



Brian K. Cherry  
Vice President  
Regulatory Relations

Pacific Gas and Electric Company  
77 Beale St., Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415-973-7226

October 14, 2013

Advice 4302-E  
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Information-Only Filing Regarding 2012 Quarterly Compliance Reports for Quarter 1 (Advice 4033-E-A), Quarter 2 (Advice 4091-E-A) and Quarter 3 (Advice 4132-E-A) – Financial Gas Transactions not in Compliance with Bundled Procurement Plan

Purpose

The purpose of this advice letter is to provide notice of and information summarizing certain financial gas transactions that occurred during 2012 that were reported in Pacific Gas and Electric Company's (PG&E) Quarterly Compliance Reports (QCR) for Quarter 1, Quarter 2 and Quarter 3, 2012 but that were not in compliance with PG&E's approved Electric Portfolio Hedging Plan (Hedging Plan). Concurrent with this advice letter, PG&E's filing testimony in Phase 2 of the 2012 Energy Resource Recovery Account (ERRA) Compliance proceeding (Application 13-02-023) that describes these transactions and requests Commission action in that proceeding regarding the transactions. Because PG&E is requesting California Public Utilities Commission (CPUC or Commission) action in the 2012 ERRA Compliance proceeding, this advice letter is informational in nature and does not seek additional Commission action.

PG&E submitted the non-compliant 2012 financial gas transactions to the Commission as part of its Quarter 1, Quarter 2, and Quarter 3, 2012, QCR advice letters (Advice Letters 4033-E-A, 4091-E-A, and 4132-E-A, respectively) for review and approval in compliance with PG&E's Commission-approved Bundled Procurement Plan (BPP). The Quarter 1, Quarter 2, and Quarter 3, 2012 QCRs were approved by the Energy Division via disposition letters with effective dates of December 7, 2012, March 26, 2013, and August 8, 2013, respectively.

Although this advice letter summarizes the non-compliant transactions and the corrective actions that PG&E has taken to ensure that this issue does not re-occur, PG&E is requesting approval of these transactions and associated activity in Phase 2 of its 2012 ERRA Compliance Proceeding. Specifically, in

Phase 2 of its 2012 ERRACompliance Proceeding, PG&Eis requesting that the Commission: (1) approve the non-compliant transactions that occurred during the 2012 record period, (2) approve four transactions that were executed in September 2013 to offset the unexpired, non-compliant 2012 transactions in PG&E's portfolio, and (3) direct that the net gain from these transactions be retained in PG&E'sERRA balancing account, which would result in a net benefit for PG&E'scustomers. Attachment A to this advice letter includes the public version of PG&E's2012 ERRACompliance Proceeding Phase 2 Testimony. A confidential version of PG&E's Phase 2 testimony was provided to Administrative Law Judge Roscow and the Office of Ratepayer Advocates (ORA) in the 2012 ERRACompliance proceeding.

### Summary of Transactions

During a recent internal review of 2013 hedging transactions, PG&Edetermined that certain transactions that occurred in 2013 were outside one of the operating targets in PG&E'shedging Plan. As a result of this discovery, PG&Ereviewed transactions from 2012 to determine if this samelimit had been exceeded in that year. PG&E discovered forty eight (48) transactions that were executed in the first three quarters of 2012 that were not in compliance with PG&E'shedging Plan because one of the Hedging Plan's limits had been exceeded. These 48 transactions complied with the other BPP and Hedging Plan requirements and limits, including approved products, approved transaction processes, and approved energy markets. However, these transactions did not comply with one of theHedging Plan operating targets.

The non-compliant transactions occurred because a control for one of the operating targets in the Hedging Plan was not included in PG&E'selectronic hedging implementation model. The electronic model guides PG&E'sexecution of hedges and has embeddedcontrols for Hedging Plan limits and targets that constrain when a transaction can be executed. If the operating target limit had been included in PG&E'selectronic model, the 48 non-compliant transactions would not have been executed.

