PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE

December 19, 2019

Advice Letter 5676-E

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

SUBJECT: To Conform Electric Tariffs in Compliance with Decision 19-10-001.

Dear Mr. Jacobson:

Advice Letter 5676-E is effective as of October 30, 2019.

Sincerely,

Edward Randolph

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division

Pacific Gas and Electric Company

Erik Jacobson
Director
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B13U
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-3582

October 30, 2019

Advice 5676-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: **To Conform Electric Tariffs in Compliance with Decision 19-10-001**

Purpose

Pacific Gas and Electric Company (PG&E) submits revisions to Electric Preliminary Statement Part CP (Energy Resource Recovery Account), Electric Preliminary Statement Part CQ (Modified Transition Cost Balancing Account), and Electric Preliminary Statement Part HS (Portfolio Allocation Balancing Account) pursuant to Ordering Paragraph (OP) 8 of Decision (D.) 19-10-001, issued in the Power Charge Indifference Amount (PCIA) Order Instituting Rulemaking (OIR), R.17-06-026.

The purpose of this advice letter is to conform the tariff language to the language used in D.19-10-001 that define: Market Value, Renewable Portfolio Standard (RPS) Value, Resource Adequacy (RA) Value, RPS Adder and RA Adder, and to the language in the decision's attachments that define Forecast Adder, Final Adder, Actual Retained RPS, Actual Retained RA, Actual Sold RPS, and Actual Sold RA.[1]

Background

The PCIA OIR was established to respond to concerns that the existing PCIA cost allocation was not preventing cost shifting between bundled and departing load customers, as required by law.[2] In D.18-10-019, the Commission adopted revised inputs to the market price benchmark (MPB) used to set the PCIA rates, adopted an annual true-up mechanism to ensure that bundled and departing load customers pay equally for the above-market costs of PCIA-eligible resources (OP 6), set a cap of 0.5 cent per kWh increase for departing load customers' PCIA rate differentiated by vintage (OP 9), and

1 See D.19-10-001, p. 6 – 7, and Attachments A and B to D.19-10-001.

2 D.18-10-019, p. 1.

established a trigger mechanism for the PCIA cap (OP 10).[3] Previously, the PCIA rate was set on a forecast basis and not trued-up to actual, recorded costs and there were no provisions for a PCIA cap.

In compliance with OP 6, PG&E filed Advice Letter 5440-E on December 10, 2018 to establish the Portfolio Allocation Balancing Account (PABA) to facilitate the true-up of PCIA-related costs, market revenues, and customers' billed PCIA revenues. The PABA has vintaged subaccounts that will record vintage-specific above market costs which are then matched to customers' billed revenues, by vintage. The PABA was approved in Advice Letter 5440-E on May 3, 2019 and effective January 1, 2019.

On February 1, 2019, a scoping memo was issued for Phase 2 of the PCIA OIR that established three Working Groups to address: (1) Benchmark True-Up and Other Benchmarking Issues, (2) Prepayment, and (3) Portfolio Optimization and Cost Reduction, Allocation, and Auction. On October 17, 2019, the Commission issued D. 19-10-001 in response to the "Final Working Group One Report on Brown Power, RPS and RA True-Up Issues". This decision defined a method, data, and process requirements for forecasting and trueing-up the market price benchmarks used in determining the PCIA rates. For clarity, the Decision establishes naming conventions and definitions for Market Value and Market Price Benchmarks (MPBs) for the PCIA-eligible contracts energy value and RPS and RA attribute value. Attachment A of D. 19-10-001 also defines the Forecast and Final MPB as "Adders" for these attributes and Attachment B of D. 19-10-001 defines Actual Retained and Actual Sold in relation to the true-up.

Request

PG&E requests that the Commission approved the tariff modifications reflected in the attached preliminary statements.

PG&E has updated tariff language in its ERRA Preliminary Statement CP, the Modified Transition Cost Balancing Account (MTCBA), and the PABA to reflect terminology defined in the decision for Renewable Portfolio Standard (RPS) Value, Resource Adequacy (RA) Value, RPS Adders, and RA Adders as defined on pages 6 and 7 as well as Forecast Adders and Final Adders as defined in D.19-10-001, Attachment A, differentiated by RPS and RA attribute type. The tariff terminology was also updated to reflect Actual Sold and Actual Retained quantifies as defined in D.19-10-001, Attachment B, for both the RPS attributes and the RA attributes.

