

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



December 7, 2012

Advice Letter 3275-G/4002-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: Approval of Electric Preliminary Statement FW, SmartMeter Opt-Out
Memorandum Account and Gas Preliminary Statement CU, SmartMeter
Opt-Out Memorandum Account, in Compliance with D.12-02-014**

Dear Mr. Cherry:

Advice Letters 3275-G and 4002-E are effective as of February 2, 2012.

Sincerely,

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

Edward F. Randolph, Director
Energy Division

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 8, 2012

Advice Letter 3275-G/4002-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: Proposed Memorandum Account to Track Revenues and Costs
Associated with Smart Meter Opt-Out**

Dear Mr. Cherry:

On February 2, 2012, PG&E filed Tier 1 Advice Letter 3275-G/4002-E, with same effective date, requesting approval of the SmartMeter Opt-Out Memorandum Accounts (Electric & Gas) to track revenues and costs associated with providing the smart meter opt-out option to customers as ordered by D.12-02-014.

On February 22, 2012, a protest was filed jointly by Aglet Consumer Alliance, EMF Safety Network, and The Utility Reform Network, opposing PG&E's memorandum account request on the grounds that certain costs are not clearly defined in the PG&E's filing and suggests potential double recovery issues.

On February 29, 2012, PG&E submitted a reply to the protest, asserting that it's filing directly follows Commission order in D.12-02-014 and the protest is "outside the scope of the advice filing and should be rejected."

Energy Division has reviewed the matter and concluded that PG&E's position is correct. D.1-2-014 clearly states (p.3) that "This decision authorizes PG&E to establish new two-way electric and gas Modified SmartMeter Memorandum Accounts to track revenues and costs associated *until a final decision on recoverable costs and cost allocation is adopted* [emphasis ours]." The Commission expressly deferred discussion (p.35) of these cost issues to Phase 2 of PG&E's smart meter opt-out proceeding (A.11-03-014), stating that "This decision determines that a second phase in this proceeding is necessary to consider cost and cost allocation issues associated with providing the analog meter opt-out option..."

The Parties joint protest is denied and PG&E's advice letter remains in effect as filed. PG&E is reminded that the Memorandum Account is subject to Commission decisions in Phase 2 of the opt-out proceeding and a demonstration of reasonableness by PG&E at a suitable later point in time.

PG&E's filing complies and the protest is denied.

Sincerely,

A handwritten signature in dark ink, appearing to read "Edward F. Randolph". The signature is written in a cursive style with some loops and flourishes.

Edward F. Randolph, Director
Energy Division

Cc:

Aglet, EMF Safety Networks, TURN (joint-protestors)
Service List A.11-03-014.



February 2, 2012

Advice 3275-G/4002-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Approval of Electric Preliminary Statement FW, SmartMeter™ Opt-Out Memorandum Account, and Gas Preliminary Statement CU, SmartMeter™ Opt-Out Memorandum Account, in Compliance with D.12-02-014

In accordance with Ordering Paragraph 2 of Decision 12-02-014, PG&E submits for approval its proposed preliminary statements for its Gas and Electric SmartMeter™ Opt-Out Memorandum Accounts. The affected tariff sheets are listed on the enclosed Attachment 1.

Purpose

Ordering Paragraph 2d of Decision 12-02-014 requires that within 15 days of the effective date of that decision, PG&E file a Tier 1 advice letter to, among other things, “Establish new two-way electric and gas Modified SmartMeter Memorandum Accounts to track revenues and costs associated with providing the SmartMeter opt-out option.”

PG&E is filing this advice letter addressing memorandum accounts used for cost and revenue tracking at the earliest possible opportunity to allow PG&E to begin recording program costs and revenue from customers electing opt-out service on the date of this filing. PG&E’s remaining filing requirements, as discussed further in Ordering Paragraph 2, parts a, b and c, will be filed at the earliest opportunity within the 15 day period as ordered.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than February 22, 2012 which is 20 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division
Tariff Files, Room 4005
DMS Branch
505 Van Ness Avenue
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: jjn@cpuc.ca.gov and mas@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 also should be sent via U.S. mail (and by facsimile and electronically, 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, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-6520
E-mail: PGETariffs@pge.com

Effective Date

PG&E requests that this advice filing become effective immediately upon filing on February 2, 2012.

