



**FILED**

08-02-12

04:59 PM

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

Application of Pacific Gas and Electric  
Company for Authority to Increase Revenue  
Requirements to Recover the Costs to Deploy  
an Advanced Metering Infrastructure

A.05-06-028  
(Filed June 16, 2005)

U 39 E

**MONTHLY SMARTMETER™ STEERING COMMITTEE  
UPDATE REPORT OF PACIFIC GAS AND ELECTRIC  
COMPANY FOR JUNE 2012 IN ACCORDANCE WITH  
THE MAY 4, 2010 ASSIGNED COMMISSIONER'S  
RULING**

CHRISTOPHER J. WARNER

Pacific Gas and Electric Company  
77 Beale Street  
San Francisco, CA 94105  
Telephone: (415) 973-6695  
Facsimile: (415) 973-0516  
E-Mail: CJW5@pge.com

Dated: August 2, 2012

Attorneys for  
PACIFIC GAS AND ELECTRIC COMPANY

Pacific Gas and Electric Company (PG&E) submits the attached June 2012 “SmartMeter™ Steering Committee Update Report” on the deployment and budget status of its Advanced Metering Infrastructure (AMI) Project in accordance with the May 4, 2010 “Assigned Commissioner’s Ruling Reopening Proceeding, Requiring That Reports Be Filed in This Proceeding, and Ordering Pacific Gas and Electric Company to Release Prior and Future Reports to the Public,” Ordering Paragraph 3. Underlying Decision 06-07-027, Ordering Paragraph 4, requires that this monthly summary report provide the following information: 1) project status; 2) progress against baseline schedule including equipment installation and key milestones; 3) actual project spending vs. forecast; and 4) risk-based contingency allowance draw-down status. The attached report complies with that decision and the Commissioner’s Ruling.

Respectfully Submitted,

CHRISTOPHER J. WARNER

By: \_\_\_\_\_ /s/  
CHRISTOPHER J. WARNER

Pacific Gas and Electric Company  
77 Beale Street  
San Francisco, CA 94105  
Telephone: (415) 973-6695  
Facsimile: (415) 973-0516  
E-Mail: CJW5@pge.com

Attorneys for  
PACIFIC GAS AND ELECTRIC COMPANY

Dated: August 2, 2012



**SmartMeter™**  
**Steering Committee Update – June 2012**

- ▶ **Monthly Updates**
  - ▶ **Release Status Update**
  - ▶ **Deployment Status Update**
  - ▶ **Schedule Update**
  - ▶ **Deployment Update**
  - ▶ **Budget Status – Expenditures by Workstream**
  - ▶ **Budget Status – Benefits**
  - ▶ **Issues / Risks Summary**
  - ▶ **Program Metrics**
  
- ▶ **Appendix**
  - ▶ **Project Deployment Plan Progress**
  - ▶ **Contingency Reconciliation**
  - ▶ **SmartMeter™ Acronyms**

	EAC	Funded Budget	ITD	Scope	Schedule	Resources	Issues	Risks
<b>IT Releases: May 30, 2012</b>								
Release 1								
Release 2								
Release 3								

### Challenges

### Actions/Status

Overall

- IT has executed against the SmartMeter plan. HAN enablement and Peak Time Rebate roadmaps are in progress.

Overall

- Development for all in-scope functionality completed as of 3/30/12
- Project stabilization work complete for all components except MV90 and NEMs.

	EAC	2012 Forecast (2012 EOY / CPI)	Scope	Schedule	Resources	Issues	Risks
<b>Deployment: May 30, 2012</b>							
Endpoints (2012 YTD)							
Gas Network (2012 YTD)							
Electric Network (2012 YTD)							

### Challenges

### Actions/Status

#### Endpoints

- Mass deployment nearly complete. Remaining meter installs in less concentrated geographic areas.
- Field Deployment team addressing less common meter types, customized solutions and final installations in areas containing meters left to exchange.
- Increased number of 'Unable-To-Complete' meters due to non-standard meter installations in heavy urban areas (SF) and access refusals related to Customer Choice.