[3] D.18-19-019, OPs 1 and 2, and Appendix 1, define the values and calculation methodology for the market price benchmark which is composed of: (1) Brown Power Index, (2) Renewables Portfolio Standard (RPS) Adder, and (3) Resource Adequacy (RA) Adder. See Conclusion of Law (COL) 16 and OP 6, which adopts a true-up mechanism for the Brown Power Index to ensure that bundled and departing load customers pay equitably for [brown power] associated with PCIA-eligible resources, and OPs 9 and 10 adopt the PCIA cap for departing load customers and sets-up a trigger mechanism for the PCIA cap.

Additionally, PG&E has added two new line items to each tariff to reflect the true-up entry for the RPS Retained Value and the RA Retained Value using the Forecast RPS Adder and Forecast RA Adder to the Retained Market Values using the Final RPS Adder and Final RA Adder. The true-up entries will also true-up to Actual Retained quantities for the RPS and RA attributes, if applicable, as defined in Attachment B of D.19-10-001.

Tariff Changes

Changes were made to PABA, ERRA, and the MTCBA as described above to conform the tariff language with the terminology and definitions in the decision. In total, each tariff has two modified entries and two new entries in each tariff that are symmetrical in terms of the changes. The tariff revisions are included in Attachment 1 and the redline for the tariff revisions are included in Attachment 2.

Protests

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than November 19, 2019, which is 20 days after the date of this submittal. 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:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-3582
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 submittal become effective October 30, 2019, which is the date of this submission.

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 lists for R.17-06-026 and A.19-06-001. 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 submittals can also be accessed electronically at: http://www.pge.com/tariffs/.

/S/
Erik Jacobson
Director, Regulatory Relations

Attachments: Attachment 1 – Tariff Revisions
Attachment 2 – Tariff Revisions Redline

cc: Service List R.17-06-026 and A.19-06-001

California Public Utilities Commission

ADVICE LETTER SUMMARY

ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39E)

Utility type:
☑ ELC ☐ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person: Yvonne Yang
Phone #: (415)973-2094
E-mail: PGETariffs@pge.com
E-mail Disposition Notice to: Yvonne.Yang@pge.com

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 5676-E

Tier Designation: 1

Subject of AL: To Conform Electric Tariffs in Compliance with Decision 19-10-001

Keywords (choose from CPUC listing): Compliance

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.19-10-001

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:

Confidential treatment requested? ☐ Yes ☑ No

If yes, specification of confidential information:
Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? ☐ Yes ☑ No

Requested effective date: 10/30/19

No. of tariff sheets: 8

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: See attachment 1

Service affected and changes proposed[1]: N/A

Pending advice letters that revise the same tariff sheets: N/A

[1]Discuss in AL if more space is needed.

Clear Form

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Erik Jacobson, c/o Megan Lawson
Title: Director, Regulatory Relations
Utility Name: Pacific Gas and Electric Company
Address: 77 Beale Street, Mail Code B13U
City: San Francisco, CA 94177
State: California Zip: 94177
Telephone (xxx) xxx-xxxx: (415)973-2093
Facsimile (xxx) xxx-xxxx: (415)973-3582
Email: PGETariffs@pge.com

Name:
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Clear Form

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
45687-E	ELECTRIC PRELIMINARY STATEMENT PART CP ENERGY RESOURCE RECOVERY ACCOUNT Sheet 4	43453-E
45688-E	ELECTRIC PRELIMINARY STATEMENT PART CQ MODIFIED TRANSITION COST BALANCING ACCOUNT Sheet 2	43460-E
45689-E	ELECTRIC PRELIMINARY STATEMENT PART HS PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) Sheet 2	43462-E
45690-E	ELECTRIC PRELIMINARY STATEMENT PART HS PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) Sheet 3	43463-E
45691-E	ELECTRIC PRELIMINARY STATEMENT PART HS PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) Sheet 4	43464-E
45692-E	ELECTRIC TABLE OF CONTENTS Sheet 1	45525-E
45693-E	ELECTRIC TABLE OF CONTENTS Sheet 13	45526-E
45694-E	ELECTRIC TABLE OF CONTENTS Sheet 17	45527-E

CP. ENERGY RESOURCE RECOVERY ACCOUNT (ERRA) (Cont'd.)

