

PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 4236G/5805E
As of May 4, 2020

Subject: Modifications to Pacific Gas and Electric Company's On-Bill Financing (OBF) Program

Division Assigned: Energy

Date Filed: 04-09-2020

Date to Calendar: 04-13-2020

Authorizing Documents: D1903001

Disposition:	Accepted
Effective Date:	05-09-2020

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Kimberly Loo

415-973-4587

pgetariffs@pge.com

PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to
edtariffunit@cpuc.ca.gov

April 9, 2020

Advice 4236-G/5805-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Modifications to Pacific Gas and Electric Company's On-Bill Financing (OBF) Program**Purpose**

Pacific Gas and Electric Company (PG&E) submits this Tier 2 Advice Letter, pursuant to Decision (D.) 19-03-001,¹ to allow all customers with On-Bill Financing (OBF) loans to temporarily defer OBF loan repayments to mitigate the economic impacts of the novel coronavirus (COVID-19) pandemic. PG&E understands that its customers may be experiencing a financial hardship and have difficult paying bills at this time. PG&E seeks authority to defer customer payments on OBF loans for a six-month period for those customers experiencing economic hardship.

Background

Decision 09-09-047 adopted statewide terms for OBF loans to be offered by PG&E and the investor-owned utilities (IOUs). PG&E's OBF program was approved in Advice Letter 3118-G-A. The OBF program provides zero percent (0%) interest financing to qualified customers for the purchase and installation of new energy efficient measures or equipment at the customer's premises. Qualified customers are those customers who meet specified credit criteria and comply with OBF Program requirements.

On March 14, 2019, the Commission issued D.19-03-001 approving changes to PG&E's OBF program and allowing the IOUs to seek further modifications to their OBF programs going forward through Tier 2 advice letters. PG&E is submitting this Tier 2 Advice Letter to address customer economic hardships due to the coronavirus pandemic, which may be limiting customers' ability to repay active OBF loans at this time.

¹ D.19-03-001, Findings of Fact (FoF) 7 and D.09-09-047, Ordering Paragraph (OP) 61

Summary of Request

PG&E requests authorization to defer OBF loan repayments for six months on the request of customers to help manage financial hardship due to the coronavirus pandemic. PG&E will extend this deferral option for 6 months from the effective date of this advice letter or as otherwise directed by the Commission.

OBF loan repayments are made monthly by participating customers. The charges are integrated into the customer's PG&E bill and carry equal priority to the energy charge. When issued, OBF loans are calculated to be "bill neutral," where the projected monthly energy savings offset the fixed monthly loan installment. The coronavirus pandemic and associated State actions to mitigate the spread of the virus are likely to result in many OBF customers experiencing economic hardships due to temporary business closures or reduced operations. Both the impacted revenue of those customers, and the fact that the OBF charge is a fixed charge that does not reduce as operations are curtailed, create a potential financial hardship for customers in repaying their OBF loans.

PG&E seeks authorization to offer customers the ability to request a loan repayment deferral of 6 months. PG&E would only defer loan payments for those customers who request. Due to billing system constraints, PG&E would manage the deferrals by: 1) reducing the customer's OBF loan repayment to \$0.01 during the 6-month deferral period; and 2) extending the loan repayment schedule by 6 months so that the full amount of the loan is repaid. As an example, if the customer had 12 months remaining on its loan and is currently paying \$100/month, the customer would pay \$0.01 for 6 months following the deferment, \$100 for the next 11 months, and would pay \$99.94 in the final month to complete the repayment of the loan principal. To be eligible PG&E will require the customer represent that they are experiencing negative financial impacts from the coronavirus pandemic and that deferment of the OBF loan payments will help them avoid or manage financial hardship.

PG&E is projecting minimal ratepayer impacts or costs to implement this proposal. The proposal would result in a manageable impact to cashflow regardless of the customer participation level. While it is challenging to predict the participation level in this repayment deferral option, the table below illustrates the financial impact across various scenarios. These calculations take into consideration that available OBF funds in the OBF Revolving Loan Fund (RLF) currently earn interest of approximately 2% per annum.² The table also calculates the cashflow impact to the RLF and costs to ratepayers of the deferment in consideration of this lost interest.

² Per (EEFBA-G/EEFBA-E) Energy Efficiency Financing Balancing Account Preliminary Statement 5.b.7; funds in the OBF balancing account earn interest on the average of the balance in the account at the beginning of the month and the balance in the account after above entries are made, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. On April 1, 2020, the annual rate for the three-month Commercial Paper was 2.04 percent.

Table 1. Projected Financial Impacts of Loan Deferral Participation Rates

Participation Rate	100%	80%	50%	20%
Participating Customers	2,348	1,878	1,174	470
6 Months Repayment Deferral	\$ 16,416,021	\$ 13,132,817	\$ 8,208,010	\$ 3,283,204
Lost Interest in RLF	\$ 164,160	\$ 131,328	\$ 82,080	\$ 32,832

PG&E will provide to Energy Division data regarding customer participation in the deferral option.

Conclusion

PG&E understands that many customers may face economic hardship as a result of the coronavirus pandemic. PG&E seeks to minimize that financial hardship by authorizing OBF repayment deferrals, using the criteria and methodology described above.

Protests

*****Due to the COVID-19 pandemic and the shelter at home orders, PG&E is currently unable to receive protests or comments to this advice letter via U.S. mail or fax. Please submit protests or comments to this advice letter to EDTariffUnit@cpuc.ca.gov and PGETariffs@pge.com*****

Anyone wishing to protest this filing may do so by E-mail, no later than April 29, 2020, which is 20 days after the date of this filing. 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 via both 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 D.19-03-001 and General Order (GO) 96-B, Rule 5.2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on regular notice, May 9, 2020 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-13-11-005. 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

cc: Service List R.13-11-005



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: 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) #: 4236-G/5805-E

Tier Designation: 2

Subject of AL: Modifications to Pacific Gas and Electric Company's On-Bill Financing (OBF) Program

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.19-03-001

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: 5/9/20

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:

Clear Form

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