#### Electric Network

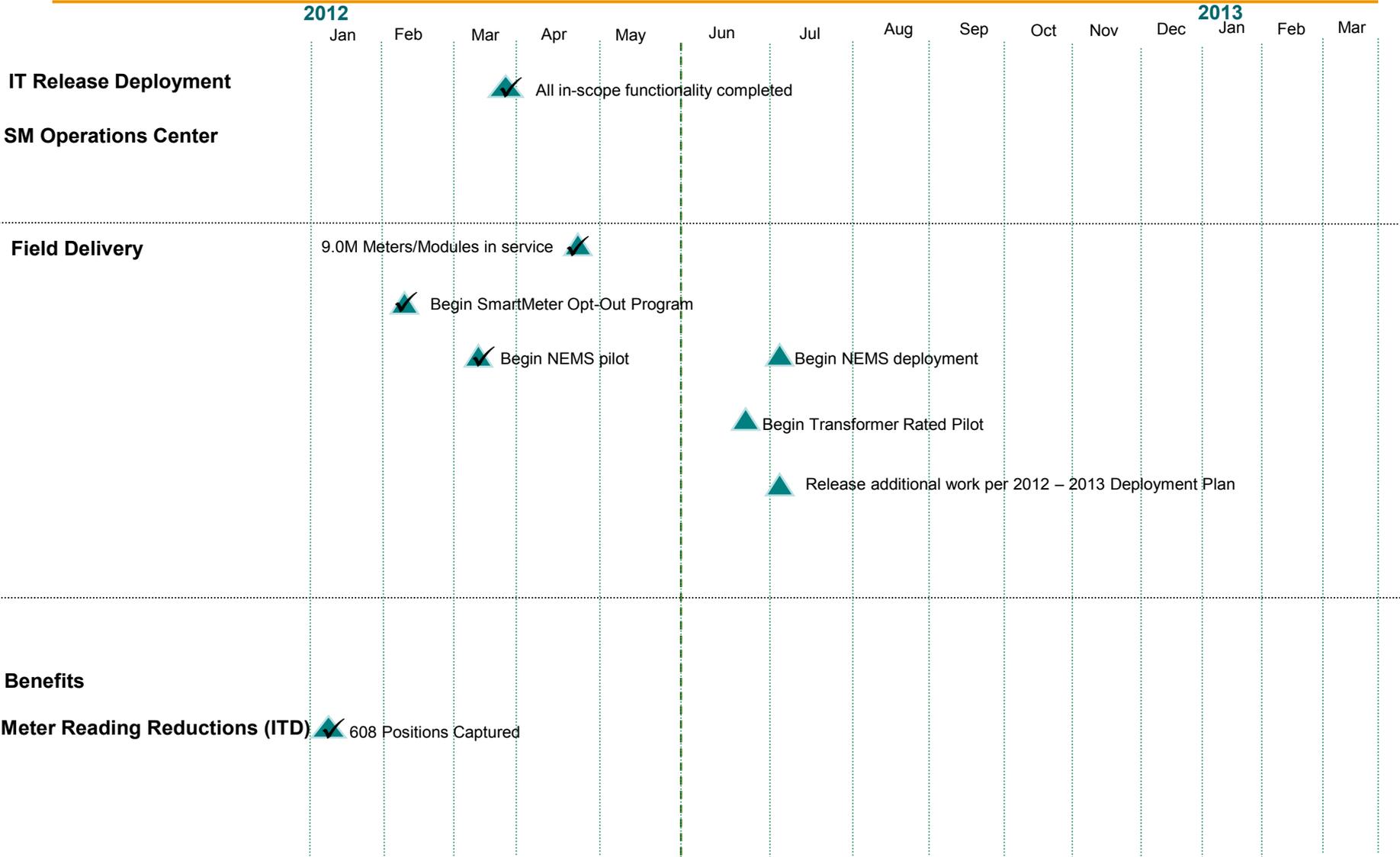
- Initial design scope of electric network is complete.
- Whether additional electric network is necessary is subject to ongoing review, particularly in light of customers opting-out of SmartMeter™ Program.