4. RATES: The ERRA rate is set forth in electric Preliminary Statement Part I.

5. ACCOUNTING PROCEDURES: The CPUC-jurisdictional portion of all entries shall be made at the end of each month, or as applicable, excluding the allowance for Revenue Fees and Uncollectible (RF&U) Accounts expense, as follows:

Customer Billed Revenue Entries: (N)

a) A credit entry equal to the revenue from the ERRA rate component from bundled customers during the month;

b) A credit entry equal to revenues received from Electric Schedule TBCC, (Transitional Bundled Commodity Cost);

Retained RPS and RA Value Entries: (N)

c) A debit entry equal to the Retained Renewable Portfolio Standard (RPS) Value, determined using the most current Commission-adopted RPS Adder, multiplied by Actual Retained RPS quantities. A corresponding credit entry equal the Retained RPS Value is recorded in PABA and MTCBA. (T) I I (T)

d) A debit or credit entry to true-up the Retained RPS Value, determined using the Forecast RPS Adder to the Retained RPS Value using the Final RPS Adder. A corresponding credit or debit entry equal to the true-up of the Retained RPS Value is recorded in PABA and MTCBA. (N) I I I (N)

e) A debit entry equal the Retained Resource Adequacy (RA) Value, determined using the most current Commission-adopted RA Adder, multiplied by the Actual Retained RA quantities. A corresponding credit entry equal to the Retained RA Value is recorded in PABA and MTCBA. (T) I I (T)

f) A debit or credit entry to true-up the Retained RA Value, determined using the Forecast RA Adder to the Retained RA Value using the Final RA Adder. A corresponding credit or debit entry equal to the true-up of the Retained RA Value is recorded in PABA and MTCBA. (N) I I I (N)

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART CQ Sheet 2
MODIFIED TRANSITION COST BALANCING ACCOUNT

CQ. MODIFIED TRANSITION COST BALANCING ACCOUNT (MTCBA)

5. ACCOUNTING PROCEDURE: (Cont'd.)

c. A debit entry equal to bundled, DA, CCA, MDL, and CGDL customers' share of ten percent of the total net-present-value of the ratepayer benefits from a restructured QF contract, at the time the restructured contract is signed.

d. A debit or credit entry equal to bundled, DA, CCA, MDL, and CGDL customers' share upon Commission approval of a restructured contract to true-up for any difference between the initial net present value (Item 5.c above), and the final Commission-approved net present value of the restructured QF contract.

e. A credit entry equal to bundled, DA, CCA, MDL, and CGDL customers' share of the revenue received from the sale of excess sulfur dioxide emission credits, less reasonably incurred sales costs not already recovered in rates (D.97-11-074, Section 11.7.3).

f. A debit entry equal to the total contract costs associated with QF obligations, including irrigation district and other purchase power contracts eligible for recovery as an ongoing CTC.

g. A debit or credit entry equal to the net CAISO charges or revenues for energy associated with generating resources recovered in the MTCBA.

h. A debit or credit entry equal to the net charges or revenues for miscellaneous CAISO charges/credits associated with generating resources recovered in the MTCBA.

i. A debit or credit entry equal to the net charges or revenues for ancillary services associated with generating resources recovered in the MTCBA.

