

## NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S REQUEST TO CHANGE RATES FOR THE RECOVERY OF ENERGY PURCHASES AND CREDITS FROM GREENHOUSE GAS ALLOWANCES (A.19-06-001)

### Summary

On June 3, 2019, Pacific Gas and Electric Company (PG&E) filed its 2020 Energy Resource Recovery Account (ERRA) Forecast application with the California Public Utilities Commission (CPUC) requesting approval to change rates for the following:

- Recovery of \$2.9 billion in costs related to fuel needed to produce electricity as well as market-based costs of buying energy from third parties to serve bundled load
- Setting certain charges for bundled and departing load customers for the recovery of above-market costs of PG&E's portfolio procured for these customers before their departure, including the Power Charge Indifference Adjustment (PCIA), Ongoing Competition Transition Charge (CTC) and Cost Allocation Mechanism (CAM)
- Public policy mandates recovered through the Tree Mortality Non-bypassable Charge (TMNBC)
- Return of \$391.5 million to eligible customers for the sale of greenhouse gas emission allowances, including the California Climate Credit for residential customers and returns for eligible nonresidential customers

Exact amounts are subject to change and to CPUC regulatory approval. PG&E will provide the CPUC with updated amounts later in the year to ensure the most current information is used to set customer rates.

### Background

The ERRA is used to record fuel and purchased power costs which can be recovered in rates. While this may result in a change in rates, PG&E recovers these costs with no mark up for return or profit. The purpose of this application is to forecast costs of obtaining energy for customers and also to approve the amount to be returned to customers from the sale of greenhouse gas emission allowances for the calendar year of 2020.

If the CPUC approves this application, PG&E will begin to recover its costs in electric rates effective January 1, 2020. At the end of 2020, PG&E will compare actual costs to the amounts forecasted in this application and will incorporate any differences in next year's application.

## How will PG&E's application affect me?

Most customers receive bundled electric service from PG&E, meaning they receive electric generation, transmission and distribution services. A summary of the rate impact for these customers is provided below. This information includes the California Climate Credit for residential customers and greenhouse gas allowance returns for eligible nonresidential customers.



### PROPOSED ELECTRIC RATE CHANGES

Customer Class	Current Average (¢/kWh) As of May 1, 2019	Proposed Average (¢/kWh) As of Jan. 1, 2020	Total Change (¢/kWh)	Total Percentage Change
<b>Bundled Service</b>				
Residential	21.12	21.08	-0.04	-0.2%
Small Commercial	24.75	24.99	0.24	1.0%
Medium Commercial	22.54	22.81	0.26	1.2%
Large Commercial	19.29	19.47	0.18	0.9%
Streetlights	27.28	27.53	0.25	0.9%
Standby	16.51	16.46	-0.05	-0.3%
Agriculture	22.02	22.31	0.29	1.3%
Industrial	15.58	15.64	0.06	0.4%
Average System Rate Change	20.52	20.62	0.09	0.5%

Based on rates currently in effect, the bill for a typical residential NonCARE customer using 500 kWh per month would increase from \$117.53 to \$117.65 or 0.1%. Actual impacts will vary depending on energy usage.

Twice a year, in April and October, eligible residential customers will also receive a California Climate Credit in the amount of approximately \$36.67, for a yearly total of approximately \$73.34.

## How will PG&E's application affect nonbundled customers?

Direct Access (DA) and Community Choice Aggregation (CCA) customers only receive electric transmission and distribution services from PG&E. PG&E does not purchase energy for these customers. However, as mentioned above, this application addresses recovery of certain costs incurred before their departure.

Residential DA/CCA customers also receive the benefit of the California Climate Credit. In addition, eligible nonresidential DA and CCA customers receive the benefit of the greenhouse gas allowance returns. The impact of PG&E's application on these customers is an average increase of 4.4%.

Another category of nonbundled customers is Departing Load. These customers do not receive electric generation, transmission or distribution services from PG&E. However, these customers are required to pay certain charges by law or CPUC decision. The impact of PG&E's application on these customers is an average increase of 0.2%.

## How do I find out more about PG&E's proposals?

If you have questions about PG&E's filing, please contact PG&E at **1-800-743-5000**. For TTY, call **1-800-652-4712**. If you would like a copy of PG&E's filing and exhibits, please write to PG&E at the address below:

Pacific Gas and Electric Company  
2020 ERRA Forecast Application (A.19-06-001)  
P.O. Box 7442  
San Francisco, CA 94120

A copy of PG&E's filing and exhibits is also available for review at the CPUC's Central Files office by appointment only.

For more information, contact [aljcentralfilesid@cpuc.ca.gov](mailto:aljcentralfilesid@cpuc.ca.gov) or **1-415-703-2045**. PG&E's application (without exhibits) is available on the CPUC's website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

## CPUC process

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related information necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are formal parties in the case can participate.

After considering all proposals and evidence presented during the hearings, the assigned Judge will issue a proposed decision which may adopt PG&E's proposal, modify it or deny it. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting that is open to the public.

The California Public Advocates Office (CalPA) may review this application. CalPA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. CalPA has a multidisciplinary staff with expertise in economics, finance, accounting and engineering. For more information about CalPA, please call **1-415-703-1584**, email [PublicAdvocatesOffice@cpuc.ca.gov](mailto:PublicAdvocatesOffice@cpuc.ca.gov) or visit CalPA's website at [www.publicadvocates.cpuc.ca.gov](http://www.publicadvocates.cpuc.ca.gov).

## Stay informed

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service.

Sign up at: <http://subscribecpuc.cpuc.ca.gov>. If you would like to learn how you can participate in the proceeding, have informal comments about the application or have questions about the CPUC processes, you may access the CPUC's Public Advisor Office (PAO) webpage at <http://consumers.cpuc.ca.gov/pao/>.

You may also contact the PAO as follows:

**Email:** [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

**Mail:** CPUC  
Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102

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

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

Please reference **PG&E's 2020 ERRR Forecast Application (A.19-06-001)** in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review by the assigned Judge, Commissioners and appropriate CPUC staff.