



**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 1  
**DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)**

J1. DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)

1. PURPOSE: The purpose of the DRTPMA is to record and track actual costs incurred to implement dynamic and real time pricing rate options. The account is also used to track and recover Energy+Environmental Economics (E3) consultant service costs. The account is also used to track costs for PG&E's Expanded Pilots Program and Valley Clean Energy's (VCE) administration costs pursuant to Decision (D.) 24-01-032. (N)  
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(N)

2. APPLICABILITY: The DRTPMA shall apply to all customer classes, except for those specifically excluded by the Commission.

3. REVISION DATES: Disposition of the balance in the Commercial Electric Vehicle and Pilot Costs Subaccounts will be determined in a future application as authorized by the Commission through the Distribution Revenue Adjustment Mechanism (DRAM). Disposition of the balance in the Bill Protection Subaccount as well as the rate component and cost allocation methodology to be used for recovery will be determined in a future application as authorized by the Commission. Disposition of the balance in the E3 Tool Contract Subaccount will be determined through the customary procedural mechanisms, such as the General Rate Case (GRC) or other applications<sup>1</sup>. Disposition of the balances in the Expanded Pilots Subaccount and VCE Subaccount will be determined through the GRC. (T)/(N)  
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4. RATES: The DRTPMA does not have a separate rate component.

5. ACCOUNTING PROCEDURE: The DRTPMA consists of the following subaccounts:

A. COMMERCIAL ELECTRIC VEHICLE SUBACCOUNT

PURPOSE: The purpose of this subaccount is to record and track expenses and capital revenue requirements related to implementing an optional day-ahead real time rate for commercial electric vehicle customers. Decision 21-11-017 authorized the following funding to be spent for this program.

<sup>1</sup> D.23-04-008, page 11, states that disposition of this subaccount will be through "customary procedural mechanisms", which for PG&E would be either the General Rate Case or through a separate application.

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**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 2  
DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)

A. COMMERCIAL ELECTRIC VEHICLE SUBACCOUNT (Cont'd)

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PURPOSE (Cont'd):

Activity	Adopted Funding
Customer Enablement	\$2.4 million. If is exhausted within 12 months of the issuance of the decision and before the two tools are completed, PG&E may file a tier 2 advice letter seeking authorization to recover up to an additional \$1.7 million to finish the tools. See Program Total for additional spending authorizations.
-Pilot Design -Project Management -Complex Billing System Modification	PG&E estimated up to \$1.041 million to upgrade its complex billing system to accommodate the DAHRTP prices, \$40,000 to design the proposed pilot, and \$670,000 to implement the proposed pilot. See Program Total for additional spending authorizations.
Technology Incentive	\$1.295 million to offer technology incentives to support necessary electric vehicle infrastructure upgrades that will enable participating customers to receive dynamic price signals. See Program Total for additional spending authorizations.
Evaluation and Reporting	\$150,000. See Program Total for additional spending authorizations.
Marketing Education and Outreach	\$443,000. See Program Total for additional spending authorizations.
Program Total	To facilitate the success of the Day-ahead, Hourly Real-time Pricing (DAHRTP) rate implementation PG&E may file a tier 2 advice letter if, within 24 months of the decision, it has exhausted \$6 million, it may seek authority to spend up to an additional \$3.6 million to accommodate additional customers seeking to enroll in the DAHRTP rate. This additional authorization includes the \$1.7 for Customer Enablement.

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**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 3  
**DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)**

A. COMMERCIAL ELECTRIC VEHICLE SUBACCOUNT (Cont'd)

Additionally, we will record and track expenses and capital revenue requirements related to the Non-NEM Export Compensation per Decision 22-10-024. Within the adopted settlement, the settling parties agreed to the following costs:

Task	Estimated Costs to Ratepayers
Pricing Engine / Pricing Tool	\$360,000
Billing System / Engine	\$500,000
Marketing and Acquisition / Marketing Education and Outreach	\$60,000
Measurement & Evaluation	\$200,000
One-Time Early Participation Incentives	\$250,000
Incremental Program Management	\$150,000
Total	\$1,520,000

The following entries will be made to this subaccount at the end of each month, or as applicable:

- a) A debit entry equal to actual incremental customer enablement expenses;
- b) A debit entry equal to actual incremental pilot design expenses;
- c) A debit entry equal to actual incremental technology incentive expenses;
- d) A debit entry equal to actual incremental evaluation and reporting expenses;
- e) A debit entry equal to actual incremental project management expenses;
- f) A debit entry equal to actual incremental marketing, education, and outreach expenses;
- g) A debit entry equal to actual incremental billing system modifications;
- h) A debit entry equal to the actual incremental Non-NEM Export Compensation expenses;
- i) A debit or credit entry equal to the capital revenue requirement associated with actual incremental capital additions incurred for implementing the program. Capital-related revenue requirements include depreciation expense, the return on investment, federal and state income taxes, and property taxes associated with the costs of installed equipment;
- j) An entry to transfer amounts to or from other accounts for recovery from or return to customers, as authorized by the Commission; and
- k) An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

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**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 4  
**DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)**

**B. PILOT COSTS SUBACCOUNT**

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PURPOSE: The purpose of this subaccount is to record and track expenses and capital revenue requirements related to the development, implementation, and operation for the following items approved in A.19-11-019.

- Stage 1 Pilot expenses
- Costs for separate customer research study for residential, agriculture, and small commercial customers
- Joint costs between the Stage 1 Pilots and the DAHRTP-CEV rate program

The Stage 1 Pilots would have a duration of 24 months, subject to potential extension after the Commission reviews the Interim Evaluation Report regarding the first 12 months of Stage 1 pilot operations.

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The following entries will be made to this subaccount at the end of each month, or as applicable:

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- A debit entry equal to actual incremental Stage 1 Pilot expenses;
- A debit entry equal to actual incremental customer research expenses;
- A debit entry equal to actual incremental joint costs between the Stage 1 Pilots and the DAHRTP-CEV rate program;
- A credit entry to allocate joint costs to other DRTPMA subaccounts, as applicable;
- A debit or credit entry equal to the capital revenue requirement associated with actual incremental capital additions incurred for implementing the program. Capital-related revenue requirements include depreciation expense, the return on investment, federal and state income taxes, and property taxes associated with the costs of installed equipment;
- An entry to transfer amounts to or from other accounts for recovery from or return to customers, as authorized by the Commission; and
- An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

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**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 5  
**DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)**

**C. BILL PROTECTION SUBACCOUNT**

PURPOSE: The purpose of this subaccount is to record and track bill adjustments related to bill protection for customers participating in the residential Real-Time Pricing (RTP) Pilot. The RTP settlement in A.19-11-019 attempts to mitigate unexpected rate increases for residential customers by applying one year of bill protection to those customers' bills.

The following entries will be made to this subaccount at the end of each month, or as applicable:

- a) A debit entry equal to bill adjustments related to bill protection;
- b) An entry to transfer amounts to or from other accounts for recovery from or return to customers, as authorized by the Commission; and
- c) An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

**D. E3 TOOL CONTRACT SUBACCOUNT**

PURPOSE: The purpose of this subaccount is to track and recover incremental Energy+Environmental Economics (E3) consultant service costs with an effective date of December 9, 2022 up to PG&E's proportional share, i.e. 40 percent, of the total \$425,000 approved budget, or \$170,000.

The following entries will be made to this subaccount at the end of each month, or as applicable:

- a) A debit entry equal to PG&E's proportional share of the consultant service costs;
- b) An entry to transfer amounts to or from other accounts for recovery from or return to customers, as authorized by the Commission; and
- c) An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

**E. EXPANDED PILOTS SUBACCOUNT**

PURPOSE: The purpose of this subaccount is to record and track expenses and capital revenue requirements related to PG&E's Expanded Pilots, i.e. PG&E Ag Pilot 1 and Expanded Pilot 2, with the exception of VCE administrative costs for the PG&E Ag Pilot 1. Adopted implementation budgets for each pilot are shown below. Internal orders will be used to separately track the costs of each pilot.