j. A credit entry equal to the Retained Renewable Portfolio Standard (RPS) Value, determined using the most current Commission-adopted RPS Adder. A corresponding debit entry equal to Retained RPS Value is recorded in ERRA. (T) I (T)

k. A debit or credit entry to true-up the Retained RPS Value, determined using the Forecast RPS Adder to the Retained RPS Value using the Final RPS Adder. A corresponding credit or debit entry equal to the true-up of the Retained RPS Value is recorded in ERRA. (N) I (N)

l. A credit entry equal to the Retained Resource Adequacy (RA) Value, determined using the most current Commission-adopted RA Adder. A corresponding debit entry equal to imputed costs for RA is recorded in ERRA. (T) (T)

m. A debit or credit entry to true-up the Retained RA Value, determined using the Forecast RA Adder to the Retained RPS Value using the Final RA Adder. A corresponding credit or debit entry equal to the true-up of the Retained RA Value is recorded in ERRA. (N) I (N)

n. A debit or credit entry equal, as appropriate, to record transfer of amounts to or from other accounts as approved by the CPUC. (T)

o. An entry equal to the interest on the average balance of the subaccount at the beginning of the month and the balance after the entries above, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor. (T)

ELECTRIC PRELIMINARY STATEMENT PART HS Sheet 2
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

5. ACCOUNTING PROCEDURES: (Cont'd.)

The PCIA vintage each UOG facility is assigned is shown below:

Facility	Vintage Subaccount
Colusa	2009
Gateway	2009
Humboldt	2009
Fuel Cells	2010
Photovoltaic Solar	2010 and 2012

The following entries will be made to the Legacy UOG and Vintage Subaccounts at the end of each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (RF&U) account expense:

Customer Billed Revenue Entries: (T)

a. A credit entry equal to PCIA revenues attributable to the Vintage from bundled customers.

b. A credit entry equal to PCIA revenues attributable to the Vintage from DA customers.

c. A credit entry equal to PCIA revenues attributable to the Vintage from CCA customers.

Actual Sold Renewable Portfolio Standard (RPS) and Resource Adequacy (RA) Transaction Entries: (N) (N)

d. A credit entry equal to revenues received for Actual Sold RPS transactions. (T)

e. A credit entry equal to revenues received for Actual Sold RA transactions. (T)

Retained RPS and RA Value Entries: (N)

f. A credit entry equal to the Retained RPS Value, determined using the most current Commission-adopted RPS Adder multiplied by Actual Retained RPS quantities. A corresponding debit entry equal to the Retained RPS Value is recorded in ERRA. (T) I (T)

g. A debit or credit entry to true-up the Retained RPS Value, determined using the Forecast RPS Adder to the Actual Retained RPS Value using the Final RPS Adder. A corresponding credit or debit entry equal to the true-up of the Retained RPS Value is recorded in ERRA. (N) I (N)

h. A credit entry equal to the Retained RA Value, determined using the most current Commission-adopted RA Adder, multiplied by the Actual Retained RA quantities. A corresponding debit entry equal to the Retained RA Value is recorded in ERRA. (T) I (T)

i. A debit or credit entry to true-up the Retained RA Value, determined using the Forecast RA Adder to the Retained RA Value using the Final RA Adder. A corresponding credit or debit entry equal to the true-up of the Retained RA Value is recorded in ERRA. (T)

Utility-Owned Generation Related Entries:

j. A debit entry equal to one-twelfth of the electric generation portion of revenue requirement associated with the CPUC authorized pension contribution amount, transferred from UGBA (T)

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART HS Sheet 3
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

5. ACCOUNTING PROCEDURES: (Cont'd.)

Utility-Owned Generation Related Entries: (L)

k. A debit entry equal to the annual authorized revenue requirements associated with PG&E's owned generation divided by twelve transferred from UGBA.

l. a debit or credit entry, as appropriate, to record ESA costs associated with PCIA eligible generation resources portfolio/ procurement activity (which is embedded in the annual authorized revenue requirements associated with PG&E's owned generation), transferred from UGBA.

m. A debit or credit entry, as appropriate, to record the gain or loss on the sale of an electric generation non-depreciable asset, as approved by the CPUC, transferred from UGBA. (L)

n. A debit entry equal to one-twelfth of the annual authorized revenue requirement for the Diablo Canyon Power Plant Employee Retention Program (see corresponding entry in the Employee Retention Subaccount of the Diablo Canyon Retirement Balancing Account (DCRBA) per Preliminary Statement HK, 5b.1), transferred from UGBA. (T)

o. A debit entry equal to one-twelfth of the annual authorized revenue requirement for the Diablo Canyon Power Plant license renewal costs, transferred from UGBA. (T)

