

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



January 29, 2020

Advice Letter 5683-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: Submittal of Community Choice Aggregator (CCA) Financial Security Requirements in Compliance with D.18-05-022

Dear Mr. Jacobson:

Advice Letter 5683-E is effective as of December 12, 2019.

Sincerely,

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

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

November 12, 2019

Advice 5683-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Submittal of Community Choice Aggregator (CCA) Financial Security Requirements in Compliance With D.18-05-022

Pacific Gas and Electric Company (PG&E) hereby submits its calculation of the financial security requirements for the Community Choice Aggregators (CCAs) serving customers within its service territory.

Purpose

In compliance with Ordering Paragraph (OP) 6 of Decision (D.) 18-05-022, this advice submittal is to provide the California Public Utilities Commission (CPUC or Commission) with the calculated financial security requirements for Community Choice Aggregators serving customers within its service territory.

Background

On May 31, 2018, the Commission issued D.18-05-022 which established a methodology to derive incremental procurement costs for the financial security requirement and re-entry fees for an involuntary return of Community Choice Aggregation Service customers.

On August 6, 2018, PG&E submitted Advice 5350-E with its initial calculation of the FSR amount for each CCA serving customers in PG&E's service area. Advice 5350-E was approved by the Commission on September 14, 2018 with an effective date of September 13, 2018.

In Advice 5354-E submitted on August 15, 2018, PG&E requested approval to revise PG&E Electric Rule 23, *Community Choice Aggregation Service*, to incorporate the reentry fees and financial security requirements and calculation methodology into PG&E's Community Choice Aggregation Service tariffs. On September 4, 2018, the Alliance for Retail Energy Markets (AReM) submitted a protest to Advice 5354-E objecting that D.18-05-022 "does not involve direct access ("DA") customers or suppliers" and identified four revisions which "have a, perhaps inadvertent effect on

direct access that should be remedied....”¹ California Community Choice Association (CalCCA) also submitted a protest on September 4, 2018, raising a number of objections, including the “deletion of “certain provisions relating to the rights of DA-eligible customers (“DA Provisions”).”² On October 2, 2018, PG&E submitted Advice 5354-E-A to request further revisions to PG&E’s Electric Rule 23, *Community Choice Aggregation Service*, to resolve AReM and CalCCA’s Protest of Advice 5354-E.

OP 8 of D.18-05-022 states:

The amount of the applicable financial security requirement is to be updated twice each year, with a 10% deadband, consistent with the method adopted for electric service providers in Decision 13-01-021.

Consistent with OP 6 of D.13-01-021, the investor owned utilities are required to update the applicable financial security amounts by the 10th of May and November³ of each year and to submit them in a Tier 2 Advice Letter.

Attachment B contains a table showing, by CCA, the calculated financial security amount based upon the methodology adopted in D.18-05-022 and submitted for Commission approval in Advice 5354-E and Advice 5354-E-A. If the Commission directs otherwise, PG&E will recalculate the FSR amounts consistent with the Commission’s direction and submit the updated FSR amounts for Commission approval. The table has been redacted of any confidential CCA information. An unredacted version with the relevant supporting data and calculation of each respective CCA’s financial security amount is included in Confidential Attachment C. A declaration supporting confidential treatment is found in Attachment A. Concurrent with submitting this advice letter to the Energy Division, PG&E will serve by electronic means on each applicable CCA a copy of this advice letter, with the relevant supporting data, redacted of any third party proprietary information, and the calculation of each respective CCA’s FSR amount provided confidentially only to that specific CCA.

The version of this advice letter posted at www.pge.com is redacted.

¹ Alliance for Retail Energy Markets Protest Of Pacific Gas & Electric Advice Letter 5354-E, dated September 4, 2018, p. 1

² California Community Choice Association Protest Of Pacific Gas & Electric Advice Letter 5354-E, dated September 4, 2018, p. 6

³ November 10, 2019 falls on a Sunday, and November 11, 2019 is a Federal Holiday. Commission Rules of Practice and Procedure Rule 1.15 provides that when the last day falls on a Saturday, Sunday, holiday, or other day when the Commission offices are closed, the time limit is extended to include the first day thereafter. Therefore, this advice letter is timely submitted.

Protests

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than December 2, 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 submittal become effective on regular notice, December 12, 2019, which is 30 calendar days after the date of submittal.

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.03-10-003. 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

cc: Service List R.03-10-003

Attachments:

Public Attachment A – Declaration of David Gutierrez Supporting Confidential Treatment

Public Attachment B – Summary of CCA Financial Security Requirements

Confidential Attachment C - Summary of CCA Financial Security Requirements and Underlying Calculations



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: Annie Ho

Phone #: (415) 973-8794

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: AMHP@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) #: 5683-E

Tier Designation: 2

Subject of AL: Submittal of Community Choice Aggregator (CCA) Financial Security Requirements in Compliance With D.18-05-022

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.18-05-022

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: David Gutierrez, (415) 257-3285

Resolution required? Yes No

Requested effective date: 12/12/19

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 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:

Advice 5683-E
November 12, 2019

Attachment A

**Declaration of David Gutierrez
Supporting Confidential Treatment**

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

**DECLARATION SUPPORTING CONFIDENTIAL DESIGNATION
ON BEHALF OF
PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)**

1. I, David Gutierrez, am a Senior Manager in Community Vitality for Pacific Gas and Electric Company (“PG&E”), a California corporation. Deb Affonsa, the Vice President, Customer Service, of PG&E, delegated authority to me to sign this declaration. My business office is located at:

Pacific Gas and Electric Company
245 Market Street
San Francisco, CA 94105

2. PG&E will produce the information identified in paragraph 3 of this Declaration to the California Public Utilities Commission (“CPUC”) or departments within or contractors retained by the CPUC in response to a CPUC audit, data request, proceeding, or other CPUC request.

