

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

**Application of Pacific Gas and Electric Company for
Authority, Among Other Things, to Increase Rates
and Charges for Electric and Gas Service Effective on
January 1, 2014.**

(U 39 M)

Application No.

**PACIFIC GAS AND ELECTRIC COMPANY'S
NOTICE OF INTENT
TO FILE GENERAL RATE CASE APPLICATION**

**MICHELLE L. WILSON
STEVEN W. FRANK**

**Law Department
Pacific Gas and Electric Company
Post Office Box 7442
San Francisco, CA 94120
Telephone: (415) 973-6976
Facsimile: (415) 973-5520
E-Mail: SWF5@pge.com**

**Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY**

July 2, 2012

TABLE OF CONTENTS

	Page
I. SUMMARY OF REASONS FOR PG&E’S REQUEST AND SPECIFIC AREAS OF INCREASE	4
A. Reasons for Requested Relief	4
B. Specific Areas of Increase	4
1. Gas Distribution Revenue Requirement	4
2. Electric Distribution Revenue Requirement	5
3. Electric Generation Revenue Requirement	5
II. AMOUNT OF REVENUE INCREASE BY CUSTOMER CLASS	6
III. OTHER ELEMENTS OF PG&E’S INTENDED APPLICATION	7
A. Relationship to Decision 09-09-020 (Pension)	7
B. Cornerstone Improvement Project	8
C. Balancing Accounts and Memorandum Accounts	8
D. A&G	9
E. Depreciation Study	9
F. Post Test Year Ratemaking -- Attrition	9
G. Studies and Information Required by Previous Commission Policy Statements or Decisions	10
H. Recorded Data	10
I. Previously Litigated Issues	10
J. Rate Case Plan Matters Determined in Phase 2 of this Proceeding or in Other Proceedings	12
1. Electric Marginal Costs and Revenue Allocation	12
2. Demand Side Management (Public Purpose) Program Issues	13
3. Current Resource Plan	13
IV. NOTICES AND INQUIRIES REGARDING THIS NOI	14
V. SUPPORTING DOCUMENTATION	14
VI. NOTICE TO OTHER PARTIES	14
APPENDIX 1: 2014 General Rate Case Exhibit List	
APPENDIX 2: Sample Notice of Availability of Pacific Gas and Electric Company’s Notice of Intent to File a Test Year 2014 General Rate Case	

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Application No.

**PACIFIC GAS AND ELECTRIC COMPANY'S
NOTICE OF INTENT
TO FILE GENERAL RATE CASE APPLICATION**

TO THE DIVISION OF RATEPAYER ADVOCATES OF THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA:

Please take notice that Pacific Gas and Electric Company (PG&E or the Company) intends to file an application for its 2014 test year General Rate Case (GRC). PG&E tenders this Notice of Intent (NOI) pursuant to the California Public Utilities Commission's (CPUC or Commission) decision on PG&E's 2011 GRC, Decision (D.) 11-05-018, and the Commission's Rate Case Plan (Rate Case Plan) set forth in D.07-07-004, which envision 2014 as PG&E's next GRC test year.

In its 2014 GRC Application, PG&E will request that the Commission increase gas and electric distribution and generation base revenue requirements by a total of \$1.250 billion, effective January 1, 2014, as compared to 2014 authorized and pending revenues. PG&E's request represents a 7.8 percent increase over the projected 2013 total combined gas and electric revenue of \$16.086 billion.

Notwithstanding this request, the rates of the approximately 49 percent of PG&E's electric customers either covered under the California Alternative Rates for Energy (CARE)

program or whose usage is at or below 130 percent of baseline will not, pursuant to current law, increase as a result of this request.^{1/}

Table 1 shows the bill impact for non-CARE electric residential customers using 550 kWh and 850 kWh per month and for non-CARE gas residential customers using 37 therms per month.

Table 1
Impact on Non-CARE Residential Customer Bills

Monthly Residential Customer Usage	Current 2012 Avg. Bill	Proposed 2014 Bill Increase	Increase	2012 to 2014 Percent Increase
Electric:				
550 kWh	\$ 89.73	\$ 94.37	\$ 4.64	5.17%
850 kWh	\$185.92	\$204.32	\$18.40	9.90%
Gas:				
37 Therms	\$ 46.13	\$ 52.80	\$6.67	14.46%

Table 2 sets forth PG&E's request for an increase in base revenue amounts.

Table 2
Increase in Base Revenue Amounts
(Millions of Dollars)

	2012 Authorized and Pending Revenue Requirement ^{2/}	2014 Authorized and Pending Revenue Requirement ^{2/}	2014 Proposed Revenue Requirement	Increase: 2012 Authorized to 2014 Proposed		Increase: 2014 Authorized and Pending to 2014 Proposed	
Gas							
Distribution	\$1,288	\$1,324	\$1,783	\$ 495	38.4%	\$ 459	34.7%
Electric							
Distribution	3,633	3,768	4,333	700	19.3%	565	15.0%
Electric							
Generation	1,707	1,737	1,962	255	14.9%	225	13.0%
Total	\$6,629	\$6,829	\$8,079	\$1,450	21.9%	\$1,250	18.3%

* Some numbers in these tables may not add up due to rounding.

^{1/} Any increase to rates for customers either covered under the CARE program or whose usage is at or below 130 percent of baseline are constrained by California Public Utilities Code Sections 739.1 and 739.9 and are independent of the outcome of this proceeding.