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 Application 11-03-014. 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>

A handwritten signature in blue ink that reads "Brian Cherry" followed by a circled number "125".

Vice President, Regulation and Rates

Attachments

cc: Service List A. 11-03-014

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 M)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Britta Brown

Phone #: (415) 973-8584

E-mail: B2Bn@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) #: **3275-G/4002-E**

Tier: **1**

Subject of AL: **Approval of Electric Preliminary Statement FW, SmartMeter™ Opt-Out Memorandum Account, and Gas Preliminary Statement CU, SmartMeter™ Opt-Out Memorandum Account, in Compliance with D.12-02-014**

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

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **D.12-02-014**

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: **N/A**

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: **February 2, 2012**

No. of tariff sheets: **4**

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: **Gas Preliminary Statement CU, Electric Preliminary Statement FW**

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

Tariff Files, Room 4005

DMS Branch

505 Van Ness Ave., San Francisco, CA 94102

jj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian K. Cherry, Vice President, Regulation and Rates

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 3275-G**

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

Title of Sheet

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

29518-G GAS PRELIMINARY STATEMENT PART CU
SMARTMETERTM OPT-OUT MEMORANDUM
ACCOUNT
Sheet 1

29519-G GAS PRELIMINARY STATEMENT PART CU
SMARTMETERTM OPT-OUT MEMORANDUM
ACCOUNT
Sheet 2

29520-G GAS TABLE OF CONTENTS
Sheet 1

29491-G

29521-G GAS TABLE OF CONTENTS
Sheet 5

29353-G



GAS PRELIMINARY STATEMENT PART CU
SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT

Sheet 1

CU. SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT – GAS (SOMA-G)

(N)

1. **PURPOSE:** The purpose of the SOMA-G is to record the incremental expenditures required to implement PG&E's SmartMeter™ Opt-Out Program and the associated revenues from Opt-Out Program charges until such time as cost recovery provisions are addressed in Phase 2 of Application (A.) 11-03-014, pursuant to Decision (D.) 12-02-014. The Program provides an option for residential customers who do not wish to have a wireless SmartMeter™ installed at their residences. PG&E shall track costs and revenues associated with the SmartMeter™ Opt-Out Program in a two-way memorandum account to preserve the opportunity to seek recovery of these costs. Costs that can be attributed specifically to gas service will be recorded to this account. General costs that cannot be attributed specifically either to providing gas service or electric service shall be allocated 55% electric and 45% gas. All revenues from the gas portion of the charges (i.e., initial amount and monthly charge) from participating customers will be credited to the SOMA-G. (N)
2. **APPLICABILITY:** The SOMA-G shall apply to gas residential customers only, except for those specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balance in the account shall be determined in Phase 2 of A.11-03-014, or as otherwise authorized by the CPUC.
4. **RATES:** The SOMA-G rate component is set forth in Gas Rate Schedule G-SOP.
5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the SOMA-G by making entries to this account at the end of each month as follows:
 - a. A debit entry equal to the gas portion of PG&E's incremental Operating and Maintenance (O&M) and Administrative and General (A&G) operating expenses and capital-related revenue requirements, excluding associated Franchise Fees and Uncollectibles (FF&U) expense, incurred for all the activities PG&E is required to undertake to implement the SmartMeter™ Opt-Out Program in order to comply with Ordering Paragraph 2d of D.12-02-014. The capital-related revenue requirements will include depreciation expense, return on investment, federal and state income taxes, and property taxes associated with the costs of installing equipment. These capital, O&M, and A&G costs include implementation costs associated with the activities described below and may relate to numerous activities or organizations, including but not limited to:
 - The expenses for customer outreach, Call Center communications, and other written and oral communications regarding the SmartMeter™ Opt-Out Program, to be launched immediately upon the issuance of D.12-02-014 and continuing in future years of Program operation.
 - The expenses for sending Certified Letters to Delay List customers, notifying them of the SmartMeter™ Opt-Out Program within twenty days of the issuance of D.12-02-014, as required by D.12-02-014.
 - The capital cost of removing the gas SmartMeter™ module on gas mechanical meters for residential gas customers who wish to replace the wireless SmartMeter™ module installed at their residences, retiring the module, and installing a new face plate on the gas analog mechanical meters, including removal, procurement, materials handling, and inventory costs. For those modules that are not retired but are refurbished and reused, these costs will be expensed.
 - The expenses for monthly meter reading of the gas analog mechanical meters.
 - The capital cost of purchasing hand-held meter-reading devices and programming PG&E's Information Technology (IT) systems to receive the meter-reading data. (N)

