

**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
(Filed: June 21, 2012)

**COMMENTS ON JOINT ADMINISTRATIVE LAW
JUDGE'S RULING INVITING COMMENTS ON RATE
ELEMENT INVENTORY FOR BOTH PHASE 1 AND
PHASE 2**

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Dated: March 13, 2014

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In response to the March 10, 2014, "Joint Administrative Law Judge's Ruling Inviting Comments on Rate Element Inventory for Both Phase 1 and Phase 2" (Joint Ruling), Pacific Gas and Electric Company (PG&E) provides the following comments stating its general support for the inventory, and providing minor suggested wording changes for greater clarity and accuracy.

Specifically, in Attachment A, PG&E proposes the following minor changes, shown in redline formatting for the convenience of the reader:

	IOU	Rate Element	Litigate in Ph.1 or Ph. 2 of R.1206013	Litigate in different proceeding or phase
2.	PG&E	Summer 2014 Rate Change Proposal to reduce tiers and <u>revise rate levels in the 4 existing tiers</u> and tier differentials	Phase 2	
5.	PG&E	Basic Monthly Service Fee for all residential schedules	Phase 1	
14.	PG&E	Tier changes and basic <u>monthly</u> service fees for voluntary TOU rate schedules	Phase 1	
16.	PG&E	Revise Existing TOU rate design for optional tiered TOU rates (including revising rates where	Phase 1	

		generation rate exceeds total rate for Schedules E-7, EL-7, E-8 and EL-8) LONG TERM		
21.	PG&E	Revise Existing TOU rate design for optional tiered TOU rates (including revising rates where generation rate exceeds total rate for Schedules E-7, EL-7, E-8, and EL-8) – SHORT TERM <u>In place only through 1/1/16, then eliminate these rates in favor of non-tiered TOU [Item 8 of Appendix A]</u>	Phase 1, if not included in GRC Phase 2 settlement	Expected to be part of GRC Phase II (A.13-04-012) Settlement
22.	PG&E	Baseline Quantity Reduction	Should this item be Suspend consideration in A.12-02-020 until Settlement is decided in R.12-06-013, to Phase 2. If Settlement with 52.5 percent Baseline is approved, settling parties will then mutually request the issue be removed from A.12-02-020	Currently part of A.12-02-020 (2012 RDW)
29.	PG&E	Including GHG costs and revenues in residential rates pursuant to D.12-12-033	Phase 1 <u>for rate design for GHG costs; Revenue in GHG OIR</u>	Phase 1 <u>for rate design for GHG costs; Revenue on GHG OIR</u>
30.	PG&E	CARE restructuring		Later phase of R.12-06-013 or new <u>CARE program proceeding</u>

As regards Item 22, the Joint Ruling properly notes, at page 2, that proposals for a PG&E Baseline Allowance Reduction have already been heard in PG&E’s 2012 Rate Design Window proceeding (A.12-02-020) and are now part of a settlement filed by PG&E, the Office of Ratepayer Advocates (ORA), and The Utility Reform Network (TURN) on March 5, 2014 in the RROIR Phase 2 proceeding. The RROIR settlement provides that, upon approval of the Settlement (which would reduce PG&E’s Baseline to 52.5 percent of average usage by climate

zone) the parties will mutually request that the issue of baseline quantities should then be removed from A.12-02-020. One way the CPUC could facilitate this element of the Settlement would be to defer the issuance of the 2012 RDW decision until after the Phase 2 RROIR settlement has been approved.

PG&E appreciates the diligence of the ALJs in compiling this rate element inventory, to help move this important proceeding forward as efficiently as possible so that the Commission may consider issuing a decision by the end of December, 2014 implementing the Phase 1, post-2014 rate design reforms, as authorized by AB 327.

Respectfully Submitted,
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By: /s/ Gail L. Slocum

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