^{2/} These amounts include revenues from PG&E's 2011 GRC Decision 11-05-018, adjusted for attrition. The amounts also include the authorized and pending revenue requirements associated with the Cornerstone Project, Market Redesign and Technology Upgrade (MRTU), Fuel Cell Project, Vaca-Dixon PV Pilot Project, SmartMeter and meter reading. These amounts exclude pension costs.

^{3/} See footnote 2.

Because PG&E's total electric and gas revenue requirements consist largely of energy procurement and other costs not included in the gas distribution, electric distribution, and electric generation revenue requirements presented in the GRC, the percentage increases over total revenue requirements are substantially lower than the percentage increases shown above. Table 3 below shows the total gas distribution revenue requirement increase over the 2012 total authorized gas revenue requirement and the 2013 forecast total gas revenue requirement. Also presented in Table 3 is the combined electric distribution and electric generation revenue requirement increase over the 2012 total electric revenue requirement and the 2013 forecast total electric revenue requirement.

Table 3
GRC Revenue Increase Over Total Revenues
(Millions of Dollars)

	<u>2012 Authorized Revenues</u>	<u>2014 Revenue Increase Over 2012</u>	<u>% Increase over 2012 Revenues</u>	<u>2013 Revenue Forecast</u>	<u>2014 GRC Increase Over 2013</u>	<u>% Increase Over 2013 Revenues</u>
Gas	\$ 3,450	\$ 495	14.3%	\$ 3,486	\$459	13.2%
Electric	12,435	955	7.7%	12,600	791	6.3%
Total	\$15,885	\$1,450	9.1%	\$16,086	\$1,250	7.8%

In its 2014 GRC Application, PG&E will also ask the Commission to authorize the Company to implement an attrition adjustment for the 2015 and 2016 attrition years. PG&E estimates the attrition adjustment will yield the revenue requirement increases set forth in Table 4.

Table 4
Attrition Year Revenue Requirement Increases
(Millions of Dollars)

	<u>Gas Distribution</u>	<u>Electric Distribution</u>	<u>Electric Generation</u>	<u>Total</u>
2015	\$201	\$220	\$69	\$491
2016	\$166	\$234	\$98	\$499

I. SUMMARY OF REASONS FOR PG&E'S REQUEST AND SPECIFIC AREAS OF INCREASE

A. Reasons for Requested Relief

PG&E will provide detailed support for its 2014 GRC Application in the prepared testimony and workpapers accompanying that filing.^{4/} The key reasons for the requested increase in revenue requirements are:

- Increases in the costs of delivering energy safely to customers, maintaining reliability, and providing responsive customer service;
- Need for substantial capital investments to replace aging infrastructure;
- Need for capacity-driven additions;
- Recovery of costs for depreciation associated with PG&E's plant investments; and
- Costs of complying with governmental regulations and orders applicable to PG&E's extensive electric and gas systems and facilities.

The specific areas of increase for the gas distribution and electric distribution and generation functions are discussed separately below.

B. Specific Areas of Increase

The fundamental elements comprising PG&E's gas distribution and electric distribution and generation revenue requirement increases are: Operations and Maintenance (O&M) expense; Customer Services expense; Administrative and General (A&G) expense; payroll taxes, franchise fees, and uncollectibles (FF&U); return, taxes, and depreciation; change in depreciation rates; and changes in Other Operating Revenue.

1. Gas Distribution Revenue Requirement

Table 5 lists the elements composing the gas distribution revenue requirement increase over the amounts the Commission adopted in PG&E's 2011 GRC, as adjusted per footnote 2, supra.

^{4/} A list of PG&E's Testimony by Exhibit and Chapter numbers is attached hereto as Appendix 1.

Table 5
Elements of Gas Distribution Revenue Requirement Increase

<u>Area</u>	<u>(Millions of Dollars)</u>
O&M Expense	\$171
Customer Service Expense	10
A&G Expense	64
Increase in Other Operating Revenue	(4)
FF&U, Other Adjs, Taxes Other than Income	25
Return, taxes, depreciation, and amortization	193
	<hr/>
Increase in Retail Revenue Amount	\$459

2. Electric Distribution Revenue Requirement

Table 6 lists the elements composing the electric distribution revenue requirement increase over the amounts the Commission adopted in PG&E's 2011 GRC, as adjusted per footnote 2, supra.

Table 6
Elements of Electric Distribution Revenue Requirement Increase

<u>Area</u>	<u>(Millions of Dollars)</u>
O&M Expense	\$5
Customer Service Expense	15
A&G Expense	80
Decrease in Other Operating Revenue	14
FF&U, Other Adjs, Taxes Other than Income	46
Return, taxes, depreciation, and amortization	405
	<hr/>
Increase in Retail Revenue Amount	\$565

3. Electric Generation Revenue Requirement

Table 7 lists the elements composing the electric generation revenue requirement increase over the amounts the Commission adopted in PG&E's 2011 GRC, as adjusted per footnote 2, supra.

Table 7
Elements of Electric Generation Revenue Requirement Increase

<u>Area</u>	<u>(Millions of Dollars)</u>
O&M Expense	\$76
Customer Service Expense	0
A&G Expense	80
Increase in Other Operating Revenue	(3)
FF&U, Other Adjs, Taxes Other than Income	(108)
Return, taxes, depreciation, and amortization	180
	<hr/>
Increase in Retail Revenue Amount	\$225

II. AMOUNT OF REVENUE INCREASE BY CUSTOMER CLASS

The illustrative percentage change for each customer class is presented in Table 8.