(Continued)

Advice Letter No: 3275-G
 Decision No. D.12-02-014

Issued by
Brian K. Cherry
 Vice President
 Regulation and Rates

Date Filed February 2, 2012
 Effective February 2, 2012
 Resolution No. _____



GAS PRELIMINARY STATEMENT PART CU
SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT

Sheet 2

CU. SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT – GAS (SOMA-G)

(N)

5. ACCOUNTING PROCEDURE: (Cont'd.)

(N)

- The capital costs of modifying PG&E's IT web communications and Interactive Voice Response phone systems so that customers participating in the Opt-Out Program have systems in place to support communications and enrollment.
- The capital cost of reinstalling a gas SmartMeter™ module if a customer electing opt-out service does not pay the initial charge within 90 days and the customer is removed from the Opt-Out program and returned to wireless-SmartMeter™-based service, as required by D.12-02-014.
- The capital cost and expenses associated with benefits that SmartMeters™ would have provided had they been in place as anticipated in D.06-07-027 and D.09-03-026, including but not limited to manual processing of service-terminations, manual checks of lost service, and manual restoration of service that SmartMeters™ could have performed remotely.
- The capital costs of modifying PG&E's IT billing systems to allow customers participating in the Opt-Out Program to be charged the initial and monthly amounts for participating in the Opt-Out Program.
- The expenses for initial manual processing of customer operations, including handling enrollment requests and billing, while the long-term automated IT systems described above are being built, and for the future ongoing customer operations activities needed to manage customer requests and billing processes.
- The expenses for any incremental increase in uncollectible expenses in excess of those projected in the utility's last general rate case that are attributable to the SmartMeter™ Opt-Out Program.
- The expenses for program administration, including regulatory reporting.

- b. A credit entry equal to the gas portion of initial and/or monthly charges for the SmartMeter™ Opt-Out Program.
- c. A debit or credit entry to transfer the balance to the appropriate regulatory mechanism for rate recovery, upon approval by the Commission.
- d. A debit or credit entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entry, at a rate equal to one-twelfth of the rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

6. DISPOSITION: The balance in this account will be transferred to the Distribution Cost Subaccount of the Core Fixed Cost Account upon approval by the Commission.

(N)



GAS TABLE OF CONTENTS

Sheet 1

TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Title Page	29520-G	(T)
Rate Schedules	29484,29492-G	
Preliminary Statements.....	29486,29341-G	
Rules	29287-G	
Maps, Contracts and Deviations.....	29288-G	
Sample Forms	29289,28995,27262,28662,29290*,28503-G	

(Continued)