CAISO Related Entries:

p. A debit or credit entry equal to the net charges or revenues for energy associated with generating resources recovered in PABA. (T)

q. A debit or credit entry equal to the net charges or revenues for miscellaneous CAISO charges/credits associated with generating resources recovered in PABA. (T)

r. A debit or credit entry equal to the net charges or revenues for ancillary services associated with generating resources recovered in PABA. (T)

Fuel Costs:

s. A debit entry equal to natural gas fuel and related transportation and miscellaneous expenses for PCIA eligible UOG resources and contracts. (T)

t. A debit entry equal to distillate fuel and related transportation and miscellaneous expenses used at PG&E's fossil plants as a back-up. (T)

u. A debit entry equal to the hydroelectric fuel and related transportation and miscellaneous expenses. The fuel expenses include water purchase costs for the hydroelectric plants. (T)

v. A debit entry equal to nuclear fuel and miscellaneous expenses for the Diablo Canyon Nuclear Power Plant. (T)

w. A debit entry for nuclear fuel carrying costs equal to the interest on the monthly nuclear fuel inventory at the beginning of the month and one-half the balance of the current month's activity, multiplied 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. (T)

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART HS Sheet 4
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

5. ACCOUNTING PROCEDURES: (Cont'd.)

Contract Costs:

x. A debit entry to total costs associated with QF obligations that are not eligible for recovery as an ongoing CTC. (T)

y. A debit entry equal to bilateral contract obligations. (T)

z. A debit or credit entry equal to renewable contract obligations, and fees associated with participating in WREGIS. (T)

aa. A debit entry equal to the capacity and energy costs for QF/non-CHP Program contracts. (T)

ab. A debit or credit entry equal to the cost or revenue associated with combined heat and power systems authorized in D.09-12-042, D.10-12-055 and D.11-04-033, and defined in PG&E's tariffs E-CHP, E-CHPS, and E-CHPSA. (T)

GHG Costs:

ac. A debit entry equal to the greenhouse gas costs related to PG&E's generating facilities and physically settled compliance instruments associated with contracts. (T)

Miscellaneous Costs

ad. A debit or credit entry equal to pre-payments and credit and collateral payments, including all associated fees, for procurement purchase and, if applicable, reimbursements of prepayments, credit and collateral payments. (T)

ae. A debit entry equal to any other power costs associated with procurement. (T)

af. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts, upon approval by the CPUC. (T)

Interest:

ag. An 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. (T)

(Continued)

ELECTRIC TABLE OF CONTENTS Sheet 1

TABLE OF CONTENTS

(Continued)

ELECTRIC TABLE OF CONTENTS Sheet 13

(Continued)

ELECTRIC TABLE OF CONTENTS Sheet 17

(Continued)

Advice 5676-E
October 30, 2019

Attachment 2

Redlined Tariffs

ELECTRIC PRELIMINARY STATEMENT PART CP Sheet 4
ENERGY RESOURCE RECOVERY ACCOUNT

CP. ENERGY RESOURCE RECOVERY ACCOUNT (ERRA) (Cont'd.)

4. RATES: The ERRA rate is set forth in electric Preliminary Statement Part I.

5. ACCOUNTING PROCEDURES: The CPUC-jurisdictional portion of all entries shall be made at the end of each month, or as applicable, excluding the allowance for Revenue Fees and Uncollectible (RF&U) Accounts expense, as follows: (N) (N)

Customer Billed Revenue Entries:

a) A credit entry equal to the revenue from the ERRA rate component from bundled customers during the month; (D) (D)

b) A credit entry equal to revenues received from Electric Schedule TBCC, (Transitional Bundled Commodity Cost); (T) (T)