Table 8
Illustrative Revenue Allocation By Customer Class: Gas

Customer Class	Revenues at Present (4/1/12) Rates (\$000)	Proposed Illustrative Revenue Allocation (\$000)	Revenue Change (\$000)	Percentage Change
Core Retail – Bundled				
Residential	\$2,342,313	\$2,684,875	\$342,562	14.6%
Commercial, Small	646,342	730,574	84,232	13.0%
Commercial, Large	42,204	45,236	3,032	7.2%
Natural Gas Vehicle (Uncompressed Service)	11,080	11,261	182	1.6%
Natural Gas Vehicle (Compressed Service)	4,533	4,484	-48	-1.1%
Noncore Retail – Transportation Only				
Industrial Distribution	50,911	65,287	14,375	28.2%
Industrial Transmission	109,583	121,388	11,805	10.8%
Industrial Backbone	555	616	61	10.9%
Electric Generation	65,622	68,517	2,895	4.4%
Natural Gas Vehicle (Uncompressed Service)	334	362	29	8.6%
Wholesale –				
Alpine Natural Gas	41	41	0	0.0%
Coalinga	149	149	0	0.0%
Island Energy	33	33	0	0.0%
Palo Alto	1,451	1,451	0	0.0%
West Coast Gas - Castle	103	132	28	27.5%
West Coast Gas – Mather, Distribution	142	178	36	25.4%
Unbundled Backbone Transmission and Storage				
	<u>174,832</u>	<u>174,832</u>	<u>0</u>	<u>0.0%</u>
Total	\$3,450,228	\$3,909,415	\$459,187	13.3%

The revenue changes set forth above are illustrative only. The gas distribution revenue change has been allocated to customer classes in proportion to the gas distribution base revenue

allocation adopted in PG&E's most recent Biennial Cost Allocation Proceeding (BCAP) Decision.

Table 9
Illustrative Revenue Allocation By Customer Class: Electric

Customer Class Bundled	Total Revenue at 3/1/12 Rates (\$000)	Proposed Illustrative Class Revenue (\$000)	Revenue Change (\$000)	Percentage Change
Residential	\$5,152,860	\$ 5,475,133	\$ 322,272	6.3%
Small L&P	1,470,249	1,580,369	110,120	7.5%
Medium L&P	1,284,389	1,364,875	80,486	6.3%
E-19 Total	1,551,902	1,646,741	94,838	6.1%
Streetlights	69,889	73,133	3,244	4.6%
Standby	57,808	60,831	3,023	5.2%
Agriculture	870,309	930,310	60,000	6.9%
E-20 Total	<u>1,122,193</u>	<u>1,182,491</u>	<u>60,298</u>	<u>5.4%</u>
Total Bundled	\$ 11,579,599	\$ 12,313,882	\$ 734,283	6.3%
Direct Access				
Residential	\$ 95,449	\$ 105,971	\$ 10,522	11.0%
Small L&P	16,383	17,758	1,375	8.4%
Medium L&P	108,288	116,371	8,083	7.5%
E-19 Total	240,671	257,816	17,145	7.1%
Standby	967	1,021	54	5.5%
Agriculture	3,113	3,345	232	7.5%
E-20 Total	<u>267,566</u>	<u>283,901</u>	<u>16,335</u>	<u>6.1%</u>
Total Direct Access	\$732,437	\$786,182	\$53,745	7.3%

The revenue changes set forth above are illustrative only. They have been allocated to each customer class consistent with the current allocation practice approved by Decision 11-12-053.

III. OTHER ELEMENTS OF PG&E'S INTENDED APPLICATION

A. Relationship to Decision 09-09-020 (Pension)

The revenue requirement for the pension contributions in the period 2014 through 2016 will be collected through the Pension Cost Recovery Mechanism, not in the 2014 GRC request. Consistent with the revenue requirements adopted in Decision 09-09-020, capitalized pension costs through 2013 are included in GRC rate base effective January 1, 2014.

B. Cornerstone Improvement Project

In Application 08-05-023, PG&E proposed the Cornerstone Improvement Project (Cornerstone Project), which was intended to improve the resiliency and reliability of PG&E's electric distribution system. In D.10-06-048, the Commission approved some, but not all, of the key Cornerstone Project elements. Since that decision was issued, PG&E has commenced work on the approved Cornerstone Project and has provided the Commission with annual reports to discuss its progress. The Cornerstone Project ends in 2013. PG&E's 2014 GRC forecast does not include expenditures to complete work associated with Cornerstone. That work is handled separately in accordance with the Cornerstone decision.

C. Balancing Accounts and Memorandum Accounts

PG&E is proposing that new two-way balancing accounts be adopted for costs associated with: gas leak survey and repair (see Exhibit (PG&E-3), Chapter 6); major emergencies that are not covered by the Catastrophic Event Memorandum Account (see Exhibit (PG&E-4), Chapter 10); Federal Energy Regulatory Commission (FERC) relicensing for hydroelectric facilities and pending new license conditions (see Exhibit (PG&E-6), Chapter 2); implementation of Nuclear Regulatory Commission (NRC) rulemaking requirements for PG&E's Diablo Canyon Power Plant (see Exhibit (PG&E-6), Chapter 3). PG&E proposes to continue the existing one-way balancing account and tracking account for vegetation management (see Exhibit (PG&E-4), Chapter 8).

