

Annual Electric True Up (AET) Advice Letter and 2012 Electric Rate Change Outlook Advice Letter filed on September 1, 2011

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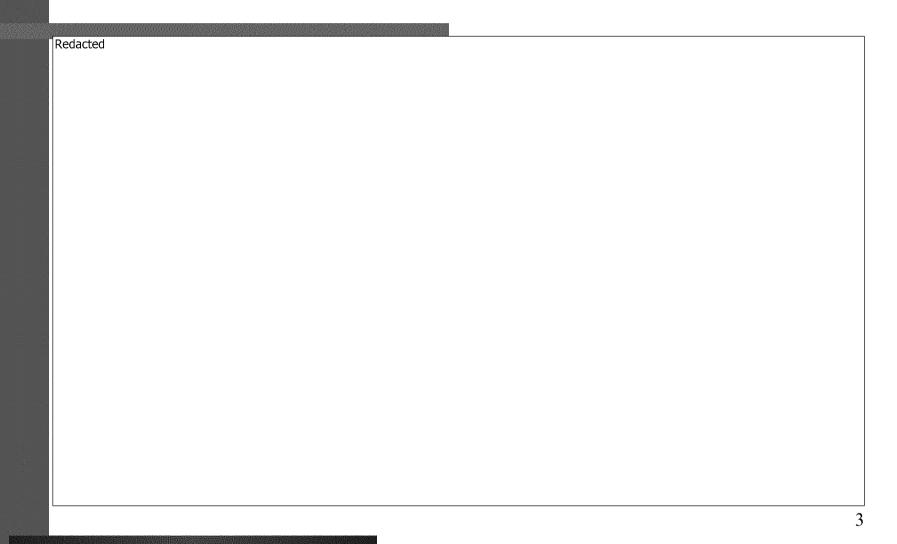
Purpose of AET Advice Letter

Redacted

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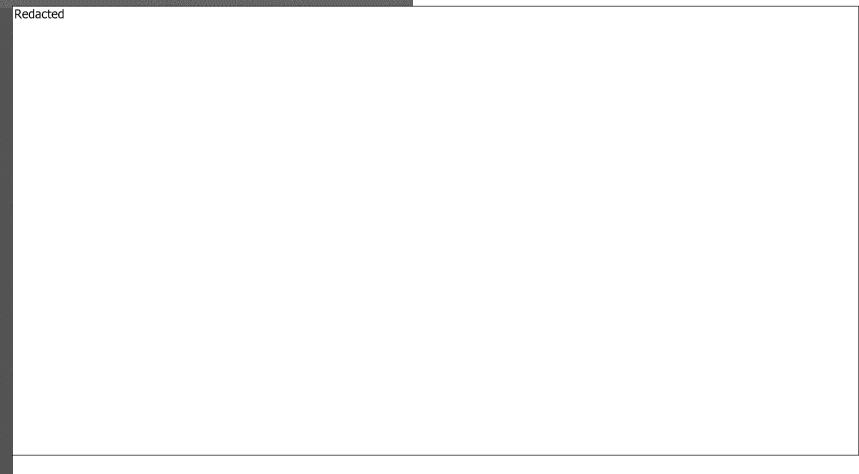


Change in revenue effective January 1 2012 forecasted by PG&E

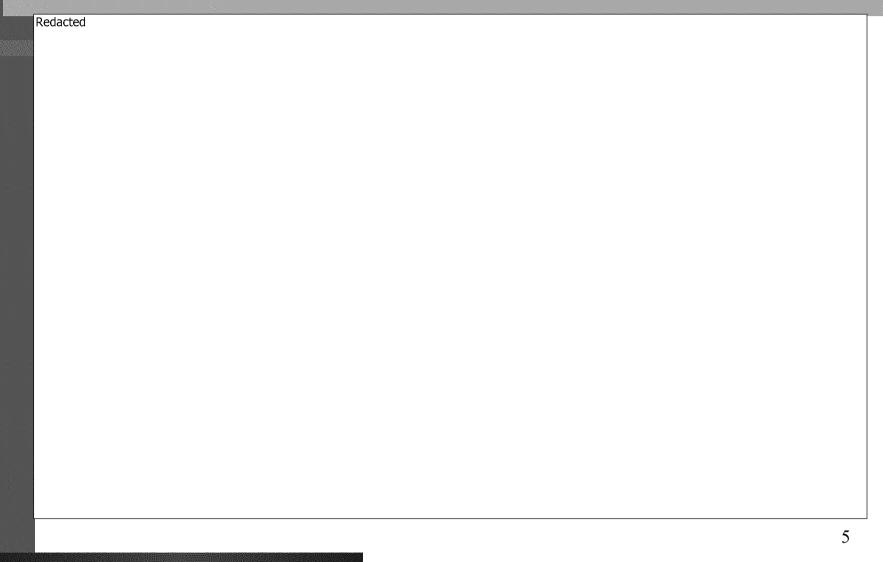




Change in revenue effective January 1 2012 forecasted by PG&E (Cont'd)



2012 Annual Electric True-Up — Drivers





New Items in the 2012 AET Advice Letter

PENDING APPLICATIONS AND LEGISLATIVE BILLS

- Mokelumne Pumped Storage Project Revenue Requirement ⇒
 \$7.1 million revenue requirement for 2012.
- California Legislative Bills affecting Public Goods Charge and Self Generation Incentive Program (SGIP).

RATE DESIGN

- Does not incorporate the 2011 GRC Phase 2 Settlement Agreement.
- AET will be updated at year end for 2011 GRC Phase 2 Settlement if approved by CPUC.