

From: Redacted
Sent: 6/7/2013 11:04:55 AM
To: Cadenasso, Eugene (eugene.cadenasso@cpuc.ca.gov)
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Cc: Ramaiya, Shilpa R (/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd); Myers,
Richard A. (richard.myers@cpuc.ca.gov) (richard.myers@cpuc.ca.gov)
Bcc:
Subject: PG&E's Response to Energy Division's Comments dated June 3

Eugene

As a follow up to our discussion on Energy Division's recommended changes to PG&E's preliminary statement Part CW – Gas Pipeline Expense and Capital Balancing Account (GPECBA), PG&E provides the following response.

1. Explain the term “net” unspent funds:

PG&E defines the term as the difference between accounting debits and credits but is agreeable to removing the term “net” from the preliminary statement. The unspent balance will be determined by the accounting entries set forth in this preliminary statement.

2. Recommended language to clarify program costs (expenses and capital) are tracked within this balancing account.

PG&E has added language to clarify that this balancing account is used to record the revenue requirement associated with actual expense and capital costs authorized by the D. 12-12-030. PG&E has proposed language that clarifies that program expenses and capital expenditures will be tracked by Program within PG&E's accounting systems.

3. Requested language from OP 6 (D. 12-12-030) be inserted in the preliminary statement.

PG&E has inserted language from OP 6 essentially recapping that expenses and capital amounts in excess of the adopted amounts will not be recorded in this balancing account and that the adopted expense and capital amounts for any program shall not be reduced by the cost of any Implementation Plan project not completed and not replaced by a higher priority project.

I have attached both a clean and redline version of the preliminary statement for your review. If we receive your approval today, we will be able to file a supplemental advice letter with these changes (both clean and redlined versions). Please let me know if you have any questions.

Regards,

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Pacific Gas and Electric Company

Regulatory Affairs

Proceedings and Rates

Manager

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