At the time PG&Ediscovered the non-compliant transactions, 37 of the 48 transactions had already settled. Since the remaining 11 transactions were still exposed to market price risk, PG&Eexecuted four offsetting transactions during the first week of September2013 to close out the open positions for the remaining 11 transactions. Therefore, all non-compliant 2012 transactions positions have been closed and a resulting net gain of \$416,122, net of broker and exchange fees, will be realized.

Since discovering the non-compliant transactions, PG&Ehas implemented additional procedural controls that will prevent the reoccurrence of this issue by updating its electronic model to include all provisions (constraints and limits) in the Hedging Plan. This model has already been modified to include the limit that would have prevented the execution of the non-compliant trades discussed here and was modified to correct a minor calculation error. In addition to updating the electronic model, PG&E

has developed a compliance report that will demonstrate that each of PG&E's gas financial trades complied with all provisions of its Hedging Plan. PG&E will provide copies of these reports for all financial trades executed in 2012 as confidential workpapers to the Phase 2 Testimony and will begin providing them with its Quarterly Compliance Reports beginning Q4 2013. For a more detailed discussion of the transactions please refer to Attachment A to this filing, PG&E's 2012 ERRA Compliance Proceeding Phase 2 Testimony.

### Protests

This is an information-only advice letter filing. Pursuant to General Order 96-B Section 6.2, PG&E is not seeking relief through this advice letter. Instead, PG&E is seeking relief regarding the non-compliant 2012 transactions in the 2012 ERRA Compliance proceeding.

### Effective Date

PG&E requests that this information-only advice filing become effective October 14, 2013, the date of filing.

### Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically on the attached service list and the service lists for Rulemaking ("R.") 12-03-014, R.01-10-024, R.11-10-023, and A.13-02-023. Address changes to the General Order 96-B service list and all electronic approvals should be directed to PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs>.

*Brian Cherry /IG*

Vice President – Regulatory Relations

### Public Attachments:

|               |   |
|---------------|---|
| Attachment A: | A.13-02-023, Phase 2 Testimony (Public Version) |
| Attachment B: | Confidentiality Declaration and Matrix          |

cc: Service List R.12-03-014, R.01-10-024, R.11-10-023, A.13-02-023 & PG&E's Procurement Review Group

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

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

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

Utility type:

ELC       GAS

PLC       HEAT       WATER

Contact Person: Igor Grinberg

Phone #: (415) 973-8580

E-mail: ixg8@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC= Electric  
PLC= Pipeline

GAS= Gas  
HEAT= Heat

WATER Water

Advice Letter (AL) #4302-E

Tier: N/A

Subject of AL: Informational Filing Regarding 2012 Quarterly Compliance Reports for Quarter 1 (Advice 4033-E-A), Quarter 2 (Advice 4091-E-A) and Quarter 3 (Advice 4132-E-A) – Financial Gas Transactions not in Compliance with Bundled Procurement Plan

Keywords (choose from CPU listing): Compliance, Procurement

AL filing type: Monthly    Quarterly    Annual    One-Time    Other \_\_\_\_\_

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: N/A

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: please see attached Declaration and Matrix.

Confidential information will be made available to those who have executed a nondisclosure agreement? Yes    No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: Peter E. Koszalka (415) 973-3818

Resolution Required? Yes  No

Requested effective date: October 14, 2013      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

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:

CPUC, Energy Division

ED Tariff Unit  
505 Van Ness Ave., 4<sup>th</sup> Floor  
San Francisco, CA 94102

E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Pacific Gas and Electric Company

Attn: Brian K. Cherry, Vice President, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

E-mail: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Application: 13-02-023  
(U 39 E)  
Exhibit No.: \_\_\_\_\_  
Date: October 14, 2013  
Witnesses: Various

