



**Erik Jacobson**  
Director  
Regulatory Relations

Pacific Gas and Electric Company  
77 Beale St., Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415-973-3582

January 18, 2019

**Advice 4061-G/5471-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject:      Establish the San Joaquin Valley Disadvantaged Communities Pilots  
Balancing Accounts in Compliance with Decision 18-12-015**

**Purpose**

Pursuant to Ordering Paragraph (OP) 23 of California Public Utilities Commission (CPUC or Commission) Decision (D.) 18-12-015 (the Decision), Pacific Gas and Electric Company (PG&E) submits for approval this Tier 1 advice letter to establish the San Joaquin Valley Disadvantaged Communities Pilots Balancing Account (SJVDAC PBA) to track the non-leveraged costs of pilot projects against the authorized budget as approved in the Decision over a period of three years using a rate design methodology approved for recovery of other non-CARE Public Purpose Program costs. In addition, the San Joaquin Valley Disadvantaged Communities Pilots Revenue Adjustment Mechanism Balancing Account (SJVDAC PRAM) is submitted for approval to record the authorized revenue requirements and recover amounts in rates.

**Background**

In 2015, the Commission initiated a rulemaking to identify disadvantaged communities in the San Joaquin Valley, and then to evaluate the feasibility of options to improve access to affordable energy in these communities.<sup>1</sup> To assist in addressing these goals, D.18-12-015 approved pilots in eleven (11) San Joaquin Valley Disadvantaged Communities (SJVDAC).

D.18-12-015, OP 23, directed PG&E and Southern California Edison Company to each file a Tier 1 advice letter within 45 days from issuance of the Decision to establish one-way balancing accounts to track the non-leveraged costs of pilot projects against the costs and budget as approved in the Decision over a period of three years using a rate

---

<sup>1</sup> Order Instituting Rulemaking to Identify Disadvantaged Communities in the San Joaquin Valley and Provide Economically Feasible Options for Affordable Energy, R. 15-10-030, p. 2 (April 3, 2015).

design methodology approved for recovery of other non-CARE Public Purpose Program costs.

### **Request**

PG&E requests authorization of the following balancing accounts which will allow PG&E to begin recording the actual costs and revenue requirements authorized by Decision 18-12-015.

### **Pilot Balancing Account to record actual costs and authorized budget**

PG&E requests the Commission to approve the establishment of the SJVDAC PBA, a one-way balancing account, to track the actual non-leveraged costs of pilot projects against the authorized budget as approved in the Decision over a period of three years. The purpose of the one-way balancing account is to ensure that cost recovery is limited to actual costs up to the authorized amount. As required by D.18-12-015, additional budget authority for the approved projects must be requested through a petition for modification of that decision.

### **Revenue Adjustment Mechanism Balancing Account to record the authorized revenue requirement and recover the amount in rates**

PG&E also requests the Commission to approve the establishment of SJVDAC PRAM to record the authorized amounts and recover the amounts in rates. Any over or under collection will be refunded to or recovered from customers.

PG&E will record the authorized revenue requirement equitably over 3 years upon approval of this advice letter. However, PG&E does not expect to begin to recover these costs in rates until its billing and revenue accounting systems can be revised to accommodate the changes. Specifically, PG&E expects to derive the rate for the pilot programs based on the adopted method for setting rates for other non-CARE Public Purpose Program charges as directed in OP 23. That new rate would be added to the rates for other Public Purpose Program charges and presented on the bill with total Public Purpose Program charges. At the time PG&E files rates to begin to recover these costs, it will also provide revisions to Electric Preliminary Statement Part I, Rate Schedule Summary, in order to identify revenue supporting these programs for accounting purposes.