#### Endpoints

- Continuing to complete requests for opt-outs in a timely manner while addressing remaining SmartMeter™ installations and UTCs.
- Term Sheet and 2012 - 2013 schedule developed with installation contractor. Release of remaining meters will start in July.
- Pilot of NEMS-configured meter installations began June 13; broader release planned for July.
- Pilot for Transformer-Rated meter forms began on June 25, in San Francisco

#### Electric Network

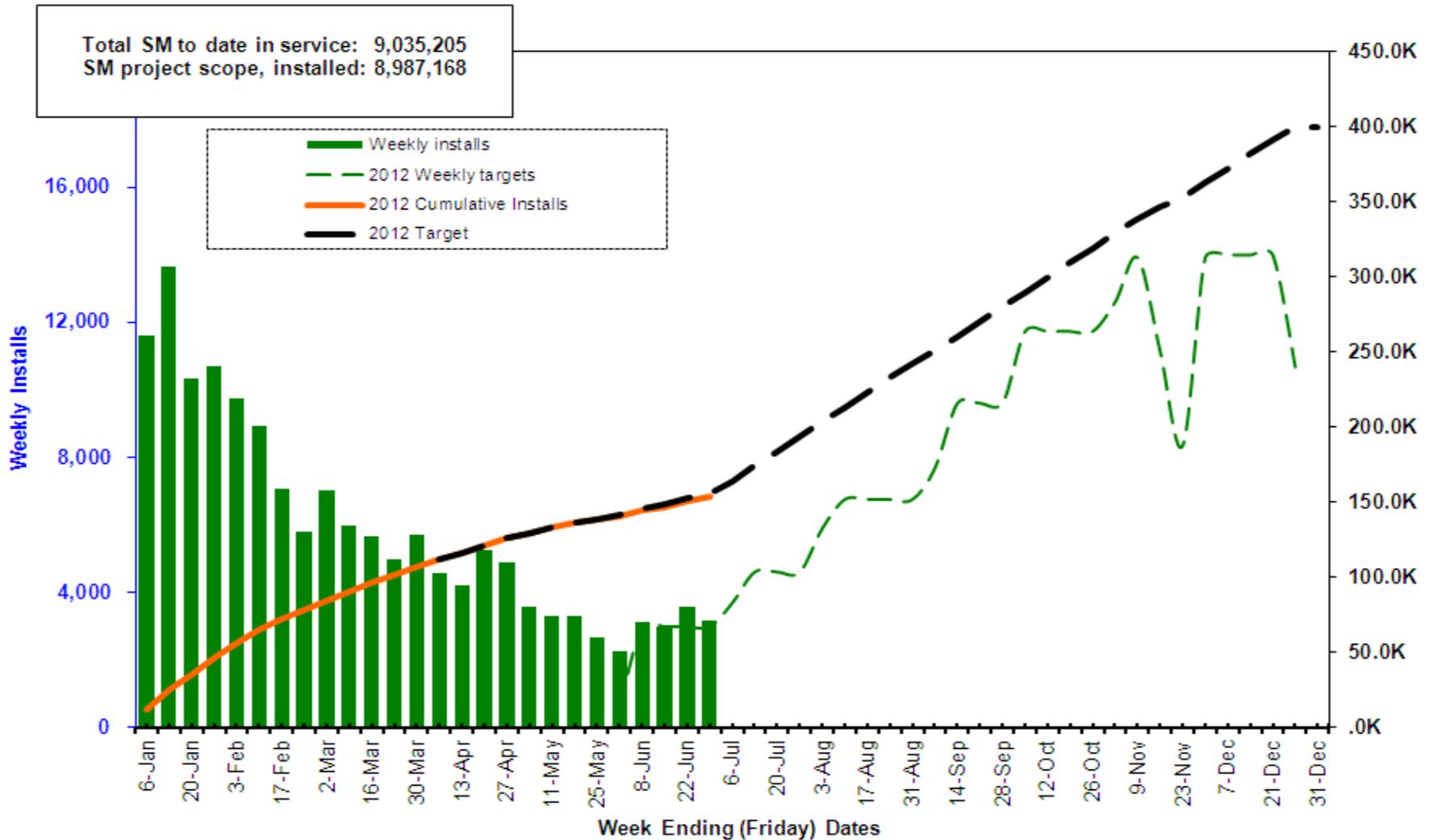
- Tracking opt-outs to assess impacts on network.
- Working with technology supplier and internal stakeholders to address network coverage in 'hard-to-reach' areas.



