

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 16, 2019

**Advice Letter 5341-E, 5341-E-A and 5341-E-B**

Erik Jacobson  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**SUBJECT: Procurement Transaction Quarterly Compliance Submittal (Q2, 2018).**

Dear Mr. Jacobson:

Advice Letter 5341-E, 5341-E-A and 5341-E-B are effective as of August 29, 2018.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph  
Director, Energy Division

January 14, 2019

**Advice 5341-E-B**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Second Supplemental: Procurement Transaction Quarterly Compliance Filing (Q2, 2018)**

**Purpose**

Pacific Gas and Electric Company (“PG&E”) is submitting this advice letter to the California Public Utilities Commission (“Commission” or “CPUC”) related to its Procurement Transaction Quarterly Compliance Report (“QCR”) for record period April 1, 2018 to June 30, 2018, (Q2-2018) to update Confidential Attachment B of Advice Letter 5341-E. This update to Confidential Attachment B supersedes the supplemental Advice Letter Filing to Confidential Attachment B that was filed on October 17, 2018.

**Background****Advice Letter 5341-E**

PG&E submitted its QCR for Q2-2018 on July 30, 2018 in accordance with D.03-12-062, Ordering Paragraph 19.

**Advice Letter 5341-E-A**

Per discussions with CPUC staff, PG&E submitted Advice Letter 5341-E-A on October 17, 2018, to make the following changes:

Public Attachments:

- **Attachment 1: Narrative:** (Public) – Redline
  - **Page i:** To correct the Table of Contents
  - **Page 9:** To amend the standard language which clarifies electronic solicitations may be used as a procurement method when purchasing physical gas supplies.
  - **Page 11:** To correct the number of unplanned outages at Helms Pumped Storage Facility during Second Quarter 2018.

- Attachment 2: Narrative: (Public) - Final
  - Page i: To correct the Table of Contents
  - Page 9: To amend the standard language which clarifies electronic solicitations may be used as a procurement method when purchasing physical gas supplies.
  - Page 11: To correct the number of unplanned outages at Helms Pumped Storage Facility during Second Quarter 2018.

Confidential Attachments:

- Attachment 3: Confidential Attachment B: (Confidential) – Redline
  - To correct the reporting of a non-investment grade counterparty to an investment grade counterparty.
  - To include a footnote specifying the types of collateral included on Attachment B and to clarify the payment terms under the contract.
- Attachment 4: Confidential Attachment B: (Confidential) – Final
  - To correct the reporting of a non-investment grade counterparty to an investment grade counterparty.
  - To include a footnote specifying the types of collateral included on Attachment B and to clarify the payment terms under the contract.

**Advice Letter 5341-E-B**

The updates to Advice Letter 5341-E (Confidential Attachment B) were associated with:

- Correcting the reporting of a non-investment grade counterparty to an investment grade counterparty,
- Adding a footnote that specifies the types of collateral included on Attachment B, and
- Clarifying the payment terms under the contract.

Per discussions with CPUC staff, PG&E is submitting this Advice Letter 5341-E-B to update Confidential Attachment B. The updated Confidential Attachment B provides a summary of all non-investment grade counterparties as defined by the rating agencies (S&P, Moody's and Fitch). The attached Confidential Attachment B is comprehensive in that it includes the updates from 5341-E-A and the updates from 5341-E-B.

Confidential Attachment:

- Attachment 1: Confidential Attachment B: (Confidential)

**Protests**

Pursuant to CPUC General Order 96-B, Section 7.5.1, PG&E respectfully requests that the Commission maintain the protest and comment period designated in the

supplemental advice letter (5341-E-A) and not reopen the protest period for this supplemental advice letter filing.

### **Effective Date**

PG&E requests that this Tier 2 advice letter become effective concurrent with original Advice Letter 5341-E which is August 29, 2018.

### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the service list for Rulemaking ("R.") 16-02-007. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

\_\_\_\_\_  
Erik Jacobson  
Director, Regulatory Relations

### **Attachments**

Attachment 1: Update to the Confidential Attachment B  
*File name: Q2 2018 - Non-Invest Grade Ctrpty\_CORRECTED.doc*

Attachment 2: Confidentiality Declaration and Matrix (Public)

cc: Service List R.16-02-007 (Public Version)  
PG&E's Procurement Review Group (Confidential Version)



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39 E)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Yvonne Yang

Phone #: (415) 973-2094

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: OXY1@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
 PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 5341-E-B

Tier Designation: 2

Subject of AL: Second Supplemental: Procurement Transaction Quarterly Compliance Filing (Q2, 2018)

Keywords (choose from CPUC listing): Compliance, Procurement

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.15-10-031 and D.03-12-062

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested?  Yes  No

If yes, specification of confidential information: See the attached matrix that identifies the confidential information. Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information: Marianne Aikawa (415) 973-0375

Resolution required?  Yes  No

Requested effective date: 8/29/18

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Erik Jacobson, c/o Megan Lawson  
Title: Director, Regulatory Relations  
Utility Name: Pacific Gas and Electric Company  
Address: 77 Beale Street, Mail Code B13U  
City: San Francisco  
State: California Zip: 94177  
Telephone (xxx) xxx-xxxx: (415) 973-1877  
Facsimile (xxx) xxx-xxxx: (415) 973-3582  
Email: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: District of Columbia Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

