

December 14, 2012

Advice 4066-E-A
(Pacific Gas and Electric Company ID U39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Notice of Construction, Pursuant to General Order 131-D, for the Construction of the Saratoga-Vasona 230 kV Transmission Line – Town of Los Gatos; and the Monta Vista-Hicks 230 kV Transmission Line – Cities of Saratoga and Cupertino

Pacific Gas and Electric Company (“PG&E” or “the Company”) hereby submits to the California Public Utilities Commission (“CPUC”) a supplement to Advice 4066-E “Advice Letter”, dated June 19, 2012.

Purpose

The purpose of this supplement is to clarify the information provided in Advice Letter 4066-E filed in June 2012. The Advice Letter explained that the proposed projects covered by the Advice Letter are needed to comply with CPUC General Order 95 “and accommodate new Federal Energy Regulatory Commission (FERC) ground-to-conductor clearance requirements, which are regulated by the North American Electric Reliability Corporation (NERC)...”. This supplement provides a clarification of what was meant by PG&E’s reference to “new” FERC/NERC requirements and a fuller explanation of the genesis of and methodology used for these projects as set forth below.

In October 2010, NERC issued an alert to all transmission entities (“NERC Alert”). The NERC Alert identified a reliability concern associated with what NERC characterized as possible “significant and widespread” discrepancies between the design and actual field conditions of transmission facilities nationwide. The NERC Alert recommended that transmission entities: 1) perform an assessment, over a three-year period, of all applicable transmission facilities; 2) report to NERC on any findings; and 3) take prompt corrective action to mitigate any identified discrepancies. Transmission entities all across the country are in the midst of doing the requested assessments, reporting on identified discrepancies and performing mitigations. This is the “new”

FERC/NERC requirement to which the Advice Letters were referring.

NERC Reliability Standards FAC-008-1 and FAC-009-1 require each transmission owner to have a documented Facility Rating Methodology (FRM) and to establish ratings for its transmission facilities consistent with its rating methodology. PG&E's FRM is contained in PG&E Utility Standards TD1004S and TD1004P-01 as well as Utility Work Procedure WP1004-04. In part, PG&E's FRM requires conductor clearances to "meet General Order (GO) 95 clearance requirements". (WP1004-04, p.1.)

In response to the NERC Alert, PG&E has been assessing its transmission facilities to determine whether actual field conditions conform to design criteria (including conductor clearance requirements) in accordance with its FRM. Following its ratings methodology, PG&E uses current¹ GO 95 minimum clearance requirements based on GO 95, Table 1 (as further explained in GO 95, Rules 37 and 43) to assess its transmission facilities for correct ratings. If PG&E discovers a discrepancy, PG&E will review the facility further for appropriate mitigation. Its findings and planned mitigations for any identified discrepancies are reported to NERC. NERC expects that the discrepancies will be remediated within one year or on a schedule approved by the Regional Entity if longer than a year. In addition, consistent with NERC's expectations, PG&E is consulting with its regional Reliability Coordinator (WECC RC) and Transmission Operator (CAISO) to coordinate any mitigation plans while maintaining the bulk electric system stability and reliability.

As to AL 4066-E, PG&E has also identified discrepancies along the Saratoga-Vasona 230 kV Transmission Line in the Town of Los Gatos and the Monta Vista-Hicks 230 kV Transmission Line in the Cities of Saratoga and Cupertino. PG&E plans to raise four lattice steel towers along these Transmission Lines to address these discrepancies.

Protests

Pursuant to General Order 96-B, Section 7.5.1, due to the limited nature of this supplemental advice letter, PG&E is requesting the protest period not be reopened by the filing of this supplement.

Effective Date

The Company requests that this advice filing become effective concurrent with Advice Letter 4066-E on July 19, 2012.

¹ The use of current GO 95 minimum clearance requirements when assessing facilities for correct ratings is consistent with industry and good engineering practices.

Notice

A copy of this advice letter is being sent electronically and via U.S. Mail to parties shown on the attached list, including the parties listed in G.O. 131-D, Section XI, Paragraphs B.1 and B.2. These parties are identified in the "Notice Distribution List" included in Attachment I. All electronic approvals should be sent to e-mail PGETariffs@pge.com. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs/>.

Handwritten signature of Brian Cherry / IG in black ink.