**Legend**

- △ Baseline Milestone
- ✓ Milestone Met
- ▲ Forecasted Milestone (delay)
- ▲ Forecasted Milestone (early)
- ▲ Milestone TBD
- ▲ Approved Milestone (delay)

2012 Install Rate - Weekly Meter Totals



# 2012 Budget Status – Expenditures by Workstream

#	Work Stream	Current Month - May			Year to Date - May			2012 Annual Budget *	Inception to Date Actual	#
		Budget	Actual	Variance	Budget	Actual	Variance			
<b>A. Capital (000s)</b>										
1	BUSINESS OPERATIONS (PMO)	\$51	(\$100)	\$151	\$804	\$646	\$159	\$1,071	\$49,948	1
2	SM OPERATIONS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,310	2
3	SM FIELD DELIVERY	\$5,176	\$3,425	\$1,751	\$25,078	\$20,674	\$4,405	\$30,901	\$422,024	3
4	SM SOLUTIONS	\$2,679	\$746	\$1,933	\$6,754	\$2,272	\$4,481	\$18,727	\$975,350	4
5	IT	\$130	\$108	\$23	\$6,336	\$4,847	\$1,489	\$8,548	\$374,473	5
6	<b>Capital Total:</b>	<b>\$8,036</b>	<b>\$4,180</b>	<b>\$3,857</b>	<b>\$38,973</b>	<b>\$28,439</b>	<b>\$10,534</b>	<b>\$59,247</b>	<b>\$1,833,105</b>	6
<b>B. Expense (000s)</b>										
7	BUSINESS OPERATIONS (PMO)	\$119	\$217	(\$98)	\$944	\$235	\$708	\$1,653	\$26,576	7
8	SM OPERATIONS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$56,594	8
9	SM CHANGE MANAGEMENT	\$0	\$45	(\$45)	\$150	\$169	(\$19)	\$169	\$15,053	9
10	CUSTOMER	\$1,801	\$1,627	\$174	\$4,459	\$3,193	\$1,266	\$12,861	\$100,193	10
11	SM FIELD DELIVERY	\$23	\$5	\$19	\$163	\$8	\$155	(\$10)	\$18,000	11
12	SM SOLUTIONS	\$0	\$3	(\$3)	\$0	\$31	(\$31)	\$53	\$68,021	12
13	IT	\$250	\$181	\$68	\$1,559	\$951	\$609	\$3,064	\$134,074	13
14	<b>Expense Total:</b>	<b>\$2,193</b>	<b>\$2,078</b>	<b>\$114</b>	<b>\$7,276</b>	<b>\$4,587</b>	<b>\$2,688</b>	<b>\$17,791</b>	<b>\$418,511</b>	14
<b>C. Total: Capital + Expense (000s)</b>										
15	BUSINESS OPERATIONS (PMO)	\$170	\$117	\$53	\$1,748	\$881	\$867	\$2,724	\$76,524	15
16	SM OPERATIONS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$67,904	16
17	SM CHANGE MANAGEMENT	\$0	\$45	(\$45)	\$150	\$169	(\$19)	\$169	\$15,053	17
18	CUSTOMER	\$1,801	\$1,627	\$174	\$4,459	\$3,193	\$1,266	\$12,861	\$100,193	18
19	SM FIELD DELIVERY	\$5,199	\$3,430	\$1,769	\$25,242	\$20,681	\$4,560	\$30,891	\$440,024	19
20	SM SOLUTIONS	\$2,679	\$749	\$1,930	\$6,754	\$2,304	\$4,450	\$18,781	\$1,043,371	20
21	IT	\$380	\$289	\$91	\$7,896	\$5,798	\$2,098	\$11,613	\$508,547	21
22	<b>Capital + Expense Total:</b>	<b>\$10,229</b>	<b>\$6,258</b>	<b>\$3,971</b>	<b>\$46,248</b>	<b>\$33,026</b>	<b>\$13,222</b>	<b>\$77,038</b>	<b>\$2,251,616</b>	22

## Year-to-Date Variance Explanations:

Favorable YTD capital variance (\$10.5M) primarily due to fewer meter/module installations (#3), fewer electric meter purchases (#4), and delayed timing of initial HAN roll-out (#5).  
 Favorable YTD expense variance (\$2.7M) primarily due to lower spending than planned in Business Operations/PMO (#7), Customer (#10) and IT (#13).