PG&E proposes to eliminate existing balancing accounts for the distribution integrity management program (DIMP) (see Exhibit (PG&E-3), Chapter 4); and SmartMeter™ Program deployment and meter reading (see Exhibit (PG&E-5), Chapters 5 and 10). PG&E also proposes to close the Service Disconnection Memorandum Account (see Exhibit (PG&E-5), Chapter 4); the Assembly Bill 32 Cost of Implementation Fee accounts (see Exhibit (PG&E-7), Chapter 7); the non-demand response portion of the MRTU Memorandum Account (see Exhibit (PG&E-10,

Chapter 9); and, depending on update testimony, the Tax Memorandum Account (see Exhibit (PG&E-2), Chapter 14).

D. A&G

As the Commission explained in PG&E's 1999 GRC decision, "A&G expenses are of a general nature and are not directly chargeable to any specific utility function. They include general office labor and supply expenses and items such as insurance, casualty payments, consultant fees, employee benefits, regulatory expenses, association dues, and stock and bond expenses."^{5/} A&G expenses support the Company's provision of safe and reliable gas and electric distribution and electric generation services. The process for forecasting A&G is set forth in the testimony and supporting workpapers of Exhibit (PG&E-9).

E. Depreciation Study

As in past GRCs, PG&E has engaged a depreciation expert to study PG&E's plant additions, retirement and net salvage data, to review present depreciation rates and to recommend changes to those rates for its distribution plant as necessary. The depreciation study is described in Exhibit (PG&E-2), Chapter 11.

F. Post Test Year Ratemaking -- Attrition

PG&E seeks an attrition ratemaking for 2015 and 2016 designed to increase the Company's authorized revenues to reflect predetermined increases in capital costs due to its ongoing investments in infrastructure, as well as pre-determined increases in wages and other expenses due to inflation. (See Exhibit (PG&E-11).) The primary driver of attrition increases in this GRC is capital investment which drives increases in rate base and depreciation expense, irrespective of inflation. As for the expense portion of attrition, PG&E's attrition proposal includes a fixed and pre-forecasted escalation of labor, medical costs, goods and services that

^{5/} D.00-02-046, *mimeo*, pp. 243-244.

PG&E must purchase to operate its business, as well as other adjustments described in Exhibit (PG&E-11). Finally, under its attrition proposal PG&E is proposing throughout the GRC cycle to allow for upward or downward adjustments to revenue for certain exogenous changes under a “Z factor” mechanism, similar to the mechanism adopted for other California utilities. The Company estimates that its attrition proposal will result in an increase of approximately \$491 million for 2015 and an additional \$499 million for 2016.

G. Studies and Information Required by Previous Commission Policy Statements or Decisions

In its decision on PG&E’s 1984 GRC, the Commission ordered PG&E to provide, among other things a “presentation of levels of wages and salaries estimated by the utility for comparison with similar wages and salaries paid in the marketplace.”^{6/} Pursuant to PG&E’s 2011 GRC decision, this study will not include information related to long-term incentives, which are not funded by customers.^{7/} Also pursuant to PG&E’s 2011 GRC decision, PG&E has not proffered studies of multifactor productivity in this case.^{8/}

Other compliance items are listed in Exhibit (PG&E-10), Chapter 8.

H. Recorded Data

Pursuant to the Rate Case Plan’s requirement regarding recorded data, PG&E is presenting recorded data, in results of operations format, for base year 2011.

I. Previously Litigated Issues

One A&G issue in this case deals with recovery of that portion of management employee compensation which is at risk pursuant to the Company’s Short-Term Incentive Plan (STIP). In this GRC, PG&E seeks recovery of STIP only for eligible non-officer employees. In PG&E’s

^{6/} D.83-12-068; 14 CPUC 2d 15, 263, Ordering Paragraph No. 15.d.

^{7/} D.11-05-018, *mimeo*, p. 1-19 (Settlement Agreement Section 3.12(l)).

^{8/} D.11-05-018, *mimeo*, p. 1-19 (Settlement Agreement Section 3.12(k)).

1999 GRC, the Commission allowed 50 percent recovery of PG&E's requested payments, with PG&E's request based on a target of 1.0 (out of a potential payout of 2.0).^{9/} The issue was not specifically addressed in the 2003 and 2007 Distribution and Generation Settlements. Although not precedential, PG&E's 2011 GRC Settlement Agreement reflects a reduction in STIP recovery to reflect parties' arguments in the case.^{10/}

Since the Commission's decision in PG&E's 1999 GRC, the Commission has spoken on this issue in several rate case decisions and authorized recovery of 100 percent of incentive compensation programs.^{11/} Similarly, in this case, PG&E will demonstrate that recovery of the full STIP revenue requirement for non-officer employees (as described in Exhibit (PG&E-8), Chapter 5) is reasonable and consistent with Commission precedent in recent GRCs.

Another issue in this case is recovery of premiums for Directors and Officers (D&O) liability insurance. The Commission has acknowledged that D&O liability insurance is a necessary and reasonable cost of doing business, provides significant benefit to customers, is critical to obtaining and maintaining qualified directors and officers, and therefore had previously allowed the utility to include the costs of this insurance in rates.^{12/} However, the Commission later reversed course, authorizing the utility to include only 50 percent of D&O costs in rates, notwithstanding its reaffirmation that D&O insurance was a necessary cost of doing business.^{13/} Because the Commission has consistently acknowledged the necessity of this type of coverage, PG&E requests that the Commission revisit this policy and authorize PG&E to recover the full amount of D&O insurance premiums in rates.

