

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



January 6, 2020

**Advice Letter 5653-E**

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: Tariff Changes per Decision 19-07-004 (Schedule E-TOU-C)**

Dear Mr. Jacobson:

Advice Letter 5653-E is effective as of March 1, 2020.

Sincerely,

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

Edward Randolph  
Deputy Executive Director for Energy and Climate Policy/  
Director, Energy Division

October 9, 2019

**Advice 5653-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Tariff Changes per Decision 19-07-004 (Schedule E-TOU-C)**

**Purpose**

This advice letter contains tariff language and proposed effective dates to implement Pacific Gas and Electric Company (PG&E)'s proposed default time-of-use (TOU) rate, Schedule E-TOU-C, approved by the California Public Utilities Commission (CPUC or Commission) in Decision (D.)19-07-004. This advice letter is being submitted concurrently with Advice 5654-E and Advice 5655-E, which contain tariff language for other TOU rate changes approved in D.19-07-004.

**Background**

On July 11, 2019, the Commission issued D.19-07-004 in Phase IIB of the 2018 Rate Design Window (RDW) Applications filed by PG&E, Southern California Edison (SCE), and San Diego Gas and Electric Company (SDG&E).<sup>1</sup> D.19-07-004 approved, with modifications, PG&E's proposed default time-of-use (TOU) rate, Schedule E-TOU-C. PG&E is filing this advice letter to implement those rate changes.

**Proposed Rate Changes****1. Schedule E-TOU-C**

D.19-17-004 approved PG&E's proposed Schedule E-TOU-C as its new default residential electric time-of-use (TOU) rate, with "TOU Lite" peak versus off-peak price (POPP) differentials on total bundled rates of 6.3 and 1.7 cents per kilowatt-hour (kWh) in summer and winter, respectively. However, while PG&E had proposed that these POPP differentials be included exclusively in the generation rate component, Ordering Paragraph (OP) 6 requires that at least 1 cent per kWh of the 6.3 cent total summer POPP differential be included in the distribution rate.

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<sup>1</sup> Applications 17-12-011, 17-12-012, and 17-12-013.

In a similar fashion, OP 7 requires that exactly 0.23 cents per kWh of the 1.7 cent total winter POPP differential be included in the distribution rate component.

In compliance with this portion of the decision, PG&E proposes POPP differentials as shown in Table 1 below:

**Table 1**  
Proposed POPP Differentials

<b>Schedule E-TOU-C Peak vs. Off-Peak Price (POPP) Differentials</b>			
<b>Season</b>	<b>Generation</b>	<b>Distribution</b>	<b>Total</b>
Summer	\$0.05344	\$0.01000	\$0.06344
Winter	\$0.01503	\$0.00230	\$0.01733

For its now-concluded residential default TOU pilot, PG&E implemented a TOU rate, Schedule E-TOU-C3, that has the same general structure as the now-approved Schedule E-TOU-C default TOU rate. Both rates have a four-month summer season and an eight-month winter season, and both rates have peak hours from 4 p.m. to 9 p.m. every day of the year. The only difference is that, for Schedule E-TOU-C3, the 6.3 cent summer and 1.7 cent winter POPP differentials are collected entirely in the generation rate component. After the pilot was ended, Schedule E-TOU-C3 remained in place for pilot customers who wished to remain on the TOU rate, as well as for non-pilot customers who wished to opt in to the rate. Since the rates are nearly identical, effective March 1, 2020 PG&E proposes to change the name of Schedule E-TOU-C3 to Schedule E-TOU-C, at the same time reallocating the POPP differential among the generation and distribution rate components as shown in the table above. This will ensure a seamless transition for the existing Schedule E-TOU-C3 customers.