---

**PACIFIC GAS AND ELECTRIC COMPANY**

**PHASE 2 TESTIMONY**

**APPLICATION FOR COMPLIANCE REVIEW OF UTILITY OWNED  
GENERATION OPERATIONS, ELECTRIC ENERGY RESOURCE  
RECOVERY ACCOUNT ENTRIES, CONTRACT ADMINISTRATION,  
ECONOMIC DISPATCH OF ELECTRIC RESOURCES,  
UTILITY RETAINED GENERATION FUEL PROCUREMENT,  
AND OTHER ACTIVITIES FOR THE PERIOD  
JANUARY 1 THROUGH DECEMBER 31, 2012**

---



PACIFIC GAS AND ELECTRIC COMPANY  
 APPLICATION FOR COMPLIANCE REVIEW OF UTILITY OWNED GENERATION  
 OPERATIONS, ELECTRIC ENERGY RESOURCE RECOVERY ACCOUNT ENTRIES,  
 CONTRACT ADMINISTRATION, ECONOMIC DISPATCH OF ELECTRIC  
 RESOURCES, UTILITY RETAINED GENERATION FUEL PROCUREMENT, AND  
 OTHER ACTIVITIES FOR THE PERIOD  
 JANUARY 1 THROUGH DECEMBER 31, 2012  
 PHASE 2 TESTIMONY

TABLE OF CONTENTS

| Chapter      | Title   | Witness           |
|--------------|---|-------------------|
| 1            | ELECTRIC PORTFOLIO HEDGING PLAN:<br>GAS FINANCIAL TRANSACTIONS                | Peter E. Koszalka |
| Attachment A | ELECTRIC PORTFOLIO HEDGING PLAN:<br>DESCRIPTION OF OPERATING TARGET<br>LIMITS |                   |
| Attachment B | LIST OF TRANSACTIONS  |                   |
| Attachment C | TRANSACTIONS PRESENTED IN THE 2012<br>QUARTERLY COMPLIANCE REPORTS            |                   |

**PACIFIC GAS AND ELECTRIC COMPANY  
PHASE 2 TESTIMONY  
ELECTRIC PORTFOLIO HEDGING PLAN:  
GAS FINANCIAL TRANSACTIONS**

PACIFIC GAS AND ELECTRIC COMPANY  
PHASE 2 TESTIMONY  
ELECTRIC PORTFOLIO HEDGING PLAN: GAS FINANCIAL TRANSACTIONS

TABLE OF CONTENTS

|  |   |
|--|---|
| A. Introduction.....   | 1 |
| B. Description of Transactions and Explanation of Operating Target<br>Exceedence.....    | 1 |
| C. Controls to Ensure Future Transactions Are in Compliance With Hedging<br>Limits ..... | 3 |
| D. Request for Commission Approval .....   | 4 |



1                                   **PACIFIC GAS AND ELECTRIC COMPANY**  
2   **PHASE 2 TESTIMONY**  
3                                   **ELECTRIC PORTFOLIO HEDGING PLAN:**  
4   **GAS FINANCIAL TRANSACTIONS**

5   **A. Introduction**

6           This testimony discusses certain financial gas transactions that occurred  
7   during the January 1 to December 31, 2012 record period and were reported in  
8   Pacific Gas and Electric Company's (PG&E) Quarterly Compliance Reports  
9   (QCR) for Quarter 1, Quarter 2 and Quarter 3, 2012 that were not in compliance  
10 with PG&E's approved Electric Portfolio Hedging Plan (Hedging Plan).

11          PG&E requests that the California Public Utilities Commission (CPUC or  
12 Commission) approve the non-compliant transactions that occurred during the  
13 record period, approve the four transactions that were recently executed to  
14 offset the unexpired, non-compliant transactions in PG&E's portfolio, and direct  
15 that the net gain from these transactions be retained in PG&E's Energy  
16 Resource Recovery Account (ERRA) balancing account, which results in a net  
17 benefit for PG&E's customers. The remainder of this testimony:

- 18   (1) describes the non-compliant transactions that occurred during the record  
19       period;  
20   (2) explains which Hedging Plan target was exceeded and why the transactions  
21       were executed outside of that target;  
22   (3) discusses the corrective actions PG&E has put in place to ensure future  
23       compliance with Hedging Plan targets before executing transactions; and  
24   (4) requests that the Commission approve: (i) the non-compliant transactions  
25       that occurred during the record period; (ii) the 2013 transactions that were  
26       used to offset unexpired transactions; and (iii) the retention of the net gain in  
27       ERRA for the benefit of customers.