Advice Letter No: 3275-G
 Decision No. D.12-02-014

Issued by
Brian K. Cherry
 Vice President
 Regulation and Rates

Date Filed February 2, 2012
 Effective February 2, 2012
 Resolution No. _____



GAS TABLE OF CONTENTS

Sheet 5

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Preliminary Statements		
Part AC	Catastrophic Event Memorandum Account.....	14178,14179-G
Part AE	Core Pipeline Demand Charge Account.....	23301-G
Part AG	Core Firm Storage Account.....	2888-G
Part AN	Hazardous Substance Mechanism.....	23281-23283,16693-16694-G
Part AW	Self-Generation Program Memorandum Account	24767-G
Part BA	Public Purpose Program-Energy Efficiency.....	23360-23361-G
Part BB	Public Purpose Program Memorandum Account	23362-23363-G
Part BH	Public Purpose Program Surcharge-Low Income Energy Efficiency Balancing Account.....	23364-G
Part BI	Public Purpose Program Surcharge-Research, Development and Demonstration Balancing Account.....	23365,23366-G
Part BL	Noncore Distribution Fixed Cost Account.....	28415-G
Part BP	SmartMeter Project Balancing Account-Gas.....	24123-24124-G
Part BQ	Pension Contribution Balancing Account	24853,24224-G
Part BS	Climate Balancing Account	29338-29339-G
Part BT	Non-Tariffed Products and Services Balancing Account.....	26710-G
Part BW	Energy Efficiency 2009 – 2011 Memorandum Account.....	28304,27419-G
Part BX	Wildfire Expense Memorandum Account.....	27806-G
Part BY	On-Bill Financing Balancing Account (OBFA).....	28305-G
Part BZ	Gas Disconnection Memorandum Account.....	28046-G
Part CA	California Solar Initiative Thermal Program Memorandum Account.....	28670,28060-G
Part CB	CARE/TANF Balancing Account.....	28103-G
Part CC	Sempre and Price Indexing Cases Gas Settlement Refund Memorandum Account (SPGSRMA).....	28111-G
Part CD	SmartMeter Evaluation Memorandum Account – Gas.....	28120-G
Part CE	San Bruno Independent Review Panel Memorandum Account (SBIRPMA).....	28559-G
Part CE	San Bruno Independent Review Panel Memorandum Account (SBIRPMA).....	28559-G
Part CF	Meter Reading Costs Memorandum Account.....	28599-G
Part CG	Distribution Integrity Management Expense Memorandum Account.....	28641-G
Part CI	AB32 Cost of Implementation Fee Memorandum Account – Gas.....	28673-G
Part CJ	CARE/REACH Balancing Account (CRBA)	28776-G
Part CK	TID Almond Power Plant Balancing Account.....	28889-G
Part CL	Integrity Management Expense Balancing Account.....	28891-G
Part CM	Electricity Cost Balancing Account.....	28892-G
Part CN	Topock Adder Projects Balancing Account.....	28893-G
Part CO	Adjustment Mechanism For Costs Determined In Other Proceedings.....	28894-28897-G
Part CP	Gas Transmission & Storage Revenue Sharing Mechanism.....	28898-28901-G
Part CQ	Gas Distribution Integrity Management Expense Balancing Account	29050-G
Part CR	Gas Meter Reading Costs Balancing Account	29058-G*
Part CS	Tax Act Memorandum Account – Gas	29291-29292-G
Part CT	Low Income 2012 Memorandum Account (LIMA)	29350, 29351-G
Part CU	SmartMeter™ Opt-Out Memorandum Account – Gas (SOMA-G).....	29518, 29519-G (N)

(Continued)

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

Title of Sheet

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

31312-E ELECTRIC PRELIMINARY STATEMENT PART
FW
SMARTMETERTM OPT-OUT MEMORANDUM
ACCOUNT
Sheet 1

31313-E ELECTRIC PRELIMINARY STATEMENT PART
FW
SMARTMETERTM OPT-OUT MEMORANDUM
ACCOUNT
Sheet 2

31314-E ELECTRIC PRELIMINARY STATEMENT PART
FW
SMARTMETERTM OPT-OUT MEMORANDUM
ACCOUNT
Sheet 3

31315-E ELECTRIC TABLE OF CONTENTS
Sheet 1

30763-E

31316-E ELECTRIC TABLE OF CONTENTS
PRELIMINARY STATEMENT
Sheet 17

30870-E



ELECTRIC PRELIMINARY STATEMENT PART FW
SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT

Sheet 1

FW. SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT - ELECTRIC (SOMA-E)