## 2. Illustrative Schedule E-TOU-C Rates

Tables 2 and 3 illustrate how the rate design for new Schedule E-TOU-C will differ from the rate design for current Schedule E-TOU-C3. Table 2 shows the current E-TOU-C3 total rates by season and TOU period, disaggregated into the following rate components: (a) the generation rate; (b) the distribution rate; and (c) the sum of the remaining rate components (i.e., transmission and the various non-bypassable charges). As the table shows, the total summer POPP differential of 6.3 cents per kWh is contained only in the generation rate component, with none of the other summer rate components varying by TOU period. Similarly, the total winter POPP differential of 1.7 cents per kWh is also contained only in the generation rate component.

**Table 2**  
Schedule E-TOU-C3: Current Rates (Effective October 1, 2010)

Current E-TOU-C3 Rates (\$/kWh)	Summer			Winter		
	Peak	Off-Peak	Differential	Peak	Off-Peak	Differential
Generation	\$0.17639	\$0.11295	\$0.06344	\$0.11993	\$0.10260	\$0.01733
Distribution	\$0.11135	\$0.11135	\$0.00000	\$0.08073	\$0.08073	\$0.00000
Other (Transmission, NBCs)	\$0.10153	\$0.10153	\$0.00000	\$0.10153	\$0.10153	\$0.00000
Total	\$0.38927	\$0.32583	\$0.06344	\$0.30219	\$0.28486	\$0.01733

In contrast, Table 3 shows illustrative rates under the new rate design methodology directed by D.19-07-004. While the summer and winter total POPP differentials remain at 6.3 and 1.7 cents per kWh, respectively, these differentials now are contained in both the generation and rate components, at the levels prescribed by the decision and specified in Table 1.

**Table 3**  
New Schedule E-TOU-C: Illustrative Rates (Effective March 1, 2020)

New E-TOU-C Rates (\$/kWh)	Summer			Winter		
	Peak	Off-Peak	Differential	Peak	Off-Peak	Differential
Generation	\$0.17389	\$0.12045	\$0.05344	\$0.11936	\$0.10433	\$0.01503
Distribution	\$0.11385	\$0.10385	\$0.01000	\$0.08131	\$0.07901	\$0.00230
Other (Transmission, NBCs)	\$0.10153	\$0.10153	\$0.00000	\$0.10153	\$0.10153	\$0.00000
Total	\$0.38927	\$0.32583	\$0.06344	\$0.30219	\$0.28486	\$0.01733

Since PG&E is proposing that these tariff changes become effective on March 1, 2020, the rates presented in Table 3 are illustrative. PG&E requests that Energy Division approve this advice letter by January 15, 2020. In mid-February, PG&E will then submit a Tier 1 advice letter to change the name of Schedule E-TOU-C3 to Schedule E-TOU-C, and to update these illustrative rates with final E-TOU-C rates that reflect the then-current approved billing determinants and revenue requirements, to become effective on March 1, 2020.

### 3. Period Prior to the Start of the Initial Default TOU Migration Period

During the time between when Schedule E-TOU-C becomes effective on March 1, 2020 and the Initial Default TOU Migration (IDTM) period begins in October 2020, other residential customers will be able to take service on Schedule E-TOU-C on an opt-in basis. At the start of the IDTM period, Schedule E-TOU-C

will replace tiered non-TOU Schedule E-1 as the standard “turn-on” rate for eligible customers beginning or transferring service.

### **Protests**

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than October 29, 2019, which is 20 days after the date of this submittal. Protests must be submitted to:

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**

Pursuant to General Order 96-B, Industry Rule 5.1, PG&E requests that this Tier 1 advice letter submittal become effective on March 1, 2020.

**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 Applications (A.) 17-12-011, A.17-12-012, and A.17-12-013. 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 submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

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Erik Jacobson  
Director, Regulatory Relations

**Attachments**

cc: Service List A.17-12-011, A.17-12-012, and A.17-12-013



# 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 U39E)

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) #: 5653-E

Tier Designation: 1

Subject of AL: Tariff Changes per Decision 19-07-004 (Schedule E-TOU-C)

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. 19-07-004

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: 3/1/20

No. of tariff sheets: 0

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:

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

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

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