PG&E has computed working cash, consistent with its prior GRC filings and in conformity with Commission Standard Practice (SP) U-16. PG&E's practice of excluding

^{9/} D.00-02-046, *mimeo*, p. 256.

^{10/} D.11-05-018, *mimeo*, p. 1-12 (Settlement Agreement Section 3.6.1).

^{11/} D.04-07-022, *mimeo*, pp. 213-217 (SCE 2003 GRC); D.06-05-016, *mimeo*, pp. 127-132 (SCE 2006 GRC); D.08-07-046, *mimeo*, p. 22 (Sempra 2008 GRC).

^{12/} D.87-12-066, 26 CPUC 2d 392, 422 (SCE 1988 GRC).

^{13/} D.96-01-011, 64 CPUC 2d 241, 319 (SCE 1996 GRC).

customer deposits from working cash follows Commission precedent involving PG&E that have endorsed the SP U-16 methodology. PG&E has not followed the Commission’s treatment of SCE on this issue, which the Commission in PG&E’s 2007 GRC characterized as “something of an aberration.”^{14/}

PG&E has also computed rate base using a forecast of nuclear fuel. PG&E’s proposal to include nuclear fuel in rate base contrasts with the Commission’s treatment of SCE.^{15/} However, given ongoing turmoil in the financial markets and lessons learned about excessive leveraging – and consistent with industry practice throughout the US -- PG&E will once again show that nuclear fuel must be financed with a combination of equity and long-term debt, the same as for other nuclear plant. If PG&E is not permitted to include nuclear fuel in rate base, PG&E will not be able to recover its costs of financing this specially designed material, which has no use other than at the Diablo Canyon Power Plant.

J. Rate Case Plan Matters Determined in Phase 2 of this Proceeding or in Other Proceedings

1. Electric Marginal Costs and Revenue Allocation

The Rate Case Plan requires electric utilities to submit, as part of the GRC application, cost allocation studies by classes of service and marginal cost data in sufficient detail to allow the development of rates for each customer class, with a complete electric rate design proposal to be filed no later than 90 days after filing of the application.^{16/} Consistent with PG&E’s practice in prior GRCs, PG&E will present in “Phase 2” of this proceeding, electric marginal cost, revenue allocation, and rate design, on a later timetable than the revenue requirement showing in “Phase 1.”^{17/} Given this practice, PG&E is not including electric marginal costs and revenue

^{14/} Cf. D.07-03-044, *mimeo*, pp. 201-202 (PG&E 2007 GRC) with D.04-07-022, *mimeo*, pp. 249-255 (SCE 2003 GRC) and subsequent SCE GRC decisions; also see language supportive of PG&E’s position in D.08-07-046, *mimeo*, pp. 28-29 (Sempra 2008 GRC).

^{15/} See D.06-05-016, *mimeo*, pp. 272-273 (SCE 2006 GRC).

^{16/} D.07-07-004, *mimeo*, p. A-22.

^{17/} See Assigned Commissioner Bohn’s ruling in PG&E’s 2007 GRC (issued February 3, 2006), directing PG&E to “file a separate application for Phase 2 issues” on the grounds that such “treatment of Phase 2

allocation in this application. Gas marginal costs, revenue allocation, and rate design are addressed in the Biennial Cost Allocation Proceeding.

2. Demand Side Management (Public Purpose) Program Issues

The Rate Case Plan requirement for demand-side management (DSM) program information^{18/} has been superseded by Public Utilities Code Sections and distinct Commission proceedings and decisions governing DSM program offerings, cost-effectiveness and funding levels. In addition to the Commission DSM proceedings which authorize and fund DSM programs, Public Utilities Code Section 382 provides that electric low-income programs (low-income energy efficiency and the California Alternate Rates for Energy low-income rate discount programs) continue to be funded at levels not less than those in effect during 1996. Further, Public Utilities Code Section 890 requires the Commission to establish a non-bypassable gas surcharge to fund gas energy efficiency, low-income and public interest research and development programs.

The Application requests funding for one component of the low-income Energy Savings Assistance DSM program-- the Natural Gas Appliance Testing (NGAT) Program. (See Exhibit (PG&E 5), Chapter 7). The NGAT program is not covered by other cost proceedings or recovery mechanisms and has historically been covered in the GRC.

3. Current Resource Plan

The Rate Case Plan, developed long before the advent of Electric Industry Restructuring in California, requires electric utilities to submit their “current Resource Plan.”^{19/} The Commission now reviews the long-term electric procurement plans of the state’s major electric utilities in the Long Term Procurement Plan Proceeding, which typically occurs every two years.

issues is consistent with recent GRC proceedings and the Commission’s responsibility under Pub. Util. Code § 1701.5 to complete ratesetting proceedings within 18 months.”

^{18/} D.07-07-004, *mimeo*, p. A-32.

^{19/} *Id.*

The Commission approved PG&E's most recent long-term electric procurement plan in Decision 12-01-033. Similarly, PG&E's gas resource plan for its core gas customers is addressed in the Biennial Cost Allocation Proceeding.

IV. NOTICES AND INQUIRIES REGARDING THIS NOI

PG&E requests that all notices and inquiries concerning this NOI be directed to PG&E's attorney and case manager in this matter at the addresses listed below.