\* Annual budgets revised with intent to complete project in 2013.

## SmartMeter Balancing Account (SBA) Credits \*

		Actual					Remaining Budget													
(\$ in thousands)		2007	2008	2009	2010	2011	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	ITD Actual	#
1	Activated Meter Benefits:	\$ 111	\$ 4,705	\$ 26,055	\$ 56,313	\$ 20,269	\$ 2,479	\$ 2,587	\$ 2,599	\$ 2,626	\$ 2,654	\$ 2,515	\$ 2,557	\$ 2,600	\$ 2,644	\$ 2,689	\$ 2,734	\$ 2,780	\$ 120,397	1
2	Mainframe License Benefits:	\$ 1,250	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,250	2
3	Total:	\$ 1,361	\$ 9,705	\$ 31,055	\$ 61,313	\$ 25,269	\$ 2,479	\$ 2,587	\$ 2,599	\$ 2,626	\$ 2,654	\$ 2,515	\$ 2,557	\$ 2,600	\$ 2,644	\$ 2,689	\$ 2,734	\$ 2,780	\$ 141,647	3
4	2012 Cumulative Actual + Forecast:						\$ 2,479	\$ 5,066	\$ 7,665	\$ 10,291	\$ 12,945	\$ 15,459	\$ 18,017	\$ 20,617	\$ 23,261	\$ 25,950	\$ 28,684	\$ 31,464		4

## 2012 Benefits, Budget vs. Actual and Forecast \*\*

(\$ in thousands)		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>Budgeted Benefits:</b>														
5	Monthly	\$ 2,373	\$ 2,412	\$ 2,392	\$ 2,432	\$ 2,473	\$ 2,515	\$ 2,557	\$ 2,600	\$ 2,644	\$ 2,689	\$ 2,734	\$ 2,780	5
6	Cumulative	\$ 2,373	\$ 4,785	\$ 7,177	\$ 9,609	\$ 12,082	\$ 14,597	\$ 17,154	\$ 19,755	\$ 22,399	\$ 25,088	\$ 27,822	\$ 30,602	6
<b>Actual / Current Forecast:</b>														
7	Monthly	\$ 3,724	\$ 4,244	\$ 4,019	\$ 4,118	\$ 4,302	\$ 2,515	\$ 2,557	\$ 2,600	\$ 2,644	\$ 2,689	\$ 2,734	\$ 2,780	7
8	Cumulative	\$ 3,724	\$ 7,968	\$ 11,987	\$ 16,106	\$ 20,407	\$ 22,922	\$ 25,480	\$ 28,080	\$ 30,724	\$ 33,413	\$ 36,147	\$ 38,927	8
9	YTD Variance	\$ 1,351	\$ 3,183	\$ 4,811	\$ 6,497	\$ 8,325	\$ 8,325	\$ 8,325	\$ 8,325	\$ 8,325	\$ 8,325	\$ 8,325	\$ 8,325	9

\* 2011 and 2012 SmartMeter Balancing Account (SBA) actuals and forecasts consistent with the GRC Settlement of \$0.92 electric / \$0.02 gas activated meter-month savings and the discontinuation of mainframe license savings already captured in the 2008 base year results