Additionally, PG&E notes that it currently has two pending requests for a Public Policy Charge Balancing Account (PPCBA) which would function as an umbrella balancing account with a subaccount structure to aggregate a variety of public policy programs that have been authorized for recovery through the Public Purpose Program charge into one balancing account.<sup>2</sup> Once one of the two outstanding requests for the PPCBA has been approved, PG&E would move the SJVDAC PRAM approved through this advice letter to the PPCBA as a separate SJVDAC PRAM subaccount. The PPCBA proposals would establish one charge for the PPCBA and the specific rate for each subaccount under the PPCBA will be shown in Preliminary Statement I which will be used allocate a portion of the Public Purpose Program charge to the appropriate subaccount. PG&E would submit the modified tariff for the PPCBA that includes the SJVDAC PRAM subaccount, and the request to eliminate the SJVDAC PRAM, through a Tier 1 advice letter.

### **Tariff Revisions**

Attached to this advice letter are Electric Preliminary Statement Part HU and Part HV:

- To create a new San Joaquin Valley Disadvantaged Communities Pilots Balancing Account (SJVDAC PBA) to record and track the actual non-leveraged costs of pilot projects against the authorized budget as approved in Decision 18-12-015 over a period of three years.
- To create San Joaquin Valley Disadvantaged Communities Pilot Revenue Adjustment Mechanism Balancing Account (SJVDAC PRAM) to record and track the authorized revenue requirement over a period of three years against the amount collected in rates per Decision 18-12-015.

The submittal would not increase any current rate or change, cause the withdrawal of service, or conflict with any rate reschedule or rule.

### **Protests**

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than February 7, 2019, which is 20 days after the date of this submittal. Protests must be submitted to:

---

<sup>2</sup> PG&E requested the establishment of a PPCBA to record actual costs and revenues for the customer-connected behind-the-meter (BTM) Thermal Storage Program with recovery through the Public Purpose Program charge in its 2018 Energy Storage Procurement and Investment Plan and 2018 Assembly Bill 2868 Energy Storage Investments and Programs Application (A.) 18-03-001, Volume 3, Chapter 9. PG&E also requested the PPCBA in Advice Letter 5351-E with two subaccounts for its Disadvantaged Community Green Tariff (DACGT) and Community Solar Green Tariff (CS-GT) programs authorized in D.18-06-027.

CPUC Energy Division  
ED Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson  
Director, Regulatory Relations  
c/o Megan Lawson  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-3582  
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

### **Effective Date**

PG&E requests that this Tier 1 advice submittal become effective upon date of submittal, which is January 18, 2019.

### **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 parties on the service list for R.15-03-010. Address changes to the General Order 96-B

service list should be directed to PG&E at email address [PGETariffs@pge.com](mailto: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](mailto:Process_Office@cpuc.ca.gov). Send all electronic approvals to [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

\_\_\_\_\_  
/S/

Erik Jacobson  
Director, Regulatory Relations

Attachments

cc: Service List R.15-03-010



# 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 U39M)

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: Yvonne.Yang@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) #: 4061-G/5471-E

Tier Designation: 1

Subject of AL: Establish the San Joaquin Valley Disadvantaged Communities Pilots Balancing Accounts in Compliance with Decision 18-12-015

Keywords (choose from CPUC listing): Compliance

AL Type:  Monthly     Quarterly     Annual     One-Time     Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.18-12-015

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:

Confidential treatment requested?  Yes     No

If yes, specification of 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:

Resolution required?  Yes     No

Requested effective date: 1/18/19

No. of tariff sheets: 4

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: Electric Preliminary Statement Part HU - San Joaquin Valley Disadvantaged Communities Pilot Balancing Account and Electric Preliminary State Part HV - San Joaquin Valley Disadvantaged Communities Pilot Revenue Adjustment Mechanism Balancing Account

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, CA 94177  
State: California Zip: 94177  
Telephone (xxx) xxx-xxxx: (415)973-2093  
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:

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
43683-E	ELECTRIC PRELIMINARY STATEMENT PART HU SAN JOAQUIN VALLEY DISADVANTAGED COMMUNITIES PILOT BALANCING ACCOUNT Sheet 1	
43684-E	ELECTRIC PRELIMINARY STATEMENT PART HV SAN JOAQUIN VALLEY DISADVANTAGED COMMUNITIES PILOT REVENUE ADJUSTMENT MECHANISM BALANCING ACCOUNT Sheet 1	
43685-E	ELECTRIC TABLE OF CONTENTS Sheet 1	43679-E
43686-E	ELECTRIC TABLE OF CONTENTS Sheet 17	43671-E



