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November 12, 2013

Advice 4312-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Submittal of Electric Service Provider (ESP) Financial Security Requirements in Compliance With D.13-01-021, D.13-02-017, and D.13-04-001

Pacific Gas and Electric Company (PG&E) hereby submits its calculation of the financial security requirements for the ESPs serving customers within its service territory.

Purpose

In compliance with Ordering Paragraph (OP) 6 of Decision (D.) 13-01-021, this advice filing is to provide the California Public Utilities Commission (Commission) with the updated ESP financial security requirements.

Background

On January 24, 2013, the Commission issued D.13-01-021, which adopted a methodology to derive incremental procurement costs for the financial security requirement and re-entry fees for an involuntary return of Direct Access (DA) residential and small commercial customers. On February 25, 2013, the Commission issued D.13-02-017 and on April 2, 2013, the Commission issued D.13-04-001. These two decisions corrected inadvertent technical errors in D.13-01-021.

OP 6 of D.13-01-021 required the Investor Owned Utilities to update the applicable ESP financial security amounts by the 10th of May and November¹ of each year and to submit them in a Tier 2 Advice Letter.

Attachment B contains a table showing, by ESP, the calculated financial security amount based upon the methodology adopted in Appendix 1 of D.13-01-021. The table

¹ November 10, 2013, is a Sunday and November 11 is Veteran's Day and is a recognized holiday by the Commission. Commission Rules of Practice and Procedure Rule 1.15 provides that when the last day falls on a Saturday, Sunday, holiday, or other day when the Commission offices are closed, the time limit is extended to include the first day thereafter. Therefore, this advice letter is timely submitted.

has been redacted of any confidential ESP data utilized in the calculation. An unredacted version with the relevant supporting data and calculation of each respective ESP's financial security amount will be filed under confidential seal to the Energy Division. A Declaration supporting confidential treatment is found in Attachment A.

The version of this advice letter posted at www.pge.com is redacted.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than December 2, 2013, which is 20 days from the date of this filing. Protests should be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest also should be sent via E-mail or U.S. Mail (and by facsimile, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

Brian K. Cherry
Vice President, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E requests that this Tier 2 advice filing become effective on regular notice, **December 12, 2013**, which is 30 calendar days after the date of filing.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the service list for Rulemaking (R.) 07-05-025. Address changes to the General Order 96-B service list should be directed to PG&E at email address 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. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at <http://www.pge.com/tariffs>.



Vice President – Regulatory Relations

cc: Service List R.07-05-025

Attachments:

Attachment A – Declaration of Ronald Jang supporting confidential treatment
Confidential Attachment B – ESP Financial Security Requirement
(Redacted copy provided in public version)

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: Kingsley Cheng

Phone #: (415) 973-5265

E-mail: k2c0@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **4312-E**

Tier: **2**

Subject of AL: **Submittal of Electric Service Provider (ESP) Financial Security Requirements in Compliance With D.13-01-021, D.13-02-017, and D.13-04-001**

Keywords (choose from CPUC listing): Compliance, Direct Access

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.13-01-021, D.13-02-017, and D.13-04-001

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: _____

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: Yes, Attachment B - ESP Financial Security Requirement

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: **Ronald Jang, (415) 973-2973**

Resolution Required? Yes No

Requested effective date: **December 12, 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

Pending advice letters that revise the same tariff sheets: 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 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

**DECLARATION OF RONALD JANG
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION
CONTAINED IN ADVICE LETTER 4312-E
(PACIFIC GAS AND ELECTRIC COMPANY - U 39 E)**

I, Ronald Jang, declare:

1. I am presently employed by Pacific Gas and Electric Company (PG&E) and have been an employee at PG&E since 1977. My current title is Principal Account Manager within PG&E's Customer Impact organization. In this position, my responsibilities include maintaining the on-going business relationship with third-party electric service providers (ESPs) participating in PG&E's direct access service program. In carrying out these responsibilities, I have acquired knowledge of the operations of electric service providers in general. Through this experience, I have become familiar with the type of information ESPs' consider confidential and proprietary.

2. Based on my knowledge and experience, I make this declaration seeking confidential treatment of "Attachment B to Advice Letter 4312-E," submitted on November 12, 2013. By this Advice Letter, PG&E is seeking this Commission's approval of its calculations of the financial security requirements for individual ESPs in compliance with Ordering Paragraph 6 of Decision 13-01-021.

3. PG&E is seeking confidential treatment of the number of customers served by each ESP, historic usage information, forecasted electric pricing information, and the calculated financial security requirement. The material PG&E is seeking to protect constitutes information that should be protected under Public Utilities Code § 583 and General Order 66-C. Finally, PG&E states that: (1) the information is not already public; and (2) the data cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on November 12, 2013 at San Francisco, California.

/s/ Ronald O. Jang
Ronald O. Jang

**ATTACHMENT B
Redacted Public Version**

| ESP FINANCIAL SECURITY REQUIREMENT | |
|---|---------------------------------|
| Pacific Gas and Electric Company | |
| November 12, 2013 | |
| Electric Service Provider | Total Financial Security |
| 3phases Renewables LLC | |
| Calpine Power America LLC | |
| Commerce Energy | |
| Commercial Energy of Montana, Inc | |
| Constellation Newenergy, Inc | |
| Direct Energy Business LLC | |
| EDF Industrial Power Services (CA), LLC | |
| Gexa Energy of California Inc | |
| Glacial Energy of California Inc | |
| Liberty Power Holdings LLC | |
| Noble Americas Energy Solutions LLC | |
| Pilot Power Group Inc | |
| Shell Energy North America (US) LP | |
| Tiger, Inc. | |

**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 Blaising 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 | K&L Gates LLP | Southern California Edison Company |
| Calpine | Kelly Group | Spark Energy |
| Casner, Steve | Linde | Sun Light & Power |
| Center for Biological Diversity | Los Angeles Dept of Water & Power | 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. | |