

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

Order Instituting Rulemaking on the
Commission's Own Motion to Conduct a
Comprehensive Examination of Investor
Owned Electric Utilities' Residential Rate
Structures, the Transition to Time Varying and
Dynamic Rates, and Other Statutory
Obligations

R. 12-06-013 (Phase 2)

**COMMENTS OF PACIFIC GAS AND ELECTRIC
COMPANY
(U 39 E) ON ENERGY DIVISION STAFF PROPOSAL**

CHRISTOPHER J. WARNER
GAIL L. SLOCUM

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (415) 973-6695
Facsimile: (415) 973-0516
E-Mail: cjw5@pge.com

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: January 31, 2014

Pursuant to the direction of the Administrative Law Judge and the Amended Scoping Memo and Ruling of Assigned Commissioner (ACR) dated January 6, 2014, Pacific Gas and Electric Company (PG&E) provides its comments on the Energy Division's "Staff Proposal for Residential Rate Reform in Compliance with R.12-06-013 and Assembly Bill 327," dated January 3, 2014. Pursuant to the ACR and the ALJ's direction at the January 8, 2014, prehearing conference, PG&E's comments relate solely to identification of perceived typographical errors, factual errors, or mischaracterizations of a party position. PG&E's comments do not address substantive issues relating to the policy analysis or recommendations in the Staff Proposal.

PG&E has not had sufficient time to fully review and verify the numerical accuracy of all the calculations, modeling results or rate and bill impacts presented in the Staff Proposal.^{1/} PG&E also notes that, as is the case with any report of this type, the assumptions and scenarios in the Staff Proposal regarding then-existing utility rates and comparisons of then-existing rates with future possible rates are limited by the timing of the Staff Proposal. For example, PG&E residential electric rates have changed since the publication of the Staff Proposal, and will continue to change over time.

Given these limitations of PG&E's review, PG&E found no significant typographical errors, factual errors, or mischaracterizations of its position in the Staff Proposal. Minor typographical errors can be corrected through additional proofreading, but none of the typographical errors appear to affect the substance of the Staff Proposal.

In several places, the Staff Proposal applies somewhat subjective, qualitative criteria in quantifying the number of parties taking particular positions on different rate design proposals, policies and issues. Although PG&E might dispute in some respects

^{1/} Two factual errors that Energy Division may wish to correct are (1) Row 1 of Table 4-5 at page 61 describing PG&E's E-6 TOU rates should revise the "Summer Off-Peak" time period to read "9 pm – 10 am;" and (2) PG&E's numbers in Table 6-2 at pages 80- 81 should be corrected to move up each CARE discount amount to the previous year, as presented in Table 2-2 at page 23 of PG&E's May 29, 2013, "Electric Rate Design Reform Proposal."

these qualitative characterizations, any error in the characterizations is not significant and therefore not worth correcting.

Likewise, PG&E's specific positions are characterized both individually and in common with other parties throughout the Staff Proposal. Although PG&E might dispute the specific verbiage used by the Staff Proposal to describe PG&E's position, any error in the characterizations of PG&E's specific positions is not significant. In addition, to the extent that the Staff Proposal may make inadvertent errors in re-stating a party's position, the source documents for each party's position are available in the record of R.12-06-013 and other Commission proceedings.

PG&E expresses no position at this time on the Staff Proposal. However, PG&E commends the Energy Division and all staff members who contributed to the Staff Proposal. The Staff Proposal is well-written, thorough and provides valuable insights and analyses for consideration as the Commission moves forward to consider residential electric rate design reforms pursuant to R.12-06-013 and AB 327.

Respectfully submitted,

CHRISTOPHER J. WARNER
GAIL L. SLOCUM

By: _____
CHRISTOPHER J. WARNER

Pacific Gas and Electric Company
77 Beale Street
San Francisco, CA 94105
Telephone: (415) 973-6695
Facsimile: (415) 973-0516
E-Mail: cjw5@pge.com

Dated: January 31, 2014

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY