

**NOTIFICATION OF APPLICATION FILING OF  
PACIFIC GAS AND ELECTRIC COMPANY (PG&E): FOR  
EXPEDITED AUTHORIZATION TO CHANGE RESIDENTIAL ELECTRIC RATES  
EFFECTIVE JANUARY 1, 2010, AS PERMITTED BY NEWLY ENACTED PUBLIC  
UTILITIES CODE SECTION 739.9**

**DETAILED INFORMATION ABOUT THIS APPLICATION**

On October 14, 2009, PG&E filed an Application for expedited Commission authorization to change residential electric rates effective January 1, 2010. The requested rate change is permitted by newly enacted Public Utilities Code Section 739.9, which allows the Commission to approve increases in rates for residential Tiers 1 and 2 (low monthly usage) in accordance with specific formulas. Specifically, PG&E proposes to increase Tier 1 and Tier 2 rates on rate schedule E-1 by 5.0 percent and to decrease Tier 3, 4, and 5 rates commensurately. PG&E proposes no change in rates for customers in the California Alternate Rates for Energy (CARE) program. The relief PG&E requests in this Application will not change PG&E's authorized overall electric revenue requirement or the revenue assigned to the residential class. To implement this rate change on January 1, 2010, PG&E is proposing an expedited procedural schedule.

**Will rates increase?**

Non-CARE residential electric rates on schedule E-1 will increase by 5.0 percent for Tiers 1 and 2 and will decrease commensurately for Tiers 3, 4, and 5. Whether a residential customer's bill will increase or decrease will depend on the customer's electricity usage. Other rates will not be affected.

If the Commission approves the Application, rate changes are limited to the residential class. Charges for bundled residential customers will change. The change to charges for direct access residential customers (those who purchase their electricity from non-PG&E suppliers) is minimal.

A typical bundled residential customer (a customer who receives electric generation as well as transmission and distribution services from PG&E) using 550 kilowatt-hours per month will see the average monthly bill change from \$74.13 to \$76.63, an increase of \$2.50 per month or 3.4 percent. A bundled residential customer using 850 kilowatt-hours per month, which is about twice the baseline allowance, will see the average monthly bill change from \$164.15 to \$163.46, a decrease of \$0.69 per month or 0.4 percent. A bundled residential customer using 1500 kilowatt-hours per month will see the average monthly bill change from \$434.98 to \$419.66, a decrease of \$15.32 or 3.5 percent. Individual bills may differ.

**THE CPUC PROCESS**

The CPUC's Division of Ratepayer Advocates (DRA) will review this Application. DRA is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state and obtain the lowest possible rate for service consistent with reliable and safe service levels. DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. DRA's views do not necessarily reflect those of the CPUC. Other parties of record will also participate.

The CPUC may hold evidentiary hearings where parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are parties of record can present evidence or cross-examine witnesses during evidentiary hearings. Members of the public may attend these hearings, but are not allowed to participate.

After considering all proposals and evidence presented during the hearing process, the ALJ will issue a draft decision. When the CPUC acts on this application, it may adopt all or part of PG&E's request, amend or modify it or deny the application. The CPUC's final decision may be different from PG&E's proposed application filing.

**FOR FURTHER INFORMATION**

For more details call PG&E at **1-800-PGE-5000**

Para más detalles llame al **1-800-660-6789**

詳情請致電 **1-800-893-9555**

For TDD/TTY (speech-hearing impaired) call **1-800-652-4712**

You may request a copy of the application and exhibits by writing to:

Pacific Gas and Electric Company

Residential Electric Rates Change Application

P.O. Box 7442, San Francisco, CA 94120.

You may contact the CPUC's Public Advisor with comments or questions as follows:

Public Advisor's Office

505 Van Ness Avenue, Room 2103

San Francisco, CA 94102

**1-415-703-2074** or **1-866-849-8390** (toll free)

TTY **1-415-703-5282**, TTY **1-866-836-7825** (toll free)

E-mail to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

If you are writing a letter to the Public Advisor's Office, please include the name of the application to which you are referring. All comments will be circulated to the Commissioners, the assigned Administrative Law Judge and the Energy Division staff.