January 9, 2015

Advice Letter 4502-E

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

SUBJECT: Establish Electric Preliminary Statement Part GL - Hydro Licensing Balancing Account (HLBA), in Compliance with the 2014 GRC D.14-08-032

Dear Ms. Allen:

Advice Letter 4502-E is effective as of January 1, 2014.

Sincerely,

Edward Randolph
Director, Energy Division
September 29, 2014

Advice 4502-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject  Establish Electric Preliminary Statement Part GL – Hydro Licensing Balancing Account (HLBA), in Compliance with the 2014 General Rate Case Decision 14-08-032

Purpose

In accordance with Ordering Paragraph (OP) 24 of Decision (D.) 14-08-032, Pacific Gas and Electric Company (PG&E) is establishing Electric Preliminary Statement Part GL – Hydro Licensing Balancing Account (HLBA). This new balancing account is effective January 1, 2014. The affected tariff sheets are listed on the enclosed Attachment 1.

Background


OP 24 of D.14-08-032 authorized PG&E to implement a two-way balancing account for capital and expenses associated with new Federal Energy Regulatory Commission Hydro licensing implementation and for nuclear energy safety and security related rulemakings and orders. It also requires that within 45 days of the effective date of that decision, PG&E file a Tier 1 advice letter to implement the balancing account.

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1 D.13-04-023, OPs 2 and 3.
2 Refer also to OPs 25 and 27 of D.14-08-032.
**Tariff Revisions**

Establish Electric Preliminary Statement Part GL – Hydro Licensing Balancing Account (HLBA)

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

**Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than October 20, 2014, which is 21 days\(^3\) after the date of this filing. Protests must be submitted to:

CPUC Energy Division  
ED Tariff Unit  
505 Van Ness Avenue, 4\(^{th}\) 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, Section 7.4). The protest shall contain the

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\(^3\) The 20-day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.
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 January 1, 2014, pursuant to OP 24 of D.14-08-032.

**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.12-11-009. 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 also be accessed electronically at: http://www.pge.com/tariffs/.

Meredith Allen /KHC

Senior Director, Regulatory Relations

Attachments

cc: Service List A.12-11-009
Company name/CPUC Utility No. Pacific Gas and Electric Company (ID U39 E)

Utility type:  
- ☑ ELC
- GAS
- ☐ PLC
- ☐ HEAT
- ☐ WATER  
Contact Person: Kingsley Cheng  
Phone #: (415) 973-5265  
E-mail: k2c0@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE
ELC = Electric  
GAS = Gas  
PLC = Pipeline  
HEAT = Heat  
WATER = Water

Advice Letter (AL) #: 4502-E  
Tier: 1
Subject of AL: Establish Electric Preliminary Statement Part GL – Hydro Licensing Balancing Account (HLBA), in Compliance with the 2014 General Rate Case Decision 14-08-032

Keywords (choose from CPUC listing): Compliance, Balancing Account, GRC/General Rate Case

AL filing type: ☑ Monthly  
☐ Quarterly  
☐ Annual  
☐ One-Time  
☐ Other _____________________________

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.14-08-032

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: January 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: New Electric Preliminary Statement Part GL - Hydro Licensing Balancing Account (HLBA)

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 21 days¹ after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission  
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

¹ The 20-day protest period concludes on a weekend. PG&E is hereby moving this date to the following business day.
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GL. Hydro Licensing Balancing Account (HLBA)

1. **PURPOSE:** The purpose of the HLBA is to recover actual expenses and capital revenue requirements based on actual capital expenditures related to Federal Energy Regulatory Commission (FERC) hydro licensing activities. Specifically, the HLBA tracks and adjusts for the difference in actual and adopted expenses and capital revenue requirements associated with relicensing and amending/modifying licenses issued on or after January 1, 2012, including costs associated with implementing and complying with new license conditions or requirements resulting from renewed, modified, or amended licenses.

2. **APPLICABILITY:** The HLBA shall apply to all customer classes, except for those schedules or contracts specifically excluded by the Commission.

3. **REVISION DATE:** Disposition of the balances in this account shall be determined in the next General Rate Case (GRC), or as otherwise authorized by the Commission, through the Utility Generation Balancing Account (UGBA) as part of the Annual Electric True-up advice filing.

4. **RATES:** The HLBA does not have a rate component.

5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the HLBA by making entries to this account at the end of each month as follows:

   a) A credit entry equal to one-twelfth of the adopted annual revenue requirements, excluding an allowance for Franchise Fees and Uncollectible Accounts expense (FF&U).

   b) A debit entry equal to actual expenses incurred;

   c) A debit entry equal to the capital-related revenue requirement, excluding FF&U, related to the actual capital costs incurred. Capital-related revenue requirements include depreciation expense, the return on investment, federal and state income taxes, and property taxes associated with the costs;

   d) A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the Commission; and,

   e) An entry equal to the interest on the average of the balance in this account at the beginning of the month and the balance in this account after the above entries at a rate equal to one-twelfth 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

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

AT&T
Alcantar & Kahl LLP
Anderson & Poole
BART
Barkovich & Yap, Inc.
Bartle Wells Associates
Braun Blaising McLaughlin, P.C.

CENERGY POWER
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine
Casner, Steve
Center for Biological Diversity
City of Palo Alto
City of San Jose
Clean Power
Coast Economic Consulting
Commercial Energy
Cool Earth Solar, Inc.
County of Tehama - Department of Public Works
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center
Dept of General Services
Division of Ratepayer Advocates

Douglass & Liddell
Downey & Brand
Ellison Schneider & Harris LLP
G. A. Krause & Assoc.
GenOn Energy Inc.
GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
In House Energy
International Power Technology
Intestate Gas Services, Inc.
K&L Gates LLP
Kelly Group
Linde
Los Angeles County Integrated Waste Management Task Force
Los Angeles Dept of Water & Power
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McKenna Long & Aldridge LLP
McKenzie & Associates

Occidental Energy Marketing, Inc.
OnGrid Solar
Pacific Gas and Electric Company
Praxair
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
SCE
SDG&E and SoCalGas
SPURR
San Francisco Public Utilities Commission
Seattle City Light
Sempra Utilities
SoCalGas
Southern California Edison Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
Tiger Natural Gas, Inc.
TransCanada
Utility Cost Management
Utility Power Solutions
Utility Specialists
Verizon
Water and Energy Consulting
Wellhead Electric Company
Western Manufactured Housing
Communities Association (WMA)