Steven W. Frank
Law Department
Pacific Gas and Electric Company
Post Office Box 7442
San Francisco, California 94120
Telephone: (415) 973-6976
Fax: (415) 973-5520
E-mail: SWF5@pge.com

Overnight hardcopy delivery:

Steven W. Frank
Law Department
Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, California 94105

Shelly J. Sharp
Senior Director
Pacific Gas and Electric Company
77 Beale Street, B9A
San Francisco, California, 94105
Telephone: (415) 973-2636
Fax: (415) 973-6520
E-Mail: SSM3@pge.com

V. SUPPORTING DOCUMENTATION

In accordance with the Rate Case Plan, included with this NOI and incorporated herein are drafts of the Application and testimony organized by exhibits.

Also, concurrent with the tender of this NOI, PG&E is providing DRA a number of responses to the DRA's Master Data Request.

VI. NOTICE TO OTHER PARTIES

Within five days after the NOI is accepted by DRA, PG&E will serve a Notice of Availability of the NOI on all parties of record in PG&E's last GRC, Application 09-12-020, et

al. (Appendix 2 hereto), and will furnish copies of the draft Application, exhibits and workpapers upon request to interested parties. Requests for such documents should be directed to Ms. Shelly Sharp identified in Section IV, above.

Respectfully Submitted,

MICHELLE L. WILSON
STEVEN W. FRANK

By: _____ /s/
STEVEN W. FRANK

Pacific Gas and Electric Company
77 Beale Street
San Francisco, CA 94105
Telephone: (415) 973-6976
Facsimile: (415) 973-5520
E-Mail: SWF5@pge.com

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

July 2, 2012

Appendix 1

2014 General Rate Case Exhibit List

**PACIFIC GAS AND ELECTRIC COMPANY
2014 GENERAL RATE CASE
EXHIBIT (PG&E-12), STATEMENTS OF QUALIFICATIONS
INDEX BY EXHIBIT AND CHAPTER**

Exhibit	Chapter	Exhibit/Chapter Title	Witness
1		Summary of PG&E's 2014 General Rate Case	
1	Ch. 1	Introduction	Anthony F. Earley, Jr.
1	Ch. 2	Overview	Christopher P. Johns
1	Ch. 3	Safety of the Public and Employees	Desmond A. Bell
1	Atch. 3A	Safety Metrics	Desmond A. Bell
1	Ch. 4	Risk Assessment and Planning	Anil Suri
1	Ch. 5	Summary of PG&E's Request	Shelly J. Sharp
1	Atch. 5A	Economic Impact of PG&E Proposed Generation, Distribution & Related Infrastructure Investments	Shelly J. Sharp
2		Results of Operations	
2	Ch. 1	Introduction	Nielson D. Jones
2	Ch. 2	SAP FERC Translation	David H. Hartman
2	Ch. 3	Electric Distribution O&M Expense	David H. Hartman
2	Ch. 4	Gas Distribution O&M Expense	David H. Hartman
2	Ch. 5	Customer Accounts Expense	David H. Hartman
2	Ch. 6	Generation O&M Expense	David H. Hartman
2	Ch. 7	Administrative and General Expenses	Judith S. Gutierrez
2	Ch. 8	Payroll and Other Taxes	Laurie Shakur
2	Ch. 9	Electric, Gas and Common Plant	Charles M. Marre
2	Ch. 10	Depreciation Reserve and Expense	Charles M. Marre
2	Ch. 11	Depreciation Study	C. Richard Clarke
2	Atch. 11A	Retirement Rate Method of Analysis	C. Richard Clarke
2	Atch. 11B	Simulated Plant Balance Method	C. Richard Clarke
2	Ch. 12	Income and Property Taxes	Jack A. Battin
2	Ch. 13	Working Cash	Nielson D. Jones
2	Ch. 14	Gas and Electric Distribution and Generation Rate Base	Charles M. Marre
2	Ch. 15	Electric Revenues at Present Rates	Nancy J. Breckenridge
2	Ch. 16	Gas Revenues at Present Rates	Kenneth E. Niemi
2	Ch. 17	Other Operating Revenues	Stephen J. Koenig
2	Ch. 18	Calculation of Revenue Requirement	Nielson D. Jones
2	App. A	Detailed Results of Operations - Tables	Nielson D. Jones
3		Gas Distribution	
3	Ch. 1	Gas Distribution Operations Policy and Introduction	Nickolas Stavropoulos
3	Ch. 2	System Operations Gas Control	Melvin J. Christopher
3	Ch. 3	Gas Distribution Mapping and Records	Sumeet Singh
3	Ch. 4	Gas Distribution Integrity Management Program	Christine C. Chapman
3	Ch. 5	Pipe, Meter and Other Preventative Maintenance	Jodie L. Kubota
3	Ch. 6	Leak Survey and Repair	Steve M. Redding
3	Ch. 7	Gas Field Services and Response	Richard W. Yamaguchi
3	Ch. 8	Gas Distribution Capital and Investment Planning	Sini A. Jacob
3	Ch. 9	New Business and Work at the Request of Others	Nina B. Bubnova
3	Ch. 10	Technical Training and Research and Development	Matthew G. Storment
3	Ch. 11	Gas Operations Technology Costs	Steven A. Whelan
3	Ch. 12	Gas Operations Building Projects, AGA Fees and PAS 55 Certification	Bill L. Gibson