Retained RPS and RA Value Entries: (N)

c) A debit entry equal to the Retained Renewable Portfolio Standard (RPS) Value ~~imputed revenues for Renewable Energy Credits (RECs)~~, determined using the most current Commission-adopted RPS Adder~~REC Market Price Benchmark (MPB)~~, multiplied by Actual Retained RPS quantities. A corresponding credit entry equal the Retained RPS Value ~~to imputed revenues for RECs~~ is recorded in PABA and MTCBA. (N)

d) A debit or credit entry to true-up the Retained RPS Value, determined using the Forecast RPS Adder to the Retained RPS Value using the Final RPS Adder. A corresponding credit or debit entry equal to the true-up of the Retained RPS Value is recorded in PABA and MTCBA. (D) (D)

e~~d~~) A debit entry equal the Retained ~~to imputed revenues for~~ Resource Adequacy (RA) Value, determined using the most current Commission-adopted RA Adder, ~~Market Price Benchmark (MPB),~~ multiplied by the Actual Retained RA quantities. A corresponding

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART CP Sheet 4
ENERGY RESOURCE RECOVERY ACCOUNT

credit entry equal to ~~imputed revenues for~~ the Retained RA Value is recorded in PABA and MTCBA.

f) A debit or credit entry to true-up the Retained RA Value, determined using the Forecast RA Adder to the Retained RA Value using the Final RA Adder. A corresponding credit or debit entry equal to the true-up of the Retained RA Value is recorded in PABA and MTCBA.

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART CQ Sheet 2
MODIFIED TRANSITION COST BALANCING ACCOUNT

CQ. MODIFIED TRANSITION COST BALANCING ACCOUNT (MTCBA)

5. ACCOUNTING PROCEDURE: (Cont'd.)

c. A debit entry equal to bundled, DA, CCA, MDL, and CGDL customers' share of ten percent of the total net-present-value of the ratepayer benefits from a restructured QF contract, at the time the restructured contract is signed. (T)

d. A debit or credit entry equal to bundled, DA, CCA, MDL, and CGDL customers' share upon Commission approval of a restructured contract to true-up for any difference between the initial net present value (Item 5.c above), and the final Commission-approved net present value of the restructured QF contract. (T)

e. A credit entry equal to bundled, DA, CCA, MDL, and CGDL customers' share of the revenue received from the sale of excess sulfur dioxide emission credits, less reasonably incurred sales costs not already recovered in rates (D.97-11-074, Section 11.7.3). (T)

(D)

f. A debit entry equal to the total contract costs associated with QF obligations, including irrigation district and other purchase power contracts eligible for recovery as an ongoing CTC. (T) (T)

g. A debit or credit entry equal to the net CAISO charges or revenues for energy associated with generating resources recovered in the MTCBA. (N)

h. A debit or credit entry equal to the net charges or revenues for miscellaneous CAISO charges/credits associated with generating resources recovered in the MTCBA.

i. A debit or credit entry equal to the net charges or revenues for ancillary services associated with generating resources recovered in the MTCBA.

j. A credit entry equal to the Retained Renewable Portfolio Standard (RPS) Value ~~imputed revenues for Renewable Energy Credits (RECs)~~, determined using the most current Commission-adopted RPS Adder ~~REC Market Price Benchmark (MPB)~~. A corresponding debit entry equal to ~~imputed costs~~Retained RPS Value ~~for RECs~~ is recorded in ERRA.

k. A debit or credit entry to true-up the Retained RPS Value, determined using the Forecast RPS Adder to the Retained RPS Value using the Final RPS Adder. A corresponding credit or debit entry equal to the true-up of the Retained RPS Value is recorded in ERRA. (N)

(T)

l~~k~~. A credit entry equal to the Retained ~~imputed revenues for~~ Resource Adequacy (RA) Value, determined using the most current Commission-adopted RA ~~Market Price Benchmark (MPB)~~Adder. A corresponding debit entry equal to imputed costs for RA is recorded in ERRA. (T)

m. A debit or credit entry to true-up the Retained RA Value, determined using the Forecast RA Adder to the Retained RPS Value using the Final RA Adder. A corresponding credit or debit entry equal to the true-up of the Retained RA Value is recorded in ERRA.

n~~l~~. A debit or credit entry equal, as appropriate, to record transfer of amounts to or from other accounts as approved by the CPUC.

o~~m~~. An entry equal to the interest on the average balance of the subaccount at the beginning of the month and the balance after the entries above, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

ELECTRIC PRELIMINARY STATEMENT PART HS Sheet 2 (N)
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) (N)