Name or Docket No. of CPUC Proceeding (if applicable): R.03-10-003

3. Title and description of document(s): Advice Letter 5683-E, Community Choice Aggregator’ (CCA) Financial Security Requirements and the Underlying Calculations.
4. These documents contain confidential information that, based on my information and belief, has not been publicly disclosed. These documents have been marked as confidential, and the basis for confidential treatment and where the confidential information is located on the documents are identified on the following chart:

Check

Basis for Confidential Treatment

Where Confidential Information is located on the documents

Attachment C:

Customer-specific data, which may include demand, loads, names, addresses, and billing data

(Protected under PUC § 8380; Civ. Code §§ 1798 et seq.; Govt. Code § 6254; Public Util. Code § 8380; Decisions (D.) 14-05-016, 04-08-055, 06-12-029)

CCA Load Forecast On-Peak (MWh), Off-Peak (MWh), Monthly Peak Demand (MW), Forecast CCA Number of Service Accounts (SA) included in Calculations and Final Calculation Amounts. Confidential information is displayed in red font.

Personal information that identifies or describes an individual (including employees), which may include home address or phone number; SSN, driver's license, or passport numbers; education; financial matters; medical or employment history (not including PG&E job titles); and statements attributed to the individual

(Protected under Civ. Code §§ 1798 *et seq.*; Govt. Code § 6254; 42 U.S.C. § 1320d-6; and General Order (G.O.) 77-M)

Physical facility, cyber-security sensitive, or critical energy infrastructure data, including without limitation critical energy infrastructure information (CEII) as defined by the regulations of the Federal Energy Regulatory Commission at 18 C.F.R. § 388.113

(Protected under Govt. Code § 6254(k), (ab); 6 U.S.C. § 131; 6 CFR § 29.2)

Proprietary and trade secret information or other intellectual property and protected market sensitive/competitive data

(Protected under Civ. Code §§3426 *et seq.*; Govt. Code §§ 6254, *et seq.*, e.g., 6254(e), 6254(k), 6254.15; Govt. Code § 6276.44; Evid. Code §1060; D.11-01-036)

Attachment C:

ICE Average Off-Peak and On-Peak Forward Price Information included in Calculations and Final Calculation Amounts. Confidential information is displayed in red font.

Corporate financial records

(Protected under Govt. Code §§ 6254(k), 6254.15)

Third-Party information subject to non-disclosure or confidentiality agreements or obligations

(Protected under Govt. Code § 6254(k); see, e.g., CPUC D.11-01-036), ESP Service Agreement Form 79-948 Section 11

Other categories where disclosure would be against the public interest (Govt. Code § 6255(a))

5. The importance of maintaining the confidentiality of this information outweighs any public interest in disclosure of this information. This information should be exempt from the public disclosure requirements under the Public Records Act and should be withheld from disclosure.
6. I declare under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge.
7. Executed on this 12th day of November, 2019 at San Francisco, California.

/s/ David Gutierrez
David Gutierrez
Senior Manager, Community Vitality
Pacific Gas and Electric Company

Advice 5683-E
November 12, 2019

Attachment B

Summary of CCA Financial Security Requirements

(Public)

ATTACHMENT B
Summary of CCA Financial Security Requirements
Public Version

CCA FINANCIAL SECURITY REQUIREMENT	
Pacific Gas and Electric Company	
Advice 5683-E	
November 12, 2019	
Community Choice Aggregator	Total Financial Security
City of King City	
Clean Power SF	
East Bay Community Energy	
Marin Clean Energy	
Monterey Bay Community Power	
Peninsula Clean Energy	
Pioneer Community Energy	
Redwood Coast Energy Authority	
San Jose Clean Energy	
Silicon Valley Clean Energy	
Sonoma Clean Power	
Valley Clean Energy	

Attachment C

Summary of CCA Financial Security Requirements and Underlying Calculations

(Confidential)

**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
	Marin Energy Authority	Tiger Natural Gas, Inc.
Chevron Pipeline and Power	McKenzie & Associates	
City of Palo Alto		TransCanada
	Modesto Irrigation District	Troutman Sanders LLP
City of San Jose	Morgan Stanley	Utility Cost Management
Clean Power Research	NLine Energy, Inc.	Utility Power Solutions
Coast Economic Consulting	NRG Solar	Utility Specialists
Commercial Energy		
County of Tehama - Department of Public Works	Office of Ratepayer Advocates	Verizon
Crossborder Energy	OnGrid Solar	Water and Energy Consulting Wellhead Electric Company
Crown Road Energy, LLC	Pacific Gas and Electric Company	Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP	Peninsula Clean Energy	Yep Energy
Day Carter Murphy		
Dept of General Services		
Don Pickett & Associates, Inc.		
Douglass & Liddell		