
PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



December 19, 2019

Advice Letter 5671-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: Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Revenue Balancing Account Adjustment, the Reliability Services Rates, and the End-Use Customer Refund Balancing Account Adjustment.

Dear Mr. Jacobson:

Advice Letter 5671-E is effective as of January 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 29, 2019

Advice 5671-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Revenue Balancing Account Adjustment, the Reliability Services Rates, and the End-Use Customer Refund Balancing Account Adjustment

Purpose

In compliance with California Public Utilities Commission (“Commission” or “CPUC”) Resolution E-3930, Pacific Gas and Electric Company (“PG&E”) submits this advice letter to notify the Commission of PG&E’s October 15, 2019 filing with the Federal Energy Regulatory Commission (“FERC”), in FERC Docket No. ER20-100-000, requesting transmission rate changes for PG&E’s retail electric customers. That FERC filing requested the approval of annual updates to the transmission revenue requirements (“TRRs”) and associated rates in PG&E’s Transmission Owner (“TO”) Tariff related to three of PG&E’s FERC balancing accounts: the Transmission Revenue Balancing Account (“TRBA”), the Reliability Services Balancing Account (“RSBA”), and the End-Use Customer Refund Balancing Account (“ECRBA”) (the “2020 Balancing Account Filing”). The filing requested an effective date of January 1, 2020 for the updated revenue requirements and rates.

Background

PG&E’s TO Tariff specifies the rates and charges for transmission access to PG&E-owned facilities that are part of the California Independent System Operator Corporation (“CAISO”) controlled grid. The base transmission rates in the TO Tariff, along with the three transmission rate adjustments discussed in this advice letter submittal make up the total transmission rates for PG&E’s retail customers.

TRBAA

The TRBA Adjustment (“TRBAA”) is the ratemaking mechanism through which Transmission Revenue Credits flow to TO Tariff retail and wholesale transmission customers.

In its 2020 Balancing Account Filing, PG&E proposed revisions to:

1. The retail TRBAA TRR and the resulting retail TRBAA rate; and
2. The wholesale High and Low Voltage TRRs used by the CAISO to calculate the CAISO Transmission Access Charge (“TAC”) rates under the CAISO Tariff.

The retail TRBAA rate revision is based on: (1) the TRBA balance, consisting of the principal balance and the interest expected as of December 31, 2019; (2) PG&E’s TRBAA forecast, which is a forecast of Transmission Revenue Credits for 2020; and (3) an adjustment for Revenue Fees and Uncollectible Accounts (“RF&U”).

As reflected in the 2020 Balancing Account filing, the TRBA balance is a credit to end-use customers of \$34,210,575.00, the forecasted TRBAA is a credit of \$204,654,295.00 and the RF&U adjustment is a credit of \$2,999,243.00. The resulting 2020 retail TRBAA TRR is a credit to end-use customers of \$241,864,112.00. To pass through this credit, PG&E proposed a 2020 TRBA retail rate of (\$0.00304) per kWh (compared to the current retail rate of (\$0.00283) per kWh).

The total 2020 TRBAA wholesale revenue requirement used for calculating the CAISO’s TAC is a credit to customers of \$237,382,989.00, which has been allocated to High and Low Voltage at \$183,646,502.00 and \$53,736,487.00, respectively.

RS Rates

FERC Opinion No. 459 approved a September 21, 2001, partial settlement allowing recovery of PG&E’s Reliability Services (“RS”) costs from retail TO Tariff customers.

The TRR for the RS rate consists of three components: (1) the RSBA balance, consisting of the principal balance and the interest expected as of December 31, 2019; (2) the forecast of RS costs for 2020; and (3) an adjustment for RF&U.

As reflected in the 2020 Balancing Account Filing, the total RS TRR used in the development of the retail 2020 RS rates is a credit to customers of \$36,396,895.00. This amount consists of the RSBA balance, which is a credit of \$47,382,759.00, plus the forecast of RS costs for 2020, which is a charge of \$11,763,687.00, plus the RF&U adjustment, which is a credit of \$777,825.00.

Adjustment to the RS Charge for Retail Rate Schedules E-19 and E-20

In addition to the annual adjustment described above, in FERC Docket No. ER19-520-000, PG&E adjusted its E-19 and E-20 retail rates to correct an implementation error. The period during which that adjustment was effective was from March 1, 2019 through December 31, 2019 -- a ten-month period. However, the adjustment calculated in PG&E's filing in Docket No. ER19-520-000 was based on a twelve-month period, so the under-collection would only be fully recovered after a full year. The error, including interest, amounts to an under-collection from retail E-19 and E-20 customers of \$4,912,597.00.

ECRBAA

The ECRBA Adjustment ("ECRBAA") is a mechanism designed to refund over-collected transmission rate charges to PG&E's end-use customers. ECRBAA is a credit or a charge equal to the refund or surcharge amount due to end-use customers, including interest.

The ECRBAA consists of two components: (1) the ECRBA balance, consisting of the principal balance and the interest expected as of December 31, 2019; and (2) the forecast of refunds from the resolution of PG&E's applicable TO Tariff rate cases.

The 2020 ECRBAA is currently a credit of \$568,603.00; however, PG&E proposes to set the ECRBAA rates to zero beginning January 1, 2020. The ECRBAA is too small to calculate billable rates and no refunds are included because PG&E's TO18 rate filing is currently unresolved and PG&E's TO19 rate filing, while settled, is dependent on the outcome of the TO18 litigation.

Compliance with Resolution E-3930

PG&E submits this advice letter pursuant to Process Element 3 of Resolution E-3930. Consistent with past practice, PG&E also provided the Commission with a complete copy of the 2020 Balancing Account Filing on the same date that it was filed with FERC, by service to the Commission's Legal Division.

In this advice letter, PG&E requests authority to revise each corresponding transmission rate component of its Commission-jurisdictional tariffs on the date FERC ultimately authorizes these changes to become effective, or as soon thereafter as possible, subject to refund, and to make corresponding adjustments to its total applicable Commission jurisdictional rates. Adjustments to total residential rates will be made pursuant to CPUC Decisions D.15-07-001 on residential rate reform and D18-08-013 on transition to time-of-use rates.

As anticipated under Process Element 4 of Resolution E-3930, PG&E will supplement this advice letter, or indicate in a separate advice letter that coincides with other retail

rate changes, when the requested TRBAA, RS, and ECRBAA rate changes are accepted, modified, rejected or otherwise acted upon by FERC.

These FERC rate changes will generally affect the rates of all bundled, Direct Access, and Community Choice Aggregation customers. Typically, the 2020 Balancing Account Filing rate change will be consolidated into other rate changes scheduled to be filed in late December for an effective date of January 1, 2020. At that time, PG&E will also provide complete updated tariff sheets.

Protests

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile, or E-mail, no later than **November 18, 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, 4th 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 2 advice letter become effective as soon as practicable after FERC authorizes these changes to become effective, which PG&E expects to be on or after January 1, 2020. PG&E proposes to consolidate the electric rate changes resulting from the 2020 Balancing Account Filing, to the extent practicable, with the first planned rate change after FERC authorizes PG&E's requests.

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. 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/>.

/s/

Erik Jacobson
Director, Regulatory Relations



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: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@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) #: 5671-E

Tier Designation: 2

Subject of AL: Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Revenue Balancing Account Adjustment, the Reliability Services Rates, and the End-Use Customer Refund Balancing Account Adjustment

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 #: Res. E-3930

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: 1/1/20

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: N/A

Service affected and changes proposed¹: N/A

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

¹Discuss 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

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

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		