**ELECTRIC PRELIMINARY STATEMENT PART HU**  
**SAN JOAQUIN VALLEY DISADVANTAGED COMMUNITIES PILOT**  
**BALANCING ACCOUNT**

Sheet 1

(N)

(N)

HU. SAN JOAQUIN VALLEY DISADVANTAGED COMMUNITIES PILOT BALANCING ACCOUNT (SJVDAC PBA)

(N)

1. **PURPOSE:** The purpose of the San Joaquin Valley Disadvantaged Communities Pilot Balancing Account (SJVDAC PBA) is to track the difference between the actual non-leveraged costs of pilot projects against the authorized program budget over a period of three years per Ordering Paragraph 23 of D.18-12-015. The pilots have been approved in eleven communities. All costs will be treated as expenses.
2. **APPLICABILITY:** The SJVDAC PBA balance shall apply to all electric customer classes, except for any classes that may be specifically excluded by the CPUC.
3. **REVISION DATE:** The disposition of the balance in this account shall be as authorized by the Commission.
4. **RATES:** The SJVDAC PBA does not have a separate rate component.
5. **ACCOUNTING PROCEDURE:** The following entries will be made each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectibles (RF&U) accounts expense.
  - a) A debit entry equal to actual non-leveraged costs of the eleven pilot projects as authorized by the CPUC.
  - b) A credit entry equal to one-twelfth of the authorized, annual budget for San Joaquin Valley Disadvantaged Communities Pilot Projects.
  - c) A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC.
  - d) An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth 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.

(N)

(Continued)

Advice 5471-E  
Decision 18-12-015

Issued by  
**Robert S. Kenney**  
Vice President, Regulatory Affairs

Submitted  
Effective  
Resolution

January 18, 2019



**ELECTRIC PRELIMINARY STATEMENT PART HV**  
**SAN JOAQUIN VALLEY DISADVANTAGED COMMUNITIES PILOT**  
**REVENUE ADJUSTMENT MECHANISM BALANCING ACCOUNT**

Sheet 1

(N)

(N)

HV. San Joaquin Valley Disadvantaged Communities Pilot Revenue Adjustment Mechanism (SJVDAC PRAM)

(N)

1. **PURPOSE:** The purpose of the San Joaquin Valley Disadvantaged Communities Pilot Revenue Adjustment Mechanism Balancing Account (SJVDAC PRAM) is to record authorized revenue requirements and to recover in rates that pertain to the San Joaquin Valley Disadvantaged Communities Pilot Projects pursuant to Ordering Paragraph (OP) 23 of D.18-12-015. The program is funded over a period of three years. Cost recovery will not start until the billing and revenue accounting systems are updated for the change.
2. **APPLICABILITY:** SJVDAC PRAM shall apply to all customer classes, except for any classes that may be specifically excluded by the CPUC.
3. **REVISION DATE:** The disposition of the balances in the SJVDAC PRAM will be through public purpose program funds as part of the Annual Electric True-up (AET) advice letter process, or as otherwise authorized by the CPUC.
4. **RATES:** SJVDAC PRAM is collected as part of non-bypassable public purpose program rates set forth in each rate schedule. SJVDAC PRAM will be separately identified in Electric Preliminary Statement Part I.
5. **ACCOUNTING PROCEDURE:** The following entries will be made each to this account each month or as applicable.
  - a) A debit entry equal to one-twelfth of the annual authorized revenue requirement (including Revenue Fees and Uncollectible (RF&U) accounts expense) for the San Joaquin Valley Disadvantaged Communities Pilot Projects.
  - b) A credit entry equal to the revenue from the SJVDAC PRAM rate component.
  - c) A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC.
  - d) An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth 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.