28   **B. Description of Transactions and Explanation of Operating Target**  
29   **Exceedence**

30          During a recent internal review of 2013 hedging transactions, PG&E  
31   determined that certain transactions that occurred in 2013 were outside one of

1 the operating targets in PG&E's Hedging Plan.<sup>1</sup> As a result of this discovery,  
2 PG&E reviewed transactions from 2012 to determine if this same limit had been  
3 exceeded in that year.<sup>2</sup> PG&E discovered forty-eight (48) transactions that were  
4 executed in the first three quarters of 2012 that were not in compliance with  
5 PG&E's Hedging Plan because one of the Hedging Plan's limits had been  
6 exceeded. These 48 transactions complied with the other Bundled Procurement  
7 Plan (BPP) and Hedging Plan requirements and limits, including approved  
8 products, approved transaction processes, and approved energy markets.  
9 However, these transactions did not comply with one of the Hedging Plan  
10 operating targets.<sup>3</sup>

11 The non-compliant transactions occurred because a control for one of the  
12 operating targets in the Hedging Plan was not included in PG&E's electronic  
13 hedging implementation model. The electronic model guides PG&E's execution  
14 of hedges and has embedded controls for Hedging Plan limits and targets that  
15 constrain when a transaction can be executed. If the operating target limit had  
16 been included in PG&E's electronic model, the 48 non-compliant transactions  
17 would not have been executed. PG&E has updated its electronic trading model  
18 to include a control for this limit, as discussed in more detail below in Section C.  
19 This correction is designed to ensure future transactions are in compliance with  
20 PG&E's BPP.

21 PG&E temporarily suspended all financial gas trading in order to carefully  
22 review the electronic model to ensure that all limits and targets in the Hedging  
23 Plan are accurately included. In addition to the omission described above,  
24 PG&E found one calculation error which had no impact on trading activities and  
25 that two additional provisions from the Hedging Plan were omitted from the  
26 model. PG&E has reviewed all the remaining trades executed in 2012 and

---

1 Non-compliant transactions that occurred in 2013 will be addressed in PG&E's 2013 ERRRA  
Compliance application which will be filed in February 2014.

2 PG&E's current Electric Portfolio Hedging Plan was approved as part of its 2010 Bundled  
Procurement Plan on January 12, 2012 in Decision (D.) 12-01-033. The limit exceeded by the  
subject trades was first implemented under this plan. This application of the limit was not  
included in PG&E's previous electric portfolio hedging plans.

3 Since PG&E's Hedging Plan is confidential under D.06-06-066 and Public Utilities Code (PUC)  
Sections 454.5(g) and 583, the operating target limitations are described in Confidential  
Attachment A to this testimony.

1 found that all of them were in compliance with these two provisions (i.e., none of  
2 the trades would have been prevented by those provisions).

3 At the time PG&E discovered the non-compliant transactions, 37 of the  
4 48 transactions had already settled. Since the remaining 11 transactions were  
5 still exposed to market price risk, PG&E executed four offsetting transactions  
6 during the first week of September 2013 to close out the open positions for the  
7 remaining 11 transactions from the record period. Therefore, all non-compliant  
8 2012 transactions positions have been closed and a resulting net gain of  
9 \$416,122, net of broker and exchange fees, will be realized. PG&E closed out  
10 these open positions to eliminate the risk that market movement would result in  
11 the remaining transactions settling at a loss.