1. **PURPOSE:** The purpose of the SOMA-E is to record the incremental expenditures required to implement PG&E's SmartMeter™ Opt-Out Program and the associated revenues from Opt-Out Program charges until such time as cost recovery provisions are addressed in Phase 2 of Application (A.) 11-03-014, pursuant to Decision (D.) 12-02-014. The Program provides an option for residential customers who do not wish to have a wireless SmartMeter™ installed at their residences. PG&E shall track costs and revenues associated with the SmartMeter™ Opt-Out Program in a two-way memorandum account to preserve the opportunity to seek recovery of these costs. Costs that can be attributed specifically to electric service will be recorded to this account. General costs that cannot be attributed specifically either to providing gas service or electric service shall be allocated 55% electric and 45% gas. All revenues from the electric portion of the charges (i.e., initial amount and monthly charge) from participating customers will be credited to the SOMA-E. (N)
2. **APPLICABILITY:** The SOMA-E shall apply to electric residential customers only, except for those specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balance in the account shall be determined in Phase 2 of A.11-03-014, or as otherwise authorized by the CPUC.
4. **RATES:** The SOMA-E rate component is set forth in Electric Rate Schedule E-SOP.
5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the SOMA-E by making entries to this account at the end of each month as follows:
 - a. A debit entry equal to the electric portion of PG&E's incremental Operating and Maintenance (O&M) and Administrative and General (A&G) operating expenses and capital-related revenue requirements, excluding associated Franchise Fees and Uncollectibles (FF&U) expense, incurred for all the activities PG&E is required to undertake to implement the SmartMeter™ Opt-Out Program in order to comply with Ordering Paragraph 2d of D.12-02-014. The capital-related revenue requirements will include depreciation expense, return on investment, federal and state income taxes, and property taxes associated with the costs of installing equipment. These capital, O&M, and A&G costs include implementation costs associated with the activities described below and may relate to numerous activities or organizations, including but not limited to:
 - The expenses for customer outreach, Call Center communications, and other written and oral communications regarding the SmartMeter™ Opt-Out Program, to be launched immediately upon the issuance of D.12-02-014 and continuing in future years of Program operation.
 - The expenses for sending Certified Letters to Delay List customers, notifying them of the SmartMeter™ Opt-Out Program within twenty days of the issuance of D.12-02-014, as required by D.12-02-014.
 - The capital cost of purchasing network equipment to compensate for reduced connectivity associated with removal of RF-based meters.
 - The capital cost of installing and/or relocating network equipment to compensate for reduced connectivity associated with removal of RF-based meters.
 - The capital cost of purchasing analog meters for residential electric customers who wish to replace the wireless SmartMeter™ installed at their residences, including procurement, materials handling, and inventory costs. For the great majority of customers, these meters will be analog electromechanical meters. For a very small number of residential electric customers on rate schedules that require special meters (e.g., Time-of-Use customers), these meters will be solid-state digital meters. (N)

(Continued)



ELECTRIC PRELIMINARY STATEMENT PART FW
SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT

Sheet 2

FW. SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT - ELECTRIC (SOMA-E) (N)