(N)

(Continued)

Advice 5471-E  
Decision 18-12-015

Issued by  
**Robert S. Kenney**  
Vice President, Regulatory Affairs

Submitted  
Effective  
Resolution

January 18, 2019





**ELECTRIC TABLE OF CONTENTS**

Sheet 17

<b>PART</b>	<b>TITLE OF SHEET</b>	<b>CAL P.U.C. SHEET NO.</b>
<b>Preliminary Statements (Cont'd)</b>		
Part GA	Greenhouse Gas Expense Memorandum Account.....	32419,32420-E
Part GB	Greenhouse Gas Revenue Balancing Account.....	35256,40560-E
Part GC	California Energy Systems for the 21 <sup>st</sup> Century Balancing Account.....	40561-E
Part GD	Smart Grid Pilot Deployment Project Balancing Account.....	32540,32541, 32542-E
Part GE	Statewide Marketing, Education and Outreach Expenditure Balancing Account.....	37728-E
Part GF	Customer Data Access Balancing Account – Electric.....	33136-E
Part GH	Mobile Home Park Balancing Account - Electric.....	41091,41092-E
Part GI	Energy Data Center Memorandum Account – Electric.....	33940-E
Part GJ	Major Emergency Balancing Account (MEBA).....	40563-E
Part GK	SmartMeter™ Opt-Out Program Balancing Account - Electric (SOPBA-E).....	35625,35626,35627-E
Part GL	Hydro Licensing Balancing Account (HLBA).....	40564-E
Part GM	Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA).....	40565-E
Part GN	San Francisco Incandescent Streetlight Replacement Account.....	34364-E
Part GO	Disconnection Memorandum Account - Electric (DMA-E).....	34604-E
Part GP	Green Tariff Shared Renewables Memorandum Account (GTSRMA).....	40566,40567, 40567-E
Part GQ	Energy Efficiency Financing Balancing Account – Electric (EEFMA-E).....	35292,35293,35294-E
Part GR	Green Tariff Shared Renewables Balancing Account (GTSRBA).....	40569,40570,35377-E
Part GS	Residential Rate Reform Memorandum Account (RRRMA).....	40571,40572-E
Part GT	Assembly Bill 802 Memorandum Account - Electric.....	40573-E
Part GU	Z-Factor Memorandum Account (ZFMA-E).....	40574-E
Part GV	Distribution Interconnection Memorandum Account (DIMA).....	40575-E
Part GY	Electric Vehicle Program Balancing Account (EVPBA).....	40576-E
Part GZ	Distributed Energy Resources Distribution Deferral Account.....	43656,43657,43658-E
Part HA	Avoided Cost Calculator Memorandum Account.....	40000-E
Part HB	Distribution Resources Plan Demonstration Balancing Account.....	40577-E
Part HC	Rule 20A Balancing Account.....	41736-E
Part HD	Tax Memorandum Account (TMA-E).....	41088-E
Part HE	Executive Compensation Memorandum Account (ECMA-E).....	40699,40700-E
Part HF	Distribution Resources Plan Tools Memorandum Account (DRPTMA).....	42139,42140-E
Part HG	Emergency Consumer Protections Memorandum Account - Electric (WCPMA-E).....	43007,43008-E
Part HH	Transportation Electrification Balancing Account (TEBA).....	42575,42576,42577,42578, 42579,42580,42581,42582-E
Part HI	Solar On Multifamily Affordable Housing Balancing Account (SOMAHBA).....	41781-E
Part HK	Diablo Canyon Retirement Balancing Account.....	42161, 43668-E
Part HL	Wildfire Expense Memorandum Account (WEMA-E).....	42604, 42605-E
Part HQ	Fire Risk Mitigation Memorandum Account (FRMMA).....	43314-E
Part HR	Net Energy Metering (NEM) Balancing Account (NEMBA).....	43317-E
Part HT	Officer Compensation Memorandum Account (OCMA-E).....	43629,43630-E
Part HU	San Joaquin Valley Disadvantaged Communities Pilot Balancing Account.....	<b>43683-E</b> (N)
Part HV	San Joaquin Valley Disadvantaged Communities Pilot Revenue Adjustment Mechanism Balancing Account.....	<b>43684-E</b> (N)

(Continued)

**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		