4409-E.

On October 15, 2014, PG&E filed an additional supplement to the Advice Letter, 4409-E-B, to correct certain information included in PG&E's original filing (AL 4409-E).

On December 12, 2014, at Energy Division's request, PG&E filed a supplement to the Advice Letter, 4409-E-C to include a public version of new contracts and amendments in Attachment H, where counterparty, location, name of facility, size and length of contracts are disclosed.

Disposition

Energy Division has reviewed the filings by PG&E and concluded that PG&E's Advice Letter 4409-E, 4409-E-A, 4409-E-B, and 4409-E-C are in compliance with PG&E's Bundled Procurement Plan approved in D.12-01-033 and D.12-04-046. Energy Division has reviewed the protests and concluded one issue raised in the protest has merit. Energy Division requested PG&E to file a supplemental to address the issue, and PG&E complied. The other bases for protests are without merit or not based on proper ground for protest of an Advice Letter (see General Order 96-B, Sections 7.6.1 and 7.4.2). These other protests do not demonstrate that PG&E's actions would violate CPUC orders, therefore, PG&E's Advice Letter should be approved.

The Cogeneration Parties oppose PG&E's filing based on three objections. First, the protestant objects to the disparate implementation of the disclosure of Renewable Portfolio Standard (RPS) and conventional procurement data. The protestant requested a delay in the approval of AL 4409-E and an investigation into the feasibility of regular utility updates to an Excel workbook containing conventional generation resource information available on the Commission's website. The review of the QCR filing and the confidentiality issues should be separated from the substance of the subject AL because the confidentiality issues fall outside the scope of permissible bases for protest of an Advice Letter. The protestant can request conventional generation information for which the confidentiality period has expired through the Public Records Act at any time. They can request any document that is not privileged, confidential, or otherwise protected. Energy Division is not legally obligated to post all data that is no longer confidential. The question of whether Energy Division should update its process for posting material that is no longer under the protection of D.06-06-066 can be considered separately, and is outside of the scope of this AL.

Second, the protestant argues that PG&E's request for indefinite confidential treatment of Attachment B counterparty information contravenes Commission policy. Under G.O. 66-C, the Commission allows the protection of information if revelation of this information would place the company at an unfair business disadvantage. PG&E is seeking protection for counterparty credit information under G.O. 66-C. Therefore, PG&E's request to keep Attachment B confidential is granted.

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The protestant also argues that certain information such as counterparty, location, name of facility, size and length of contract in Attachment H, New and Amended Contracts Executed should not be redacted. According to D.14-02-040 and D.06-06-066, pricing and terms and conditions of contracts are confidential for three years. Other information such as counterparty, name of facility, size and length of contract is public immediately. The protestant's argument that PG&E should treat such information as public has merit. Energy Division requested PG&E disclose counterparty, location, name of facility, size and length of contracts in Attachment H. On December 12, 2014, PG&E filed supplemental Advice Letter 4409-E-C to comply with this request.

Third, the protestant objects to PG&E's request for confidential treatment of electric transaction data to the extent that the data is publicly reported to the Federal Energy Regulatory Commission (FERC). For data that has been publicly reported to the FERC, PG&E should disclose such data publicly in the QCR. PG&E has not reported any wholesale electric sales data to FERC in Q1 of 2014; therefore, PG&E has no such data to disclose in the Q1 QCR AL.

One of the Cogeneration Parties' protested issues has been addressed by PG&E. The other issues are without merit or are not the proper basis for a protest to this Advice Letter. Therefore, the protest is denied and PG&E's Advice Letter is approved.

Sincerely,



Edward Randolph
Director, Energy Division

Cc: Beth Vaughn, California Cogeneration Council
Michael Alcantar, Counsel to the Cogeneration Association of California
Nora Sheriff, Counsel to the Cogeneration Association of California
Steven Kelly, Independent Energy Producers Association



Meredith Allen
Senior Director
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

October 15, 2014

Advice 4409-E-B

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Procurement Transaction Quarterly Compliance Filing (Q1, 2014)

Pacific Gas and Electric Company ("PG&E") is submitting this advice letter to the California Public Utilities Commission ("Commission" or "CPUC") related to its Procurement Transaction Quarterly Compliance Report ("QCR") for record period January 1, 2014, through March 31, 2014, (Q1-2014) to provide supplemental information that corrects certain information included in PG&E's original submittal (Advice 4409-E), Confidential Attachments A, B and D as described below.

Background

PG&E submitted its QCR for Q1-2014 on April 30, 2014 in accordance with D.03-12-062, Ordering Paragraph 19, which requires that the QCR be submitted within 30 days of the end of the quarter.

PG&E's Q1-2014 QCR includes a number of Confidential Attachments that are reviewed by Commission Audit staff prior to approving the advice letter. During the course of this review, price calculation errors were detected for several reported transactions. PG&E is now submitting corrections for the items identified as incorrect. For each of these transactions, the incorrect price calculation was the result of the transaction having been priced in Canadian dollars but reported as US dollars. Specifically, the following attachments replace the previously provided attachments in 4409-E in their entirety:

- Confidential Attachment A – First Quarter 2014 Natural Gas Transactions
- Confidential Attachment B – First Quarter 2014 Counter-Party Information (Natural Gas counterparty excel workbook)
- Confidential Attachment D – First Quarter 2014 Natural Gas Transactions Summary

Request

PG&E requests the Commission approve Advice Letters 4409-E, 4409-E-A, and 4409-E-B which includes amendments for the following Confidential Attachments A, B and D as described above.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than November 4, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th 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.

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:

Meredith Allen
Senior Director, 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, Rule 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, Rule 3.11).

Effective Date

In accordance with D.02-10-062, the requested effective date of this Tier 2 advice letter is **November 14, 2014**, which is 30 days after the date of filing.

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 lists for Rulemaking (“R.”) 12-03-014, R.01-10-024, and R.11-10-023. Address changes to the General Order 96-B service list and all electronic approvals should be sent 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. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

/s/

Meredith Allen
Senior Director, Regulatory Relations

cc: Service List R.12-03-014, R.01-10-024, R.11-10-023.
PG&E’s Procurement Review Group
Edward Randolph, Director, Energy Division
Lily Chow, Energy Division
Michael Alcantar and Nora Sheriff, Alcantar & Kahl LLP,
Counsel to the Cogeneration Association of California
Kari Cameron, Director of Operations, Alcantar & Kahl LLP
Steven Kelly, Director of Policy, Independent Energy Producers Association
Beth Vaughan, Executive Director, California Cogeneration Counsel

Public Attachment: Attachment 1 – Confidentiality Declaration and Matrix

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) #: **4409-E-B**

Tier: **2**

Subject of AL: **Supplemental: Procurement Transaction Quarterly Compliance Filing (Q1, 2014)**

Keywords (choose from CPUC listing): **Compliance, Procurement**

AL filing type: Monthly Quarterly Annual One-Time Other **Supplement to Quarterly AL**

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: **D.03-12-062**

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: **Yes. Please see Attachment 1: Confidentiality Declaration and Matrix**

Confidential information will be made available to those who have executed a nondisclosure agreement: **Yes.**

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: **Pete Koszalka (415) 973-3818**

Resolution Required? Yes No

Requested effective date: **November 14, 2014**

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).

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

Energy Division

EDTariffUnit

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

E-mail: **EDTariffUnit@cpuc.ca.gov**

Pacific Gas and Electric Company

Attn: **Meredith Allen**

Senior Director Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: **PGETariffs@pge.com**

**Advice 4409-E-B
October 15, 2014**

Attachment 1

Confidentiality Declaration and Matrix

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

**DECLARATION OF PETE KOSZALKA
SEEKING CONFIDENTIAL TREATMENT OF CERTAIN DATA AND
INFORMATION CONTAINED IN PG&E'S ADVICE LETTER 4409-E-B REGARDING
CONFIDENTIAL ATTACHMENTS A, B AND D**

I, Pete Koszalka, declare:

1. I am presently employed by Pacific Gas and Electric Company (PG&E) and have been an employee since 2003. My current title is Director, Electric Gas Supply in the Energy Supply Management Department, which is part of the Energy Procurement Department. I am responsible for physical and financial trading of gas in support of PG&E's allocated Department of Water Resources contracts, PG&E's Utility Retained Generation plants, and PG&E's tolling agreements. In carrying out these responsibilities, I have acquired knowledge of gas supply and gas hedging for electric generation, the markets for physical and financial products for gas supply and hedging, and the various types of transactions involved.
2. Based on my knowledge and experience, and in accordance with Decision ("D.") 08-04-023 and the August 22, 2006 "Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," I make this declaration seeking confidential treatment of the supplemental filing being filed today for PG&E's January 30, 2014 Advice Letter 4352-E, Attachments A, B and D.
3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes the particular type of data and information listed in Appendix I of D.06-06-066 and Appendix D.08-04-023 (the "IOU Matrix"), and/or constitutes information that should

be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information; (2) the information is not already public and/or cannot easily be redacted; and (3) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix that is pertinent to this submittal.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed on October 7, 2014 at San Francisco, California.

_____/s/
Pete Koszalka
Director, Electric Gas Supply
Energy Supply Management
PACIFIC GAS AND ELECTRIC COMPANY

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 4409-E-B
 PROCUREMENT TRANSACTION QUARTERLY COMPLIANCE REPORT OF QUARTER ONE 2014
 October 15, 2014**

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N)	2) Which category or categories in the Matrix the data corresponds to:	3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
Attachment B – Counterparty Information, including non-investment grade counterparties table: “List of Non-Investment Grade Counterparties”	N	CPUC General Order (“G.O.”) 66-C	N/A	N	Y	Counterparty sales information constitutes confidential non-utility business information protected under G.O. 66-C.	Indefinite
Attachment D – Natural Gas Transactions Summary	Y	Item I) B) 2) Utility recorded gas procurement and cost information Item I) A) 4) Long-term fuel (gas) buying and hedging plans;	Y	N	Y	Actual quantity and cost of procured physical term gas are protected. PG&E's hedging strategies may be deduced through an analysis of PG&E's summarized transactions.	Utility recorded physical gas procurement and cost information is confidential for one year. Financial transactions are confidential for three years past expiration of the last trade executed under

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 4409-E-B
 PROCUREMENT TRANSACTION QUARTERLY COMPLIANCE REPORT OF QUARTER ONE 2014
 October 15, 2014**

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N)	2) Which category or categories in the Matrix the data corresponds to:	3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N)	4) That the information is not already public (Y/N)	5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N)	PG&E's Justification for Confidential Treatment	Length of Time
							the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019.

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

AT&T	Douglass & Liddell	Occidental Energy Marketing, Inc.
Alcantar & Kahl LLP	Downey & Brand	OnGrid Solar
Anderson & Poole	Ellison Schneider & Harris LLP	Pacific Gas and Electric Company
BART	G. A. Krause & Assoc.	Praxair
Barkovich & Yap, Inc.	GenOn Energy Inc.	Regulatory & Cogeneration Service, Inc.
Bartle Wells Associates	GenOn Energy, Inc.	SCD Energy Solutions
Braun Blasing McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SCE
CENERGY POWER	Green Power Institute	SDG&E and SoCalGas
California Cotton Ginners & Growers Assn	Hanna & Morton	SPURR
California Energy Commission	In House Energy	San Francisco Public Utilities Commission
California Public Utilities Commission	International Power Technology	Seattle City Light
California State Association of Counties	Intestate Gas Services, Inc.	Sempra Utilities
Calpine	K&L Gates LLP	SoCalGas
Casner, Steve	Kelly Group	Southern California Edison Company
Center for Biological Diversity	Linde	Spark Energy
City of Palo Alto	Los Angeles County Integrated Waste Management Task Force	Sun Light & Power
City of San Jose	Los Angeles Dept of Water & Power	Sunshine Design
Clean Power	MRW & Associates	Tecogen, Inc.
Coast Economic Consulting	Manatt Phelps Phillips	Tiger Natural Gas, Inc.
Commercial Energy	Marin Energy Authority	TransCanada
Cool Earth Solar, Inc.	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	