12 The table below includes a summary of the 48 non-compliant transactions,  
13 including the notional value of settlements related to the 37 expired transactions,  
14 and the 4 offsetting transactions that were entered into in September 2013 to  
15 eliminate market risk exposure for the remaining 11 unexpired transactions. A  
16 detailed list of the transactions is included in Confidential Attachment B.  
17 Confidential Attachment C includes the transactions included in the original QCR  
18 submittals, by quarter.

| <b>Transaction Summary</b> |                         |  |                       |
|----------------------------|-------------------------|--|-----------------------|
| <b>Trade Type</b>          | <b>Number of Trades</b> | <b>Delivery Period Covered</b>                       | <b>Notional Value</b> |
| <b>Futures (buy)</b>       | <b>48</b>               | <b>January 1, 2013 through<br/>December 31, 2014</b> | <b>(\$19,022,078)</b> |
| <b>Futures (settled)</b>   | <b>37</b>               | <b>January 1, 2013 through<br/>August 31, 2013</b>   | <b>10,952,467</b>     |
| <b>Futures (sell)</b>      | <b>4</b>                | <b>January 1, 2014 through<br/>December 31, 2014</b> | <b>8,493,393</b>      |
|                            |                         | <b>Execution Fees</b>                                | <b>(7,660)</b>        |
|                            |                         | <b>Net Settled Gain</b>                              | <b>\$416,122</b>      |

19 **C. Controls to Ensure Future Transactions Are in Compliance With Hedging**  
20 **Limits**

21 Since discovering the non-compliant transactions, PG&E has implemented  
22 additional procedural controls that will prevent the reoccurrence of this issue and  
23 is updating its electronic model to include all provisions (constraints and limits) in  
24 the Hedging Plan. This model has already been modified to include the limit that

1 would have prevented the execution of the non-compliant trades discussed here  
2 and was modified to correct a minor calculation error. This model, which is  
3 maintained by a team of quantitative analysts in PG&E's Market Risk  
4 Management Department, will also be reviewed by a separate, independent  
5 team of qualified analysts in the same department.

6 While this model uses Microsoft Excel to provide an interactive report to  
7 PG&E's gas traders, generation of the report and the formulas in the report are  
8 embedded in computer code. The report is automatically generated every night  
9 to update the model for market prices and portfolio positions. PG&E's gas  
10 traders do not have the ability to access or modify this code. Once the code is  
11 updated as described above and reviewed by the independent team, the code  
12 will be placed into production and "locked" from modification through password  
13 protection. In addition to updating the model, PG&E is also updating its change  
14 control process and verifying security for this model.

15 While use of an electronic model to guide implementation of the hedging  
16 plan is a preventative control, as a result of the non-compliant trades PG&E is  
17 adding a detective control to its management of hedging plan implementation.  
18 PG&E has developed a compliance report that will demonstrate that each of  
19 PG&E's gas financial trades complied with each of the provisions of its Hedging  
20 Plan. PG&E has provided copies of these reports for all financial trades  
21 executed in 2012 as confidential workpapers accompanying this testimony.  
22 PG&E will generate these reports frequently in order to detect any deviation from  
23 its approved Hedging Plan, which will allow PG&E's management to prevent  
24 reoccurrence of an ongoing case of non-compliance similar to that discussed  
25 here. PG&E will begin providing these reports with its Quarterly Compliance  
26 Reports beginning Q4-2013 and will include a complete set of these reports in  
27 support of its 2013 ERRA Compliance Application.

#### 28 **D. Request for Commission Approval**

29 PG&E requests the Commission approve: (1) the 48 non-complaint  
30 transactions executed in 2012; (2) the four transactions executed in  
31 September 2013 to offset and close out the unexpired 2012 transactions; and  
32 (3) retention of the net gain the ERRA balancing account.