Vice President – Regulatory Relations

cc: Parties Listed in G.O. 131-D, Paragraphs B.1 and B.2

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 E)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person:

Phone #:

E-mail:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **4066-E-A**

Tier: N/A

Subject of AL: **Supplemental: Submits Notice of Construction, Pursuant to General Order 131-D, for the Construction of the Saratoga-Vasona 230 kV Transmission Line – Town of Los Gatos; and the Monta Vista-Hicks 230 kV Transmission Line – Cities of Saratoga and Cupertino**

Keywords (choose from CPUC listing): Power Lines

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: N/A

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: N/A

Resolution Required? Yes No

Requested effective date: **July 19, 2012 (concurrent with 4066-E)** No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission

Energy Division

EDTariffUnit

505 Van Ness Ave., 4th Flr.

San Francisco, CA 94102

E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian Cherry

Vice President, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

Notice Distribution List

NERC Compliance Projects:
Saratoga-Vasona 230kV Power Line – Town of Los Gatos
Monta Vista-Hicks 230KV Power Line – Cities of Saratoga and Cupertino

Advice 4066-E-A

Energy Commission

Mr. Robert Oglesby, Executive Director
California Energy Commission
1516 Ninth Street, Mail Stop 39
Sacramento, California 95814

Mr. Roger Johnson, Deputy Director
California Energy Commission
1516 Ninth Street, Mail Stop 39
Sacramento, California 95814

Town of Los Gatos

Wendie Rooney, Community Development Director
Town of Los Gatos Community Development Department
110 East Main Street
Los Gatos, CA 95030

City of Saratoga

James Lindsay, Community Development Director
City of Saratoga Community Development Department
13777 Fruitvale Avenue
Saratoga, CA 95070

City of Cupertino

Aarti Shrivastava, Community Development Director
City of Cupertino Community Development Department
103000 Torre Avenue
Cupertino, CA 95014

**PG&E Gas and Electric
Advice Filing List**

1st Light Energy	Department of General Services	North America Power Partners
AT&T	Department of Water Resources	North Coast SolarResources
Alcantar & Kahl LLP	Dept of General Services	Northern California Power Association
Ameresco	Douglass & Liddell	Occidental Energy Marketing, Inc.
Anderson & Poole	Downey & Brand	OnGrid Solar
BART	Duke Energy	PG&E
Barkovich & Yap, Inc.	Economic Sciences Corporation	Praxair
Bartle Wells Associates	Ellison Schneider & Harris LLP	R. W. Beck & Associates
Bloomberg	Foster Farms	RCS, Inc.
Bloomberg New Energy Finance	G. A. Krause & Assoc.	SCD Energy Solutions
Boston Properties	GLJ Publications	SCE
Braun Blaising McLaughlin, P.C.	GenOn Energy Inc.	SMUD
Brookfield Renewable Power	GenOn Energy, Inc.	SPURR
CA Bldg Industry Association	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Public Utilities Commission
CENERGY POWER	Green Power Institute	Seattle City Light
CLECA Law Office	Hanna & Morton	Sempra Utilities
California Cotton Ginners & Growers Assn	Hitachi	Sierra Pacific Power Company
California Energy Commission	In House Energy	Silicon Valley Power
California League of Food Processors	International Power Technology	Silo Energy LLC
California Public Utilities Commission	Intestate Gas Services, Inc.	Southern California Edison Company
Calpine	Lawrence Berkeley National Lab	Spark Energy, L.P.
Cardinal Cogen	Los Angeles County Office of Education	Sun Light & Power
Casner, Steve	Los Angeles Dept of Water & Power	Sunrun Inc.
Center for Biological Diversity	MAC Lighting Consulting	Sunshine Design
Chris, King	MRW & Associates	Sutherland, Asbill & Brennan
City of Palo Alto	Manatt Phelps Phillips	Tecogen, Inc.
City of Palo Alto Utilities	Marin Energy Authority	Tiger Natural Gas, Inc.
City of San Jose	McKenna Long & Aldridge LLP	TransCanada
City of Santa Rosa	McKenzie & Associates	Turlock Irrigation District
Clean Energy Fuels	Merced Irrigation District	United Cogen
Clean Power	Modesto Irrigation District	Utility Cost Management
Coast Economic Consulting	Morgan Stanley	Utility Specialists
Commercial Energy	Morrison & Foerster	Verizon
Consumer Federation of California	Morrison & Foerster LLP	Wellhead Electric Company
Crossborder Energy	NLine Energy, Inc.	Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP	NRG West	eMeter Corporation
Day Carter Murphy	NaturEner	
Defense Energy Support Center	Norris & Wong Associates	