Exhibit	Chapter	Exhibit/Chapter Title	Witness
4		Electric Distribution	
4	Ch. 1	Electric Distribution Operations Policy and Introduction	Geisha J. Williams
4	Ch. 2	Electric Operations Technology	Kevin J. Dasso
4	Ch. 3	Applied Technology Services	Kevin J. Dasso
4	Ch. 4	Electric Mapping and Records Management	Kevin J. Dasso
4	Ch. 5	Electric Distribution Maintenance	Jeffery Hulon
4	Ch. 6	Pole Test and Treat, Restoration and Joint Utilities Coordination	Jeffery Hulon
4	Ch. 7	Pole Replacement	Jeffery Hulon
4	Ch. 8	Vegetation Management	Peter Dominguez
4	Ch. 9	New Business and Work at the Request of Others	Nina B. Bubnova
4	Ch. 10	Electric Emergency Recovery	Barry D. Anderson
4	Ch. 11	Distribution System Operations	Barry D. Anderson
4	Ch. 12	Electric Distribution Capacity	Manho Yeung
4	Ch. 13	Substation Asset Strategy	Manho Yeung
4	Ch. 14	Electric Engineering - Distribution Planning, Operations, & Power Quality	Manho Yeung
4	Ch. 15	Electric Distribution Reliability	Steve E. Calvert
4	Ch. 16	Underground Asset Management	Steve E. Calvert
4	Ch. 17	Distribution Automation and System Protection	Steve E. Calvert
4	Ch. 18	Rule 20A	Sindy L. Mikkelsen
4	Ch. 19	LED Streetlight Program	Steven L. Dannecker
4	Ch. 20	Electric Distribution Support Activities	John B. Carruthers
5		Customer Care	
5	Ch. 1	Customer Care Policy	Helen A. Burt
5	Ch. 2	Customer Inquiry Assistance	Steven H. Phillips
5	Ch. 3	Office Services	Steven H. Phillips
5	Ch. 4	Meter to Cash	Steven H. Phillips
5	Ch. 5	Metering	Steven H. Phillips
5	Ch. 6	Quality Assurance Program/Safety Net Program	Steven H. Phillips
5	Atch. 6A	Description of Quality Assurance Standards	Steven H. Phillips
5	Atch. 6B	Safety Net Program Eligibility Requirements for Storm Inconvenience Payments	Steven H. Phillips
5	Ch. 7	Customer Energy Solutions	Jess A. Brown
5	Ch. 8	Customer Retention	David E. Rubin
5	Ch. 9	Information Technology Programs	Brian F. Rich
5	Ch. 10	SmartMeter™ Program	James L. Meadows
6		Energy Supply	
6	Ch. 1	Energy Supply Operations Policy	John T. Conway
6	Ch. 2	Hydro Operations Costs	Michael L. Jones
6	Ch. 3	Nuclear Operations Costs	James R. Becker
6	Ch. 4	Fossil and Other Generation Operations Costs	Debbie Powell
6	Ch. 5	Energy Procurement Administration Costs	Kelly A. Everidge
6	Ch. 6	Energy Supply Ratemaking	Joseph F. O'Flanagan

Exhibit	Chapter	Exhibit/Chapter Title	Witness
7		Shared Services and Information Technology	
7	Ch. 1	Shared Services and Information Technology Policy and Introduction	Desmond A. Bell
7	Ch. 2	Safety Department	Mark C. Hughes
7	Ch. 3	Transportation Services	David M. Meisel
7	Ch. 4	Supply Chain - Materials Logistics and Planning	Lance C. Schultz
7	Ch. 5	Supply Chain - Sourcing Operations	Steve T. Coleman
7	Ch. 6	Real Estate	Corey J. Wong
7	Ch. 7	Environmental Program	Janet C. Loduca
7	Ch. 8	Information Technology Costs	Malia M. Wolf
7	Ch. 9	Information Technology Cybersecurity	James W. Sample
8		Human Resources Policies	
8	Ch. 1	Human Resources Policy	John R. Simon
8	Ch. 2	Workforce Diversity and Inclusion Policy	Joyce Ibardolasa
8	Atch. 2A	Annual Letter to Employees on Diversity EEO and AA	Joyce Ibardolasa
8	Ch. 3	Total Compensation Study	TBD (Consultant)
8	Ch. 4	Total Compensation Study Results	TBD
8	Ch. 5	Short-Term Incentive Plan and Labor Escalation Assumptions	Gene Tate
8	Ch. 6	Benefits, Health and Insurance	Dora M. Choy
8	Ch. 7	Retirement, Disability and Other Benefits, Including Trust Contributions	Valerie I. Lewis Ted Huntley
8	Ch. 8	Workers' Compensation Costs	Mark C. Hughes
8	Ch. 9	Workforce Management - Severance Program Costs	Andrew K. Williams
9		Administrative and General Expenses	
9	Ch. 1	Introduction	Judith S. Gutierrez
9	Ch. 2	Finance Organization Costs	Bruce P. Fraser
9	Ch. 3	Risk and Audit Department Costs and Insurance Expenses	Megan S. Janis
9	Ch. 4	Human Resources Department and HR Technology Costs	Andrew K. Williams
9	Ch. 5	Regulatory Relations Department Costs	Amrit P. Singh
9	Ch. 6	Law Department and Related Costs	Sanford L. Hartman
9	Ch. 7	PG&E Corporation and Pacific Gas and Electric Company Executive Offices; and Corporate Secretary Department Costs	Linda Y.H. Cheng
9	Ch. 8	Corporate Affairs - Communications Department Costs	Craig A. Cussimanio
9	Ch. 9	Corporate Affairs - External Affairs Department Costs	Susan C. Martinez
9	Ch. 10	A&G Ratemaking Adjustments	Judith S. Gutierrez