Advice 5341-E-B  
January 14, 2019

## **Attachment 1**

**Confidential Attachment B**

Advice 5341-E-B  
January 14, 2019

## **Attachment 2**

**Confidentiality Declaration and Matrix (Public)**

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

**PACIFIC GAS AND ELECTRIC COMPANY  
QUARTERLY COMPLIANCE REPORT FILING  
SUPPLEMENTAL ADVICE LETTER 5341-E-B**

**DECLARATION OF MARIANNE AIKAWA  
SEEKING CONFIDENTIAL TREATMENT OF CERTAIN DATA AND  
INFORMATION CONTAINED IN  
SUPPLEMENTAL CONFIDENTIAL ATTACHMENT B**

I, Marianne Aikawa, declare:

1. I am presently employed by Pacific Gas and Electric Company (“PG&E”), and have been an employee at PG&E since 1989. My current title is Senior Manager within PG&E’s Energy Procurement organization. In this position my responsibilities include reviewing regulatory reports. In carrying out these responsibilities, I have acquired knowledge of PG&E’s regulatory reporting and have also gained knowledge of electric energy procurement data, processes, and practices. This declaration is based on my personal knowledge of PG&E’s practices and my understanding of the Commission’s decisions protecting the confidentiality of market-sensitive information.
2. Based on my knowledge and experience, and in accordance with Decisions (“D.”) 06-06-066, 14-10-033 and relevant Commission rules, I make this declaration seeking confidential treatment of PG&E’s January 14, 2019 Advice Letter 5341-E-B, Confidential Attachment B.
3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes confidential market sensitive data and information covered by D.06-06-066, D.14-10-033 and/or Public Utilities Code 454.5(g). The matrix also specifies why

confidential protection is justified. Further, the data and information: (1) is not already public; and (2) cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text in the attached matrix that is pertinent to this submittal.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed on January 14, 2019, at San Francisco, California.

/s/

---

Marianne Aikawa

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)  
 QUARTERLY COMPLIANCE REPORT ADVICE LETTER 5341-E-B**

**PROCUREMENT TRANSACTION QUARTERLY COMPLIANCE REPORT OF QUARTER TWO 2018  
 January 14, 2019**

**IDENTIFICATION OF CONFIDENTIAL INFORMATION**

<b>Redaction Reference</b>	<b>Category from D.06-06-066, Appendix 1, or Separate Confidentiality Order that Data Corresponds To</b>	<b>Justification for Confidential Treatment</b>	<b>Length of Time Date To Be Kept Confidential</b>
<b>Document: Quarterly Compliance Report Supplemental Advice Letter Filing</b>			
Attachment B – in its entirety: Counterparty Information, including non-investment grade counterparties table: List of Non-Investment Grade Counterparties (Electric and Natural Gas Transactions)	Section VII(B): Contracts and power purchase agreements between utilities and non-affiliated third parties (except RPS)  Public Utilities Code Section 454.5(g)	Attachment B identifies all contracts and counterparties that have unique contract terms with respect to collateral requirements. As such, the appendix contains confidential counterparty information. Contract terms related to collateral types and mechanisms is deemed confidential under the D.06-06-066 Appendix 1 matrix, Section VII(B). Release of this commercially market sensitive information could impact market prices because it would release financing terms to other market participants and impact future negotiations. This could cause harm to PG&E's customers, and put PG&E at an unfair business advantage by the disclosure of counterparty information. This information could be used by other market participants to gain a commercial advantage.	3 Years

**PG&E Gas and Electric  
Advice Filing List  
General Order 96-B, Section IV**

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Praxair
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
	Energy Management Service	SCD Energy Solutions
Alta Power Group, LLC	Evaluation + Strategy for Social	
Anderson & Poole	Innovation	SCE
	GenOn Energy, Inc.	SDG&E and SoCalGas
Atlas ReFuel	Goodin, MacBride, Squeri, Schlotz &	
BART	Ritchie	SPURR
	Green Charge Networks	San Francisco Water Power and Sewer
Barkovich & Yap, Inc.	Green Power Institute	Seattle City Light
Braun Blaising Smith Wynne	Hanna & Morton	Sempra Utilities
P.C. CalCom Solar	ICF	Southern California Edison Company
California Cotton Ginners & Growers Assn	International Power Technology	Southern California Gas Company
California Energy Commission	Intestate Gas Services, Inc.	Spark Energy
California Public Utilities Commission	Kelly Group	Sun Light & Power
California State Association of Counties	Ken Bohn Consulting	Sunshine Design
Calpine	Keyes & Fox LLP	Tecogen, Inc.
Casner, Steve	Leviton Manufacturing Co., Inc.	TerraVerde Renewable Partners
Cenergy Power	Linde	Tiger Natural Gas, Inc.
Center for Biological Diversity	Los Angeles County Integrated Waste	
City of Palo Alto	Management Task Force	TransCanada
	Los Angeles Dept of Water & Power	Troutman Sanders LLP
City of San Jose	MRW & Associates	Utility Cost Management
Clean Power Research	Manatt Phelps Phillips	Utility Power Solutions
Coast Economic Consulting	Marin Energy Authority	Utility Specialists
Commercial Energy	McKenzie & Associates	
County of Tehama - Department of Public		Verizon
Works	Modesto Irrigation District	Water and Energy Consulting
Crossborder Energy	Morgan Stanley	Wellhead Electric Company
Crown Road Energy, LLC	NLine Energy, Inc.	Western Manufactured Housing
Davis Wright Tremaine LLP	NRG Solar	Communities Association (WMA)
Day Carter Murphy		Yep Energy
	Office of Ratepayer Advocates	
Dept of General Services	OnGrid Solar	
Don Pickett & Associates, Inc.	Pacific Gas and Electric Company	
Douglass & Liddell		