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) (N)

5. ACCOUNTING PROCEDURES: (Cont'd.)

The PCIA vintage each UOG facility is assigned is shown below:

Facility	Vintage Subaccount
Colusa	2009
Gateway	2009
Humboldt	2009
Fuel Cells	2010
Photovoltaic Solar	2010 and 2012

The following entries will be made to the Legacy UOG and Vintage Subaccounts at the end of each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (RF&U) account expense:

Customer Billed Revenue ~~Related~~ Entries:

a. A credit entry equal to PCIA revenues attributable to the Vintage from bundled customers.

b. A credit entry equal to PCIA revenues attributable to the Vintage from DA customers.

c. A credit entry equal to PCIA revenues attributable to the Vintage from CCA customers.

Actual Sold Renewable Portfolio Standard (RPS) and Resource Adequacy (RA) Transaction Entries:

d. A credit entry equal to ~~actual~~ revenues received for Actual Sold RPS transactions. ~~Renewable Energy Credit (RECs) sales.~~

e. A credit entry equal to ~~actual~~ revenues received for Actual Sold RA transactions. ~~Resource Adequacy (RA) sales.~~

Retained RPS and RA Value Entries:

f. A credit entry equal to the Retained RPS Value ~~imputed revenues for RECs~~, determined using the most current Commission-adopted ~~REC~~ RPS Adder ~~Market Price Benchmark (MPB)~~multiplied by Actual Retained RPS quantities. A corresponding debit entry equal to the Retained RPS Value ~~imputed costs for RECs~~ is recorded in ERRA.

g. A debit or credit entry to true-up the Retained RPS Value, determined using the Forecast RPS Adder to the Actual Retained RPS Value using the Final RPS Adder. A corresponding credit or debit entry equal to the true-up of the Retained RPS Value is recorded in ERRA.

hg. A credit entry equal to ~~imputed revenues~~ the Retained ~~for~~ RA Value, determined using the most current Commission-adopted RA Adder ~~Market Price Benchmark (MPB)~~, multiplied by the Actual Retained RA quantities. A corresponding debit entry equal to the Retained RA Value ~~imputed costs for RA~~ is recorded in ERRA

i. A debit or credit entry to true-up the Retained RA Value, determined using the Forecast RA Adder to the Retained RA Value using the Final RA Adder. A corresponding credit or debit entry equal to the true-up of the Retained RA Value is recorded in ERRA. (N)

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART HS Sheet 2 (N)
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) (N)

Utility-Owned Generation Related Entries:

jh. A debit entry equal to one-twelfth of the electric generation portion of revenue requirement associated with the CPUC authorized pension contribution amount, transferred from UGBA

ki. A debit entry equal to the annual authorized revenue requirements associated with PG&E's owned generation divided by twelve transferred from UGBA.

lj. a debit or credit entry, as appropriate, to record ESA costs associated with PCIA eligible generation resources portfolio/ procurement activity (which is embedded in the annual authorized revenue requirements associated with PG&E's owned generation), transferred from UGBA.

mk. A debit or credit entry, as appropriate, to record the gain or loss on the sale of an electric generation non-depreciable asset, as approved by the CPUC, transferred from UGBA.

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART HS Sheet 3 (N)
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) (N)

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) (N)

5. ACCOUNTING PROCEDURES: (Cont'd.)
Utility-Owned Generation Related Entries: (Cont'd.)

nl. A debit entry equal to one-twelfth of the annual authorized revenue requirement for the Diablo Canyon Power Plant Employee Retention Program (see corresponding entry in the Employee Retention Subaccount of the Diablo Canyon Retirement Balancing Account (DCRBA) per Preliminary Statement HK, 5b.1), transferred from UGBA.

om. A debit entry equal to one-twelfth of the annual authorized revenue requirement for the Diablo Canyon Power Plant license renewal costs, transferred from UGBA.

CAISO Related Entries:

pn. A debit or credit entry equal to the net charges or revenues for energy associated with generating resources recovered in PABA.

qo. A debit or credit entry equal to the net charges or revenues for miscellaneous CAISO charges/credits associated with generating resources recovered in PABA.

rp. A debit or credit entry equal to the net charges or revenues for ancillary services associated with generating resources recovered in PABA.