Exhibit	Chapter	Exhibit/Chapter Title	Witness
10		General Report	
10	Ch. 1	Introduction	Shelly J. Sharp
10	Ch. 2	Balance Sheet and Statement of Operations	Jennifer K. Gardyne
10	Ch. 3	Escalation Rates	Matthew Masters
10	Ch. 4	Electric Billings and Sales	Matthew Masters
10	Ch. 5	Gas Billings and Sales	Matthew Masters
10	Ch. 6	Illustrative Electric Rates	Nancy J. Breckenridge
10	Atch. 6A	Illustrative Electric Rates	Nancy J. Breckenridge
10	Ch. 7	Illustrative Gas Rates	Kenneth E. Niemi
10	Ch. 8	Compliance with Prior Commission Decisions	Shelly J. Sharp
10	Ch. 9	Balancing Accounts	Teresa J. Hoglund
10	Ch. 10	PG&E's Planning and Budgeting Processes	Jason P. Wells
10	Ch. 11	Financing Proposals for Certain Long-Lived Assets	Richard A. Patterson
10	Ch. 12	Alignment of Investor and Ratepayer Interests	Walter A. Campbell Jay D. Dore
11		Post Test-Year Ratemaking	
11	Ch. 1	Post Test-Year Ratemaking Proposal	David S. Thomason
11	Ch. 2	Attrition and Proposed Attrition Changes	David S. Thomason
11	Ch. 3	Rate Base Growth in Attrition Years and Related	Charles M. Marre
12		Statements of Qualifications	All

Appendix 2
Sample Notice of Availability of
Pacific Gas and Electric Company's
Notice of Intent to File a Test Year 2014
General Rate Case

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

Application of Pacific Gas and Electric Company for
Authority, Among Other Things, to Increase Rates and
Charges for Electric and Gas Service Effective on
January 1, 2014.

(U 39 M)

Application No.

**NOTICE OF AVAILABILITY OF
PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 M)
NOTICE OF INTENT TO FILE A TEST YEAR 2014 GENERAL RATE CASE**

MICHELLE L. WILSON
STEVEN W. FRANK

Law Department
PACIFIC GAS AND ELECTRIC COMPANY
Post Office Box 7442
San Francisco, California 94120
Telephone: (415) 973-6976
Fax: (415) 973-5520

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

_____, 2012 - **DRAFT**

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

Application of Pacific Gas and Electric Company for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2014.

(U 39 M)

Application No.

**NOTICE OF AVAILABILITY OF
PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 M)
NOTICE OF INTENT TO FILE A TEST YEAR 2014 GENERAL RATE CASE**

PACIFIC GAS AND ELECTRIC COMPANY (PG&E) hereby provides this Notice of Availability of its Notice of Intent (NOI) to file an application for a test year 2014 general rate case (GRC).

On July 2, 2012, PG&E tendered its NOI to the Division of Ratepayer Advocates (DRA). On _____, 2012, DRA notified PG&E that it had accepted the NOI. Pursuant to the Commission's Rate Case Plan, within five days after PG&E's NOI has been accepted by DRA, PG&E is required to serve a Notice of Availability of its NOI on all appearances in its last general rate case. (D.07-07-004, *mimeo*, p. A-11.)

PG&E's NOI and related materials include the NOI itself, a draft application, separately bound prepared testimony, and related workpapers, which taken together are several thousands of pages. Pursuant to Rule 1.9(d) of the Commission's Rules of Practice and Procedure, these documents will be available upon request.^{1/} Please note that PG&E intends to offer into evidence all workpapers that support the testimony in the application.

PG&E will, upon request, provide a copy of its NOI and related materials in their entirety, or any part thereof, as a CD or in hard copy. PG&E has all the foregoing materials, including workpapers, available on CD, which PG&E would prefer to provide in lieu of hard

^{1/} A subset of PG&E's NOI materials are confidential and were provided to DRA pursuant to Public Utilities Code Section 583 and Commission General Order 66-C. Pursuant to the Rate Case Plan, PG&E's 2014 GRC application may be filed no sooner than 60 days after acceptance of the NOI. Concurrent with that application, PG&E intends to file a motion for a protective order, which would govern access by parties other than DRA to the confidential materials.

copy for ease of handling. To expedite service of the requested materials, PG&E asks that requests be submitted in writing by e-mail to:

Janet Liu
GRC Case Coordinator
Pacific Gas and Electric Company
E-mail: J4LR@pge.com
Telephone: (415) 973-7653

Written requests may also be submitted to PG&E by mail to Ms. Liu at P.O. Box 770000,
Mail Code B9A, San Francisco, California 94177.

Respectfully submitted,

MICHELLE L. WILSON
STEVEN W. FRANK

By: _____
STEVEN W. FRANK

Law Department
PACIFIC GAS AND ELECTRIC COMPANY
Post Office Box 7442
San Francisco, California 94120
Telephone: (415) 973-6976
Fax: (415) 973-5520

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

_____, 2012

CERTIFICATE OF SERVICE

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, 77 Beale Street, San Francisco, CA 94105.

I am readily familiar with the business practice of Pacific Gas and Electric Company for collection and processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

On _____, 2012, I served a true copy of:

**NOTICE OF AVAILABILITY OF
PACIFIC GAS AND ELECTRIC COMPANY'S
NOTICE OF INTENT TO FILE A TEST YEAR 2014 GENERAL RATE CASE**

- [XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for A.09-12-020.
- [XX] By First-Class Mail, postage prepaid, to each party on the official service list not providing an email address for A.09-12-020.

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

Dated this __ day of _____, 2012, at San Francisco, California.

MARTIE L. WAY