5. ACCOUNTING PROCEDURE: (Cont'd.) (N)

- The capital cost of replacing the electric SmartMeters™ with the electric analog meters, and in limited cases the solid-state digital meters for those residential electric customers on rate schedules that require special meters.
- The expenses for monthly meter reading of the electric analog meters, and in limited cases the solid-state digital meters for those residential electric customers on rate schedules that require special meters.
- The capital cost of purchasing hand-held meter-reading devices and for programming PG&E's Information Technology (IT) systems to receive the meter-reading data.
- The capital cost of reinstalling an electric SmartMeter™ if a customer electing opt-out service does not pay the initial charge within 90 days and the customer is removed from the Opt-Out program and returned to wireless-SmartMeter™-based service, as required by D.12-02-014.
- The capital cost and expenses associated with benefits that SmartMeters™ would have provided had they been in place as anticipated in D.06-07-027 and D.09-03-026, including but not limited to manual processing of service-terminations, manual checks of lost service, and manual restoration of service that SmartMeters™ could have performed remotely.
- The expenses related to reinitiating a testing program for analog meters to comply with Commission Rule 17 and the Commission's Direct Access standards for metering and meter data in California, issued March 1999.
- The capital cost of one-time changes to PG&E's current SmartMeter™ Operations Center IT systems to diagnose on an ongoing basis the impact on the integrity of the SmartMeter™ mesh network of having customers with non-communicating meters and identify where additional network devices must be installed to maintain communications system integrity.
- The capital cost of purchasing additional network devices, including procurement, materials handling, and inventory costs.
- The capital cost of engineering site-specific installations of any additional network devices and installing these devices.
- The expenses for ongoing engineering, monitoring the integrity of the SmartMeter™ mesh network needed as new customers request analog meters and identifying where additional network devices must be installed to maintain communications system integrity.
- The capital costs of modifying PG&E's IT web communications and Interactive Voice Response phone systems so that customers participating in the Opt-Out Program have systems in place to support communications and enrollment.
- The capital costs of modifying PG&E's IT billing systems to allow customers participating in the Opt-Out Program to be charged the initial and monthly amounts for participating in the Opt-Out Program.
- The expenses for initial manual processing of customer operations, including handling enrollment requests and billing, while the long-term automated IT systems described above are being built, and for the future ongoing customer operations activities needed to manage customer requests and billing processes.
- The expenses for any incremental increase in uncollectible expenses in excess of those projected in the utility's last general rate case that are attributable to the SmartMeter™ Opt-Out Program.
- The expenses for program administration, including regulatory reporting.

(Continued)

Advice Letter No: 4002-E
 Decision No.

Issued by
Brian K. Cherry
 Vice President
 Regulation and Rates

Date Filed February 2, 2012
 Effective February 2, 2012
 Resolution No.



ELECTRIC PRELIMINARY STATEMENT PART FW
SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT

Sheet 3

FW. SMARTMETER™ OPT-OUT MEMORANDUM ACCOUNT - ELECTRIC (SOMA-E)

(N)

5. ACCOUNTING PROCEDURE: (Cont'd.)

- b. A credit entry equal to the electric portion of initial and/or monthly charges for the SmartMeter™ Opt-Out Program.
- c. A debit or credit entry to transfer the balance to the appropriate regulatory mechanism for rate recovery, upon approval by the Commission.
- d. A debit or credit entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entry, at a rate equal to one-twelfth of the rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

- 6. DISPOSITION: The balance in this account will be transferred to the Distribution Revenue Adjustment Mechanism (DRAM) upon approval by the Commission.

(N)



ELECTRIC TABLE OF CONTENTS

Sheet 1

TABLE OF CONTENTS

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
	Title Page	31315-E	(T)
	Rate Schedules	31131,31132,30764,31134 ,31135,31136,30751, 29897, 31137-E	
	Preliminary Statements	31138,29900,30376,30844,31139,30846, 31316-E	(T)
	Rules	30402, 30473, 31153-E	
	Maps, Contracts and Deviations.....	29909-E	
	Sample Forms	30680*,30353,30372,31154,30354,30740,30513,30682,30833,30683,29920,29921-E	

(Continued)