Fuel Costs:

sq. A debit entry equal to natural gas fuel and related transportation and miscellaneous expenses for PCIA eligible UOG resources and contracts.

tr. A debit entry equal to distillate fuel and related transportation and miscellaneous expenses used at PG&E's fossil plants as a back-up.

us. A debit entry equal to the hydroelectric fuel and related transportation and miscellaneous expenses. The fuel expenses include water purchase costs for the hydroelectric plants.

vt. A debit entry equal to nuclear fuel and miscellaneous expenses for the Diablo Canyon Nuclear Power Plant.

wu. A debit entry for nuclear fuel carrying costs equal to the interest on the monthly nuclear fuel inventory at the beginning of the month and one-half the balance of the current month's activity, multiplied 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. (N)

(Continued)

ELECTRIC PRELIMINARY STATEMENT PART HS Sheet 4 (N)
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) (N)

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) (N)

5. ACCOUNTING PROCEDURES: (Cont'd.)

Contract Costs:

xv. A debit entry to total costs associated with QF obligations that are not eligible for recovery as an ongoing CTC.

yw. A debit entry equal to bilateral contract obligations.

zx. A debit or credit entry equal to renewable contract obligations, and fees associated with participating in WREGIS.

aay. A debit entry equal to the capacity and energy costs for QF/non-CHP Program contracts.

abz. A debit or credit entry equal to the cost or revenue associated with combined heat and power systems authorized in D.09-12-042, D.10-12-055 and D.11-04-033, and defined in PG&E's tariffs E-CHP, E-CHPS, and E-CHPSA.

GHG Costs:

aca. A debit entry equal to the greenhouse gas costs related to PG&E's generating facilities and physically settled compliance instruments associated with contracts.

Miscellaneous Costs

adb. A debit or credit entry equal to pre-payments and credit and collateral payments, including all associated fees, for procurement purchase and, if applicable, reimbursements of prepayments, credit and collateral payments.

aec. A debit entry equal to any other power costs associated with procurement.

afd. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts, upon approval by the CPUC.

Interest:

age. An 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. (N)

(Continued)

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

AT&T
Albion Power Company
Alcantar & Kahl LLP

Alta Power Group, LLC
Anderson & Poole

Atlas ReFuel
BART

Barkovich & Yap, Inc.
P.C. CalCom Solar
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine

Cameron-Daniel, P.C.
Casner, Steve
Cenergy Power
Center for Biological Diversity
City of Palo Alto

City of San Jose
Clean Power Research
Coast Economic Consulting
Commercial Energy
County of Tehama - Department of Public Works
Crossborder Energy
Crown Road Energy, LLC
Davis Wright Tremaine LLP
Day Carter Murphy

Dept of General Services
Don Pickett & Associates, Inc.
Douglass & Liddell

Downey & Brand
East Bay Community Energy
Ellison Schneider & Harris LLP
Energy Management Service

Engineers and Scientists of California

Evaluation + Strategy for Social Innovation
GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Charge Networks
Green Power Institute
Hanna & Morton
ICF

International Power Technology
Intestate Gas Services, Inc.
Kelly Group
Ken Bohn Consulting
Keyes & Fox LLP
Leviton Manufacturing Co., Inc. Linde
Los Angeles County Integrated Waste Management Task Force
Los Angeles Dept of Water & Power
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McKenzie & Associates

Modesto Irrigation District
Morgan Stanley
NLine Energy, Inc.
NRG Solar

Office of Ratepayer Advocates
OnGrid Solar
Pacific Gas and Electric Company
Peninsula Clean Energy

Pioneer Community Energy
Praxair

Redwood Coast Energy Authority
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions

SCE
SDG&E and SoCalGas

SPURR
San Francisco Water Power and Sewer
Seattle City Light
Sempra Utilities
Southern California Edison Company
Southern California Gas Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

TransCanada
Troutman Sanders LLP
Utility Cost Management
Utility Power Solutions
Utility Specialists

Verizon
Water and Energy Consulting Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)
Yep Energy