**PACIFIC GAS AND ELECTRIC COMPANY**  
**PHASE 2 TESTIMONY**  
**ATTACHMENT A**  
**ELECTRIC PORTFOLIO HEDGING PLAN: DESCRIPTION OF**  
**OPERATING TARGET LIMITS**  
**[THIS DOCUMENT IS CONFIDENTIAL]**

**PACIFIC GAS AND ELECTRIC COMPANY**  
**PHASE 2 TESTIMONY**  
**ATTACHMENT B**  
**LIST OF TRANSACTIONS**  
**[THIS DOCUMENT IS CONFIDENTIAL]**

PACIFIC GAS AND ELECTRIC COMPANY  
PHASE 2 TESTIMONY  
ATTACHMENT  
TRANSACTIONS PRESENTED IN THE  
2012 QUARTERLY COMPLIANCE REPORT S  
[THIS DOCUMENT IS CONFIDENTIAL]

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

**DECLARATION OF PETER E. KOSZALKA  
SEEKING CONFIDENTIAL TREATMENT OF PG&E'S ADVICE 4302-E REGARDING  
2012 QUARTERLY COMPLIANCE REPORTS FOR QUARTER 1 (ADVICE 4033-E-A),  
QUARTER 2 (ADVICE 4091-E-A) AND QUARTER 3 (ADVICE 4132-E-A) –  
FINANCIAL GAS TRANSACTIONS NOT IN COMPLIANCE WITH BUNDLED  
PROCUREMENT PLAN**

I, Peter E. Koszalka, declare:

1. I am presently employed by Pacific Gas and Electric Company (PG&E) and have been an employee since 2003 (and was previously employed by PG&E from 1983 to 1998). My current title is Director, Electric Gas Supply. In this position, my responsibilities include physical and financial trading of gas in support of PG&E's allocated DWR contracts, PG&E's company-owned generating facilities, and PG&E's tolling agreements. In carrying out these responsibilities, I have acquired knowledge of gas supply and gas hedging for electric generation, the markets for physical and financial products for gas supply and hedging, and the various types of transactions involved.

2. Based on my knowledge and experience, and in accordance with Decision ("D.") 08-04-023 and the August 22, 2006 "Administrative Law Judge's Ruling Clarifying Interim Procedures for Complying with Decision 06-06-066," I make this declaration seeking confidential treatment of Confidential Attachment A or Advice 4302-E regarding financial gas transactions not in compliance with bundled procurement plan appearing in the 2012 Quarterly Compliance Reports for Quarter 1 (Advice 4033-E-A), Quarter 2 (advice 4091-E-A) and Quarter 3 (Advice 4132-E-A).

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is



seeking to protect constitutes the particular type of data and information listed in Appendix I of D.06-06-066 and Appendix D.08-04-023 (the "IOU Matrix"), and/or constitutes information that should be protected under General Order 66-C. The matrix also specifies the category or categories in the IOU Matrix to which the data and information corresponds, and why confidential protection is justified. Finally, the matrix specifies that: (1) PG&E is complying with the limitations specified in the IOU Matrix for that type of data or information; (2) the information is not already public; and (3) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix that is pertinent to this submittal.

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

Executed on October 14, 2013 at San Francisco, California.

/s/

---

PETER E. KOSZALKA

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)**

**ADVICE 4302-E**

**FINANCIAL GAS TRANSACTIONS NOT IN COMPLIANCE WITH BUNDLED PROCUREMENT PLAN  
AS REPORTED IN THE 2012 QUARTERLY COMPLIANCE REPORTS FOR  
QUARTER 1 (ADVICE 4033-E-A), QUARTER 2 (ADVICE 4091-E-A) AND QUARTER 3 (ADVICE 4132-E-A)**