ELECTRIC TABLE OF CONTENTS
PRELIMINARY STATEMENT

Sheet 17

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Preliminary Statements (Cont'd)		
Part FA	Gateway Settlement Balancing Account.....	28019-E
Part FB	Fire Hazard Prevention Memorandum Account.....	28410-E
Part FC	Wildfire Expense Memorandum Account.....	29570-E
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
Part FH	Smartmeter Evaluation Memorandum Account – Electric.....	29149-E
Part FI	Operations and Maintenance Contingency Balancing Account.....	30655-E
Part FJ	Photovoltaic Program Memorandum Account.....	29513-E
Part FK	Fuel Cell Project Memorandum Account (FCPMA).....	29551,29552-E
Part FL	Cornerstone Improvement Project Balancing Account.....	29585-E
Part FM	Diablo Canyon Seismic Studies Balancing Account.....	29615,29616-E
Part FO	AB32 Cost of Implementation Fee Memorandum Account – Electric.....	28120-E
Part FP	CARE/REACH Balancing Account (CRBA)	29959-E
Part FQ	Meter Reading Costs Balancing Account.....	30380-E
Part FR	Tax Act Memorandum Account – Electric.....	30686-30687-E
Part FS	New System Generation Balancing Account.....	30648-E
Part FT	Low Income 2012 Memorandum Account (LIMA).....	30721,30722-E
Part FU	Electric Program Investment Charge – Renewables Balancing Account.....	30841-E
Part FV	Agricultural Account Aggregation Study Memorandum Account (AAASMA).....	30868-E
Part FW	SmartMeter™ Opt-Out Memorandum Account - Electric (SOMA-E).....	31312-31314-E (N)

(Continued)

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

AT&T	Dept of General Services	North Coast SolarResources
Alcantar & Kahl LLP	Douglass & Liddell	Occidental Energy Marketing, Inc.
Ameresco	Downey & Brand	OnGrid Solar
Anderson & Poole	Duke Energy	Praxair
BART	Economic Sciences Corporation	R. W. Beck & Associates
Barkovich & Yap, Inc.	Ellison Schneider & Harris LLP	RCS, Inc.
Bartle Wells Associates	Foster Farms	Recurrent Energy
Bloomberg	G. A. Krause & Assoc.	SCD Energy Solutions
Bloomberg New Energy Finance	GLJ Publications	SCE
Boston Properties	GenOn Energy, Inc.	SMUD
Braun Blaising McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SPURR
Brookfield Renewable Power	Green Power Institute	San Francisco Public Utilities Commission
CA Bldg Industry Association	Hanna & Morton	Seattle City Light
CLECA Law Office	Hitachi	Sempra Utilities
CSC Energy Services	In House Energy	Sierra Pacific Power Company
California Cotton Ginners & Growers Assn	International Power Technology	Silicon Valley Power
California Energy Commission	Intestate Gas Services, Inc.	Silo Energy LLC
California League of Food Processors	Lawrence Berkeley National Lab	Southern California Edison Company
California Public Utilities Commission	Los Angeles Dept of Water & Power	Spark Energy, L.P.
Calpine	Luce, Forward, Hamilton & Scripps LLP	Sun Light & Power
Casner, Steve	MAC Lighting Consulting	Sunshine Design
Center for Biological Diversity	MBMC, Inc.	Sutherland, Asbill & Brennan
Chris, King	MRW & Associates	Tabors Caramanis & Associates
City of Palo Alto	Manatt Phelps Phillips	Tecogen, Inc.
City of Palo Alto Utilities	McKenzie & Associates	Tiger Natural Gas, Inc.
City of San Jose	Merced Irrigation District	TransCanada
City of Santa Rosa	Modesto Irrigation District	Turlock Irrigation District
Clean Energy Fuels	Morgan Stanley	United Cogen
Coast Economic Consulting	Morrison & Foerster	Utility Cost Management
Commercial Energy	Morrison & Foerster LLP	Utility Specialists
Consumer Federation of California	NLine Energy, Inc.	Verizon
Crossborder Energy	NRG West	Wellhead Electric Company
Davis Wright Tremaine LLP	NaturEner	Western Manufactured Housing Communities Association (WMA)
Day Carter Murphy	Navigant Consulting	eMeter Corporation
Defense Energy Support Center	Norris & Wong Associates	
Department of Water Resources	North America Power Partners	