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Energy Division Tariff Unit  
Tariff Files, Room 4005  
California Public Utilities Commission  
DMS Branch  
505 Van Ness Avenue  
San Francisco, California 94102

Dear Energy Division Tariff Unit:

An original and 4 copies of substitute sheets are attached for Advice 3999-E, "*Procurement Transaction Quarterly Compliance Filing (Q4 2011)*"

The attached revised Confidential Attachment A for electric physical term transactions corrects an error in notional value for four of the term transactions. For certain gas transactions, revised Confidential Attachment A includes six Gas Term transactions that have a non-material adjustment in the notional value due to an error in the calculation formula. Lastly, the attached revised Confidential Attachment H reclassifies a "Bilateral" contract to an "Auction" contract.

The need for corrections came to light during an Audit of the Q4 2011 Quarterly Compliance Report (QCR) and the Auditors in the CPUC's Utility Audit, Finance, and Compliance Branch (UAFCB) recently requested that PG&E submit amended attachments for the Q4 2011 QCR to correct the errors. PG&E is aware that per GO-96B, substitute sheets are to be submitted prior to the requested effective date of the Advice Letter and that in the case of Advice 399-E, the requested effective date has passed. However, in light of the fact that the request for amended attachments was requested by UAFCB staff at the CPUC, PG&E is submitting the amended attachments in compliance with staff's request. If there is a concern with this substitute sheet submittal, please advise on the procedural vehicle Energy Division would prefer PG&E utilize to submit the amended attachments.

In accordance with GO 96-B, Section 7.5.1, the substitute sheets are being served in the same manner as the original advice letter.

Please telephone me at (415) 972-5472 should you have any questions regarding the substitute sheets.

Sincerely,

/s/ Kimberly Chang

**Kimberly Chang**  
Regulatory Relations

Confidential Attachments