

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 9, 2015

**Advice Letter 4503-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 GM - Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA), in Compliance with the 2014 GRC D.14-08-032**

Dear Ms. Allen:

Advice Letter 4503-E is effective as of January 1, 2014.

Sincerely,

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

Edward Randolph  
Director, Energy Division

September 29, 2014

**Advice 4503-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Establish Electric Preliminary Statement Part GM – Nuclear  
Regulatory Commission Rulemaking Balancing Account (NRCRBA),  
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 GM – *Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA)*. This new balancing account is effective on January 1, 2014. The affected tariff sheets are listed on the enclosed Attachment 1.

**Background:**

On November 15, 2012, PG&E filed its 2014 General Rate Case (GRC) Application (A.) 12-11-009. In this application, PG&E proposed generation and distribution base revenue requirements for test year 2014 and attrition years 2015 and 2016. On April 18, 2013, the California Public Utilities Commission (Commission or CPUC) issued D.13-04-023 granting PG&E's request to make its 2014 GRC revenue requirement effective January 1, 2014, including interest covering the period subsequent to January 1, 2014<sup>1</sup>. On August 14, 2014, the CPUC issued D.14-08-032 in PG&E's 2014 GRC adopting base revenue requirements for the 2014-2016 GRC period.

OP 24 of D.14-08-032<sup>2</sup> requires that within 45 days of the effective date of that decision, PG&E file a Tier 1 advice letter to implement a two-way balancing account to track and adjust for the difference in revenue requirements based on actual versus adopted capital and expense costs incurred for complying with existing, emerging or evolving NRC regulations, rulemakings, orders, bulletins and/or generic letters, and the Code of Federal Regulation 10-50-54F – Conditions of Licenses at Diablo Canyon.

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<sup>1</sup> D.13-04-023, OPs 2 and 3.

<sup>2</sup> Refer also to OPs 26 and 27 of D.14-08-032.

**Tariff Revisions**

Establish Electric Preliminary Statement Part GM – Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA).

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<sup>3</sup> after the date of this filing. 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.

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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<sup>3</sup> 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

# 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: 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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **4503-E**

Tier: **1**

Subject of AL: **Establish Electric Preliminary Statement Part GM – Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA), 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 GM - Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA)

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 days<sup>1</sup> 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., 4<sup>th</sup> 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**

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

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

**Title of Sheet**

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

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34396-E      ELECTRIC PRELIMINARY STATEMENT PART  
GM  
NUCLEAR REGULATORY COMMISSION  
RULEMAKING BALANCING ACCOUNT  
(NRCRBA)  
Sheet 1

34397-E      ELECTRIC TABLE OF CONTENTS  
Sheet 1

34394-E

34398-E      ELECTRIC TABLE OF CONTENTS  
PRELIMINARY STATEMENT  
Sheet 18

34395-E



**ELECTRIC PRELIMINARY STATEMENT PART GM**  
**NUCLEAR REGULATORY COMMISSION**  
**RULEMAKING BALANCING ACCOUNT (NRCRBA)**

Sheet 1 (N)  
 (N)  
 (N)

GM. Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA) (N)

1. **PURPOSE:** The purpose of the Nuclear Regulatory Commission (NRC) Rulemaking Balancing Account is to recover actual expenses and capital revenue requirements for complying with existing, emerging or evolving NRC regulations, rulemakings, orders, bulletins and/or generic letters, and the Code of Federal Regulation 10-50-54F – Conditions of Licenses at Diablo Canyon. Specifically, the NRCRBA tracks and adjusts for the difference in expenses and capital revenue requirements based on actual versus adopted costs. These costs include, but are not limited to, the following four major NRC rulemaking processes currently in progress: Fukushima Daiichi Rulemaking, Cyber-Security Rulemaking, Emergency Planning Rulemaking, and the new National Fire Protection Standard (NFPA) 805 Rulemaking.
2. **APPLICABILITY:** The NRCRBA 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 through the next General Rate Case (GRC), or as otherwise authorized by the Commission, through the Utility Generation Balancing Account (UGBA).
4. **RATES:** The NRCRBA does not have a rate component.
5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the NRCRBA 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.

(N)

(Continued)



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Sheet 1

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	Preliminary Statements .....	33840,32706,30376,34343,34357,34358,34359, <b>34398-E</b>	(T)
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	Maps, Contracts and Deviations.....	33253-E	
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**PRELIMINARY STATEMENT**

Sheet 18

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Part GB	Greenhouse Gas Revenue Balancing Account .....	32421-E
Part GC	California Energy Systems for the 21 <sup>st</sup> Century Balancing Account .....	.33937-E
Part GD	Smart Grid Pilot Deployment Project Balancing Account .....	32540-32542-E
Part GE	Statewide Marketing, Education and Outreach Expenditure Balancing Account .....	32643-E
Part GF	Customer Data Access Balancing Account – Electric .....	33136-E
Part GH	Mobile Home Park Balancing Account - Electric .....	33894-E
Part GI	Energy Data Center Memorandum Account – Electric .....	33940-E
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Part GL	Hydro Licensing Balancing Account (HLBA) .....	34393-E
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Part GN	San Francisco Incandescent Streetlight Replacement Account .....	34364-E

(N)

(Continued)

**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 Blaising 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	