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<i>Advice</i>	7189-E	<i>Issued by</i>	<i>Submitted</i>	February 26, 2024
<i>Decision</i>	D.24-01-032	<b>Shilpa Ramaiya</b>	<i>Effective</i>	February 26, 2024
		<i>Vice President</i>	<i>Resolution</i>	
<i>Regulatory Proceedings and Rates</i>				



**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 6  
**DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)**

E. EXPANDED PILOTS SUBACCOUNT (Cont'd)

(N)

Adopted Implementation Budget for the PG&E Ag Pilot 1 pursuant to D.24-01-032:

Category	Description	Upfront Budget	Variable Budget
Program administration costs	ME&O, vendor costs, utility labor, and evaluation costs	\$1,500,000	\$3,750,000 (1/3 available at 12.5 MW, 25 MW, and 37.5 MW enrollment)
Systems and technology costs	Vendor Fees for user interface and automation control system, price engine, and shadow billing	\$5,700,000	\$0
CCA incentives	\$20 per kW-yr enrolled in CCA service area	\$0	\$1,800,000
Customer technology incentives	Automation incentives for customers	\$0	\$8,000,000
Subtotal – PG&E's implementation budget		\$7,200,000	\$13,550,000
VCE administration <sup>1</sup>	VCE's program administration costs	\$372,500	\$372,500 (Available at 2.5 MW enrollment)
Totals		\$7,572,500	\$13,922,500
<b>Total implementation budget for 50 MW = \$21,495,000</b>			

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<sup>1</sup> These costs will be tracked separately in the VCE Administration Subaccount.

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**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 7  
**DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)**

E. EXPANDED PILOTS SUBACCOUNT (Cont'd)

(N)

Adopted Implementation Budget for the PG&E Expanded Pilot 2 pursuant to D.24-01-032:

Category	Description	Upfront Budget	Variable Budget
Program administration costs	ME&O, vendor costs, evaluation costs	\$2,000,000	\$5,100,000 (1/3 available at 12.5 MW, 25 MW, and 37.5 MW enrollment)
Systems and technology costs	Vendor fees for customer tools, pricing engine, rate modeling, and billing	\$2,700,000	\$0
CCA incentives	\$20 per kW-yr enrolled in CCA participation in the pilot	\$0	\$1,800,000
Customer technology incentives	ASP technology integration and automation with pilot price signal	\$0	\$3,600,000
Totals		\$4,700,000	\$10,500,000
<b>Total implementation budget = \$15,200,000</b>			

The following entries will be made to this subaccount at the end of each month, or as applicable:

- a) A debit entry equal to the actual incremental costs of PG&E's Expanded Pilots;
- b) A debit or credit entry equal to the revenue requirement associated with actual incremental capital additions incurred for implementing the pilots. Capital-related revenue requirements include depreciation expense, the return on investment, federal and state income taxes, and property taxes associated with the costs of installed equipment;
- c) An entry to transfer amounts to or from other accounts for recovery from or return to customers, as authorized by the Commission; and
- d) An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

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Advice 7189-E  
 Decision D.24-01-032

Issued by  
**Shilpa Ramaiya**  
 Vice President  
 Regulatory Proceedings and Rates

Submitted	February 26, 2024
Effective	February 26, 2024
Resolution	



**ELECTRIC PRELIMINARY STATEMENT PART JI** Sheet 8  
**DYNAMIC AND REAL-TIME PRICING MEMORANDUM ACCOUNT (DRTPMA)**

F. VCE ADMINISTRATION SUBACCOUNT

(N)

PURPOSE: The purpose of this subaccount is to record and track VCE's administration expenses for PG&E Ag Pilot. The Commission adopted a budget of \$372,500 (upfront budget) or \$745,000 (upfront budget plus additional budget) when enrollment for the PG&E Ag Pilot 1 in VCE's service area reaches 2.5 MW. VCE is allowed to file a Tier 2 advice letter to apply all modifications to the pilot authorized in D.24-01-032 on May 1, 2024. Upon the approval of VCE's advice letter, PG&E shall track VCE's implementation costs for PG&E Ag Pilot 1 in this subaccount.

The following entries will be made to this subaccount at the end of each month, or as applicable:

- a) A debit entry equal to VCA's administration costs;
- b) An entry to transfer amounts to or from other accounts for recovery from or return to customers, as authorized by the Commission; and
- c) An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

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