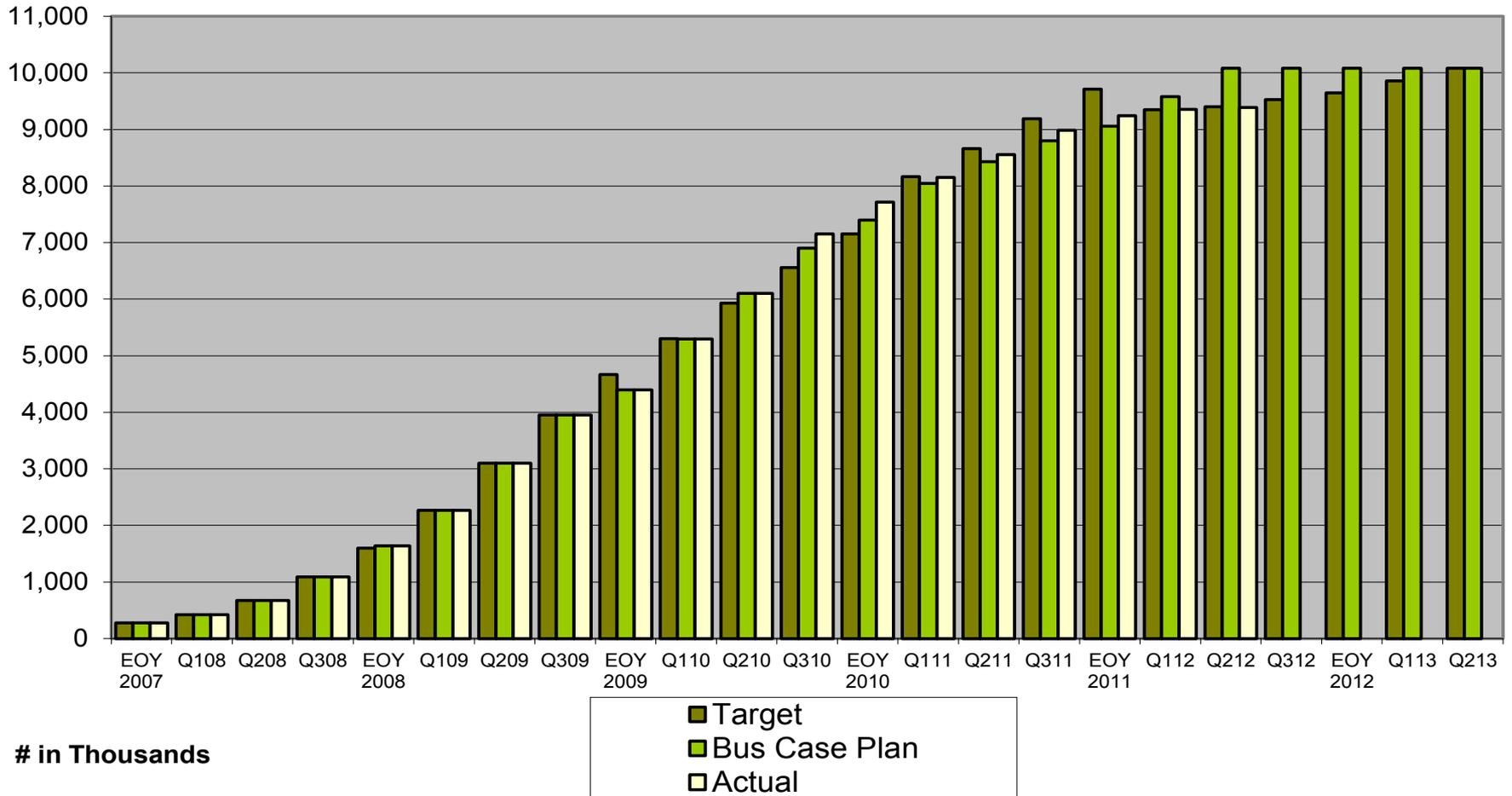
\*\* 2012 benefits, budget versus actual and forecast, do not include meter reading costs and benefits which are being recorded in the Meter Reading Memorandum Account beginning on January 1, 2011.

Target Resolution Date	Issue	Impact	Status Summary
Ongoing	Increasing number of installations affected by access refusals and desire for customer choice program.	Increased costs, increase in unable to complete (UTC) back-log, customer change management.	Communicating with customers about the new SmartMeter Opt-Out Program to facilitate customer elections.