**IDENTIFICATION OF CONFIDENTIAL INFORMATION**

| Redaction Reference   | 1) The material submitted constitutes a particular type of data listed in the Matrix, appended as Appendix 1 to D.06-06-066 (Y/N) | 2) Which category or categories in the Matrix the data corresponds to:   | 3) That it is complying with the limitations on confidentiality specified in the Matrix for that type of data (Y/N) | 4) That the information is not already public (Y/N) | 5) The data cannot be aggregated, redacted, summarized, masked or otherwise protected in a way that allows partial disclosure (Y/N) | PG&E's Justification for Confidential Treatment   | Length of Time   |
|---|---|--|---|---|---|---|--|
| <b>Document: Confidential Attachment A (referencing PG&amp;E's 2012 ERRA Compliance Review Phase 2 Testimony)</b> |   |  |   |   |   |   |  |
| Attachment A  | Y   | Item I) A) 4) Long-term fuel (gas) buying and hedging plans  | Y   | N   | Y   | Description of PG&E's long term buying and hedging strategies, which constitutes market sensitive information.  | Confidential for three years past expiration of the last trade executed under the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019. |
| Attachment B  | Y   | Item I) A) 4) Long-term fuel (gas) buying and hedging plans<br><br>XI) Monthly Procurement Costs (Energy Resource Recovery Account [ERRA] Filings) | Y   | N   | Y   | Transactions conducted under PG&E's hedging Plan. This information reveals monthly procurement costs and is market sensitive information with regard to hedging transactions. | Confidential for three years past expiration of the last trade executed under the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019. |
| Attachment C  | Y   | Item I) A) 4) Long-term fuel (gas) buying and hedging plans  | Y   | N   | Y   | Transactions conducted under PG&E's hedging Plan. This information reveals monthly procurement costs and is market sensitive information with regard to hedging transactions. | Confidential for three years past expiration of the last trade executed under the hedging plan. (Resolution E-4276, Finding 8) This date is January 1, 2019. |

PG&E Gas and Electric  
Advice Filing List  
General Order 96-B, Section IV

|   |   |  |
|---|---|--|
| 1st Light Energy                              | Douglass & Liddell                          | OnGrid Solar   |
| AT&T  | Downey & Brand                              | Pacific Gas and Electric Company                           |
| Alcantar & Kahl LLP                           | Ellison Schneider & Harris LLP              | Praxair  |
| Anderson & Poole                              | G. A. Krause & Assoc.                       | Regulatory & Cogeneration Service, Inc.                    |
| BART  | GenOn Energy Inc.                           | SCD Energy Solutions                                       |
| Barkovich & Yap, Inc.                         | GenOn Energy, Inc.                          | SCE  |
| Bartle Wells Associates                       | Goodin, MacBride, Squeri, Schlotz & Ritchie | SDG&E and SoCalGas   |
| Braun Blasing McLaughlin, P.C.                | Green Power Institute                       | SPURR  |
| CENERGY POWER                                 | Hanna & Morton                              | San Francisco Public Utilities Commission                  |
| California Cotton Ginners & Growers Assn      | In House Energy                             | Seattle City Light   |
| California Energy Commission                  | International Power Technology              | Sempra Utilities   |
| California Public Utilities Commission        | Intestate Gas Services, Inc.                | SoCalGas   |
| California State Association of Counties      | Kelly Group                                 | Southern California Edison Company                         |
| Calpine                                       | Linde                                       | Spark Energy   |
| Casner, Steve                                 | Los Angeles Dept of Water & Power           | Sun Light & Power  |
| Center for Biological Diversity               | MAC Lighting Consulting                     | Sunshine Design  |
| City of Palo Alto                             | MRW & Associates                            | Tecogen, Inc.  |
| City of San Jose                              | Manatt Phelps Phillips                      | Tiger Natural Gas, Inc.                                    |
| Clean Power                                   | Marin Energy Authority                      | TransCanada  |
| Coast Economic Consulting                     | McKenna Long & Aldridge LLP                 | Utility Cost Management                                    |
| Commercial Energy                             | McKenzie & Associates                       | Utility Power Solutions                                    |
| County of Tehama - Department of Public Works | Modesto Irrigation District                 | Utility Specialists  |
| Crossborder Energy                            | Morgan Stanley                              | Verizon  |
| Davis Wright Tremaine LLP                     | NLine Energy, Inc.                          | Water and Energy Consulting                                |
| Day Carter Murphy                             | NRG Solar                                   | Wellhead Electric Company                                  |
| Defense Energy Support Center                 | Nexant, Inc.                                | Western Manufactured Housing Communities Association (WMA) |
| Dept of General Services                      | North America Power Partners                |  |
| Division of Ratepayer Advocates               | Occidental Energy Marketing, Inc.           |  |