

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



**FILED**

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**Application A.11-02-011  
(Filed February 15, 2011)**

Application of Pacific Gas and Electric Company (U 39 E) for Review of Entries to the Energy Resource Recovery Account (ERRA) and Renewables Portfolio Standard Cost Memorandum Account (RPSMA), and Compliance Review of Fuel Procurement for Utility Retained Generation, Administration of Power Purchase Contracts, and Least Cost Dispatch of Electric Generation Resources for the Record Period of January 1, through December 31, 2010 and for Adoption of Electric Revenue Requirements and Rates Associated with the Market Redesign and Technology Upgrade (MRTU) Initiative

(U 39 E)

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
PROOF OF RULE 3.2(D) COMPLIANCE**

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Dated: April 6, 2010

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**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
PROOF OF RULE 3.2(D) COMPLIANCE**

Pacific Gas and Electric Company (PG&E) hereby provides proof of compliance with Rule 3.2 (d) of the California Public Utilities Commission's Rules of Practice and Procedure. As demonstrated in Attachment A, PG&E has met the notice requirement specified in rule 3.2(d) by mailing a bill insert describing the rate increase associated with the above-referenced Application to affected customers. Mailing of the insert was completed on March 30, 2011.

Respectfully Submitted,

ALICE L. REID  
MARK R. HUFFMAN

By: \_\_\_\_\_ /s/  
Marilyn R. Walker  
Legal Assistant To Alice L. Reid

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### FOR FURTHER INFORMATION

To request a copy of the application and exhibits or for more details, call PG&E at 1-800-743-5000. For TDD/TTY (speech-hearing impaired), call 1-800-652-4712.

You may request a copy of the application and exhibits by writing to:

MRTU Application  
Pacific Gas and Electric Company  
P.O. Box 7442, San Francisco, CA 94120

### THE CPUC PROCESS

The CPUC's Division of Ratepayer Advocates (DRA) may review this application. The DRA is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state and obtain the lowest possible rate for service consistent with reliable and safe service levels. The DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. The DRA's views do not necessarily reflect those of the CPUC. Other parties of record will also participate.

The CPUC may hold evidentiary hearings where parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are parties of record may present evidence or cross-examine witnesses during evidentiary hearings. Members of the public may attend, but not participate in, these hearings.

After considering all proposals and evidence presented during the hearing process, the ALJ will issue a draft decision. When the CPUC acts on this application, it may adopt all or part of PG&E's request, amend or modify it, or deny the application. The CPUC's final decision may be different from PG&E's application.

If you would like to learn how you can participate in this proceeding or if you have comments or questions, you may contact the CPUC's Public Advisor as follows:

Public Advisor's Office 1-415-703-2074 or 1-866-849-8390 (toll free)  
505 Van Ness Avenue TTY 1-415-703-5282 or 1-866-836-7825 (toll free)  
Room 2103 E-mail to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)  
San Francisco, CA 94102

If you are writing a letter to the Public Advisor's Office, please include the number of the application (A.11-02-011) to which you are referring. All comments will be circulated to the Commissioners, the assigned Administrative Law Judge and the Energy Division staff.

A copy of PG&E's MRTU application and exhibits are also available for review at the California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102, Monday-Friday, 8 a.m.-noon.

♻️ Printed on recycled paper.  
♻️ Printed with soy-based ink.



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Para más detalles llame al 1-800-660-6789 • 詳情請致電 1-800-660-6789

### NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S APPLICATION TO RECOVER MARKET REDESIGN AND TECHNOLOGY UPGRADE (MRTU) INITIATIVE COSTS (A.11-02-011)

On February 15, 2011, Pacific Gas and Electric Company (PG&E) filed an application with the California Public Utilities Commission (CPUC) requesting changes to its electric rates effective January 1, 2012.

Each year, PG&E is required to file an Energy Resource Recovery Account (ERRA) Compliance Review application demonstrating that certain electric procurement activity from the previous year complies with the standards and objectives detailed in PG&E's Long-Term Procurement Plan (LTPP). Typically, the ERRA Compliance Review applications do not affect customer rates unless there is an adverse finding made during the CPUC's review process.

In this year's 2010 ERRA Compliance Review Application (A.11-02-011), PG&E is including a request that will affect customer rates. The inclusion of the rate recovery request was provided by CPUC Decision 09-12-021. Specifically, the request seeks to recover in rates the costs PG&E has incurred to comply with the mandated Market Redesign and Technology Upgrade (MRTU) initiative.

The MRTU initiative, which was developed by the California Independent System Operator and approved by the Federal Energy Regulatory Commission, was launched on March 31, 2009. The MRTU changed the manner in which electricity is bought and sold by participants in newly redesigned markets in California. Costs presented in this application represent actual costs incurred by PG&E in 2010 to upgrade the initially deployed system to include greater functionality.

The total electric revenue requirement request (the total amount PG&E is requesting to collect in rates from all customers) in A.11-02-011 is \$47.2 million. PG&E requests that electric rates designed to recover this amount become effective on January 1, 2012.

### Will rates increase as a result of this application?

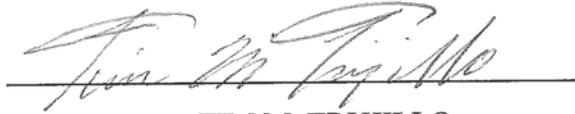
Yes, approval of this application will increase electric rates for bundled service customers (those who receive electric generation, as well as transmission and distribution service from PG&E) and for customers who purchase electricity from other suppliers (e.g., direct access and community choice aggregation) by less than one percent. If approved, the revenue requirement request of \$47.2 million will increase PG&E's bundled system average rates, relative to current rates, by 0.40 percent in 2012.

## DECLARATION OF MAILING NOTICE OF FILING TO CUSTOMERS

I, Tim M. Trujillo, an employee of Pacific Gas & Electric Company, state that I am a citizen of the United States and employed in the City of West Sacramento, County of Yolo, and State of California; that I am over the age of eighteen (18) years and not a party to the within cause; that my business address is 885 Embarcadero Drive, West Sacramento, California; and that a printed copy of the attached Application Filing by Pacific Gas and Electric Company for Recovery of Costs of the Market Redesign and Technology Upgrade (MRTU) Initiative, No. A.11-02-011 was enclosed with customer bills during the period beginning February 28, 2011 and ending March 30, 2011.

I declare under penalty of perjury that the foregoing is true and correct.

Dated, March 30, 2011, at West Sacramento, California.

  
TIM M. TRUJILLO

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL OR U.S. MAIL

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is Pacific Gas and Electric Company, Law Department B30A, Post Office Box 7442, San Francisco, CA 94120.

On the 6th day of April 2011, I served a true copy of:

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
PROOF OF RULE 3.2(d) COMPLIANCE**

- [XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for A.11-02-011.
- [XX] By U.S. Mail – by placing the enclosed for collection and mailing, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company, enclosed in a sealed envelope, with postage fully prepaid, addressed to those parties listed on the official service list for A.11-02-011 without an e-mail address.

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

Executed on this 6th day of April 2011 at San Francisco, California.

/s/

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SHARON R. MORTZ

**THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
EMAIL SERVICE LIST**

Last Updated: April 4, 2011

**CPUC DOCKET NO. A1102011**

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