#	Created On	I	P	Score	Prev. Score	Risk	Impact	Status Summary	Assoc. Issue
1	9/30/2011	5	4	20	20	<p>Increased forecast deployment costs and external resources requirement</p> <p><i>Key drivers:</i> Delays in deployment, resource availability and installation complexity</p>	<p>Increased installation costs and contract resources required to complete remaining installations effectively and timely</p>	<p>Pursuing identified opportunities to increase installation efficiency within ongoing operations and adherence to scope.</p>	
2	9/1/2011	5	3	15	15	<p>Network deployment and performance in 'hard-to-reach' areas can not be completed successfully.</p> <p><i>Key drivers:</i> Network performance in 'hard-to-reach' areas and availability of alternate solutions.</p>	<p>Deployment delays, resource planning and increased costs.</p>	<p>Pursuing resolution of network coverage in 'hard-to-reach' areas with technology supplier, including potential alternate network solutions.</p>	

Metric	Key Performance Indicator	April '12			May '12			YTD			2012 Year End Forecast			Variance Analysis
		Actual	Target	Var	Actual	Target	Var	Actual	Target	Var	Current	Target	Var	
P1	SM Earnings Contribution (\$M - estimated)	\$ 5.8	\$ 5.8	-0.3%	\$ 5.8	\$ 5.8	0.0%	29.1	29.0	0.2%	\$ 71.2	\$ 70.8	0.6%	
P2	OSHA Recordable Rate (YTD)	-	0.51		-	0.51					-	0.51		
P3	MMI Recordable Rate (YTD)	-	0.98		-	0.98					-	0.98		
C1	Customers enrolled in SmartRate (net)	21,731	<i>(track only)</i>		28,071	<i>(track only)</i>								
C2	# of CPUC escalated Customer Complaints	8	<i>(track only)</i>		8	<i>(track only)</i>		33	<i>(track only)</i>					
C10	Customer Complaint Rate (escalated to CPUC)	0.040%	<i>(track only)</i>		0.057%	<i>(track only)</i>		0.023%	<i>(track only)</i>					
D1	Meters/Modules Installed - Electric & Gas	19,808	TBD		14,139	TBD		141,204	TBD		400,000	400,000	0.0%	
D5	UTC Rate	15.0%	15.0%	0.1%	12.1%	15.0%	19.7%	18.5%	15.0%	23%	15.0%	15.0%	0.0%	See Deployment Status Update on page 4
D7	UTCs open beyond 90 days	226,842	<i>(track only)</i>			<i>(track only)</i>								
D8	CPI - Endpoints	\$111.24	TBD		\$104.68	TBD		\$126.07	TBD		TBD	TBD		CPI target under review in conjunction with revised deployment plan
D14	Total Weeks of Inventory on Hand - Electric Meters	11	6	73.9%	11	6	80.3%							
D15	Total Weeks of Inventory on Hand - Gas Modules	8	6	27.1%	12	6	100.0%							
O4	Transition Aging - Average Days	319	<i>(track only)</i>		307	<i>(track only)</i>		168	<i>(track only)</i>		152	<i>(track only)</i>		
O5	SM Billing accuracy % (SA)	99.95%	99.88%	0.1%	99.85%	99.88%	0.0%	99.95%	99.82%	0.1%	99.88%	99.88%	0.0%	
O6	SM Billing timeliness % (SA)	99.97%	99.81%	0.2%	99.97%	99.81%	0.2%	99.97%	99.96%	0.0%	99.79%	99.79%	0.0%	
O7	SM % Bills not estimated (BSEGs)	99.95%	99.90%	0.1%	99.93%	99.90%	0.0%	99.95%	99.94%	0.0%	99.90%	99.90%	0.0%	
B2	Meters Activated - Electric & Gas (end of month)	54,683	<i>(track only)</i>		77,765	<i>(track only)</i>		602,181	<i>(track only)</i>		850,412	<i>(track only)</i>		

## Combined Gas and Electric Plan, Target, and Actuals (Cumulative)



<b>SmartMeter™ Contingency Reconciliation</b>	<b><u>\$'000s</u></b>
Business Case Approved Contingency	177,753
Total Approved Decision Requests Approved and Adopted by Steering Committee	177,753
Approved Project Decision Requests, by Approval Date	
2007	106,329
2008	32,240
2009	20,313
2010	18,871
	<u>177,753</u>

