

March X, 2010

**Advice XXXX-G/XXXX-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Establish Electric and Gas SmartMeter Evaluation Memorandum Account (SEMAs) per the Assigned Commissioner Ruling on February 16, 2010**

In compliance with the Assigned Commissioner Ruling on February 16, 2010, affiliated with Application 09-12-020, Pacific Gas and Electric Company (PG&E) hereby submits a Tier 2 advice letter to establish electric Preliminary Statement XX – SMARTMETER EVALUATION MEMORANDUM ACCOUNT - ELECTRIC (SEMA-E) and gas Preliminary Statement XX – SMARTMETER EVALUATION MEMORANDUM ACCOUNT - GAS (SEMA-G) to allow PG&E to track and record the consultant costs related to the evaluation of SmartMeter™ devices, software and billing systems that support the SmartMeter™ devices, and other associated expenses. The affected tariff sheet is listed in the enclosed Attachment 1.

**Background**

On February 16, 2010, Commissioner Michael R. Peevey issued an Assigned Commissioner Ruling (ACR) in Application 09-12-020 directing PG&E to pay the Commission's consultant expenses related to the evaluation of SmartMeter™ devices, software and billing systems that support the SmartMeter™ devices and all other expenses involved in the consultant's evaluation of PG&E's SmartMeter™ program.

The Commission authorized PG&E to deploy SmartMeter™ devices in Decision (D.) 06-07-027, followed by D.09-03-026 authorizing an upgrade. In response to public concerns raised about PG&E's deployment of SmartMeter™ devices in the San Joaquin Valley, the Commission determined at its November 20, 2009 business meeting that independent testing of PG&E's SmartMeter™ devices and related software, should be undertaken. The Commission found, pursuant to Pub. Util. Code Section 632, that extraordinary circumstances justify expedited contracting by the Commission for the necessary consulting services.

**Proposed Preliminary Statements**

Pursuant to the February 16, 2010 ACR, PG&E is requesting Commission authority to establish the electric and gas SmartMeter™ Evaluation Memorandum Accounts (SEMA-E and SEMA-G) to track and record costs associated with the consultant expenses discussed in the ruling.

**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 **March XX, 2010**, which is 20 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division  
Attention: Tariff Unit, 4th Floor  
505 Van Ness Avenue  
San Francisco, CA 94102

Facsimile: (415) 703-2200  
E-mail: mas@cpuc.ca.gov and jnj@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:

Pacific Gas and Electric Company  
Attention: Jane Yura  
Vice President, Regulation and Rates  
77 Beale Street, Mail Code B10B  
P.O. Box 770000  
San Francisco, CA 94177

Facsimile: (415) 973-7226  
E-mail: PGETariffs@pge.com

**Effective Date**

PG&E requests that this advice filing become effective on March X, 2010, which is the effective date of this filing. Per the February 16, 2010 ACR, PG&E submits this advice letter as a Tier 2 filing.

**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 on the service lists for A.07-12-009 and A.09-12-020. Advice letter filings can also be accessed electronically at: **<http://www.pge.com/tariffs>**

Vice President, Regulation and Rates

Attachments

cc: Service List for A.07-12-009  
Service List for A.09-12-020