SmartMeter Acronyms			
Acronym	Definition	Acronym	Definition
<b>ABS</b>	Advanced Billing System	<b>MARA</b>	My Account Re-Architecture
<b>AFCI</b>	Arc Fault Circuit Interrupter	<b>MDMS</b>	Meter Data Management System
<b>AMI</b>	Advanced Metering Infrastructure	<b>MLPP</b>	Meter Location Problem Project
<b>AP</b>	Access Point	<b>MPSC</b>	Meter Power Status Check
<b>Apps</b>	Applications	<b>MV-90</b>	Multi Vendor - 90
<b>ASM</b>	Automated Storage Management	<b>MVI</b>	Motor Vehicle Incidents
<b>BDG</b>	Business Development Group	<b>NEMS</b>	Net Energy Metering Services
<b>CC&amp;B</b>	Customer Care and Billing	<b>NIC</b>	Network Interface Card
<b>CEDSA</b>	Centralized Electric Distribution System Assets	<b>OIR</b>	Order Instituting Rulemaking
<b>CoE</b>	Center of Excellence	<b>OIS</b>	Outage Information System
<b>CPI</b>	Cost Per Install	<b>OMT</b>	Outage Management Tools
<b>CPUC</b>	California Public Utilities Commission	<b>Ops</b>	Operations
<b>DART</b>	Distribution Asset Reconciliation Tool	<b>OSHA</b>	Occupational Safety and Health Administration
<b>DC</b>	Data Center	<b>PCR</b>	Project Change Request
<b>DCU</b>	Data Collector Unit	<b>PCT</b>	Programmable Communicating Thermostat
<b>DR</b>	Disaster Recovery	<b>PDP</b>	Peak Day Pricing
<b>DRA</b>	Division of Ratepayer Advocates	<b>PDR</b>	Project Decision Request
<b>DSCI</b>	Distribution Control Systems, Inc.	<b>PE</b>	Performance Engineering Company
<b>EA</b>	Ecologic Analytics	<b>PMO</b>	Project Management Office
<b>EAC</b>	Estimate at Completion	<b>PTR</b>	Peak Time Rebate
<b>ED</b>	Energy Division	<b>QBR</b>	Quarterly Business Review
<b>EMR</b>	Electric Meter Reader	<b>RCDC2</b>	Remote Disconnect Phase 2
<b>EMT</b>	Electric Meter Technician	<b>Rev.</b>	Revision
<b>EOM</b>	End-of-Month	<b>RF</b>	Radio Frequency
<b>EON</b>	Emergency Outage Notification	<b>RFA</b>	Request For Authorization
<b>EOY</b>	End Of Year	<b>RV</b>	Restoration Validation
<b>FA</b>	Functional Area	<b>SBA</b>	SmartMeter Balancing Accounts
<b>FD</b>	Field Delivery	<b>SM</b>	SmartMeter
<b>GE</b>	General Electric Co.	<b>SM Apps</b>	SmartMeter Applications
<b>GFI</b>	Ground Fault Interrupter	<b>SMU</b>	SmartMeter Upgrade
<b>HAN</b>	Home Area Network	<b>SR</b>	Service Request
<b>HC</b>	Head Count	<b>TBD</b>	To Be Determined
<b>IHD</b>	In-Home Devices	<b>TechArch</b>	Technical Architecture
<b>ISTS</b>	Information Systems and Technology Services	<b>TIC</b>	Technology Innovation Center
<b>IT</b>	Information Technology	<b>TLM</b>	Transformer Load Management
<b>ITD</b>	Inception To Date	<b>TOU</b>	Time Of Use
<b>IVR</b>	Interactive Voice Response	<b>UIQ</b>	Utility IQ - SSN software
<b>KC</b>	Knowledge Center	<b>UTC</b>	Unable To Complete (meter installation)
<b>KVAR</b>	Kilo-Volts-Amps Reactive	<b>YTD</b>	Year-To-Date
<b>LOB</b>	Line of Business		

The duly authorized undersigned have approved this May 2012 Steering Committee report, dated May 31, 2012:

---

Cliff Gleicher, Senior Director, SmartMeter™ Strategy & Planning

---

Chris Warner, Chief Counsel, Law

---

Brian Rich, Senior Director, Customer Care IT Client Delivery