

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



**Pacific Gas & Electric Company**  
**ELC (Corp ID 39)**  
**Status of Advice Letter 5834E**  
**As of July 3, 2020**

Subject: Modification of Pacific Gas and Electric Company's Multifamily Affordable Housing (MASH) Budget

Division Assigned: Energy

Date Filed: 05-27-2020

Date to Calendar: 05-29-2020

Authorizing Documents: None

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>06-26-2020</b>

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

AL Certificate Contact Information:

Kimberly Loo

415-973-4587

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**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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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](mailto:edtariffunit@cpuc.ca.gov)**

May 27, 2020

**Advice 5834-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject:      Modification of Pacific Gas and Electric Company's Multifamily Affordable Housing (MASH) Budget**

**Purpose**

Pacific Gas and Electric Company (PG&E), as Program Administrator (PA) for the Multifamily Affordable Solar Housing (MASH) Program, respectfully submits this Tier 2 Advice Letter (AL) to request to transfer \$4,889,293 from the MASH 1.0 incentive budget to the MASH 2.0 incentive budget and \$1,293,000 from the MASH 2.0 incentive budget to the MASH 2.0 administrative budget in PG&E's territory, enabling PG&E to re-open the MASH program.

**Background**

In October 2008, the California Public Utilities Commission (CPUC or Commission) issued Decision (D.) 08-10-036, which established the \$108 million MASH incentive program in the service territories for PG&E, Southern California Edison Company (SCE), and San Diego Gas and Electric Company (SDG&E) for qualifying affordable housing developments (MASH 1.0), as defined in state law.<sup>1</sup> Subsequently, in 2013, the Governor Edmund "Jerry" Brown signed into law Assembly Bill (AB) 217 (Stats. 2013, Ch. 609), authorizing \$108 million in new funding for the MASH and Single Family Affordable Solar Homes (SASH) Programs. AB 217 additionally set a goal of 50 megawatts (MW) of installed capacity across both programs and extended the timeline for both programs until 2021, or the exhaustion of the new funding, whichever occurs first.

On January 30, 2015, the Commission issued D.15-01-027 to begin implementation of AB 217 and authorized an additional \$54 million for the MASH program. D.15-01-027 established budgets, incentives, and evaluation requirements for the re-vamped MASH Program (MASH 2.0). It also required the Program Administrators (PAs) to roll over their administrative budget surpluses from MASH 1.0 to the MASH 2.0 incentive budgets via a

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<sup>1</sup> D.08-10-036, p. 2.

Tier 2 AL.<sup>2</sup> On March 30, 2015, the Center for Sustainable Energy (CSE), on behalf of the MASH PAs, submitted AL 59 incorporating the changes made by the Decision, followed by two supplemental ALs.<sup>3</sup> The AL and the supplemental ALs were approved and effective July 31, 2015.

### **Proposed Modifications to PG&E's MASH Budget**

The MASH budget includes allocations for incentives and administration.<sup>4</sup> The table below shows the original MASH 1.0 budget for PG&E's portion (43.7%) per D.08-10-036.<sup>5</sup>

<b>PG&amp;E MASH 1.0</b>	<b>Allocation</b>	<b>PG&amp;E MASH 1.0 Budget</b>
Incentives	88%	\$41,663,230
Administrative	12%	\$5,681,350 <sup>a</sup>
Total Budget	100%	\$47,344,580

(a) MASH 1.0 administrative budget includes \$4,734,458 (10%) for administration, marketing and outreach, and \$946,892 (2%) for evaluation.

The table below shows the original MASH 2.0 budget for PG&E's portion (43.7%) per Table 2 in D.15-01-027 prior to any rollovers.<sup>6</sup>

<b>PG&amp;E MASH 2.0</b>	<b>Allocation</b>	<b>PG&amp;E MASH 2.0 Budget</b>
Incentives	93%	\$21,946,140
Administrative	7%	\$1,651,860 <sup>a</sup>
Total Budget	100%	\$23,598,000

(a) MASH 2.0 administrative budget includes \$1,415,880 (6%) for administration, marketing and outreach, and \$235,980 (1%) for evaluation.

In accordance with OP 13 in D.15-01-027,<sup>7</sup> PG&E rolled over \$2,982,034 in unspent MASH 1.0 administrative funds and \$2,946,755 in unspent and unreserved MASH 1.0 incentive funds to its MASH 2.0 incentive budget in August 2015. Therefore, the MASH 2.0 incentive budget increased by \$5,928,789.

The table below shows the revised MASH budgets after the required rollovers per Decision D.15-01-027.

<sup>2</sup> D.15-01-027, p. 78, Ordering Paragraph (OP) 13.

<sup>3</sup> CSE Advice Letters 59, 59-A, and 59-B, PG&E Advice Letters 4609-E, 4609E-A, and 4609E-B, and SCE Advice Letters 3199-E, 3199-E-A, and 3199-E-B referencing the Proposed Standalone Multifamily Affordable Solar Housing (MASH) Program Handbook to Incorporate Changes to the MASH Program Necessary to Align with Decision 15-01-027.

<sup>4</sup> Administrative includes program administration, marketing and outreach, and evaluation.

<sup>5</sup> D.08-10-036, p. 23, Table 3. Total MASH 1.0 budget for all three utilities is \$108,340,000.

<sup>6</sup> D.15-01-027, p. 30-31, Table 2. Total MASH 2.0 budget for all three utilities is \$54,000,000.

<sup>7</sup> D.15-01-027, p. 78, OP 13.

	<b>Adjusted PG&amp;E MASH 1.0 Budget per D.15- 01-027 OP 13</b>	<b>Adjusted PG&amp;E MASH 2.0 Budget per D.15- 01-027 OP 13</b>	<b>Combined PG&amp;E MASH 1.0 &amp; 2.0 Budget</b>
Incentives	\$38,716,475 <sup>a</sup>	\$27,874,929 <sup>c</sup>	\$66,591,404
Administrative	\$2,699,316 <sup>b</sup>	\$1,651,860	\$4,351,175
Total Budget	\$41,415,791	\$29,526,789	\$70,942,580

(a) Includes the deduction of \$2,946,755 in unreserved incentives from the MASH 1.0 incentive budget.

(b) Includes the deduction of \$2,982,034 from the MASH 1.0 administrative budget.

(c) Includes the rollover of \$2,982,034 from the MASH 1.0 administrative budget and \$2,946,755 in unreserved MASH 1.0 incentives to the MASH 2.0 incentive budget.

The administrative rollover amount of \$2,982,034 was PG&E's unspent administrative budget for MASH 1.0 at the time of the rollover in August 2015. PG&E did not reserve a sufficient amount of administrative funds to process the remaining MASH 1.0 projects, the last of which was completed and paid in April 2018 – thirty-three months later.

The tables below show the current MASH budgets after rollovers and PG&E's expenditures for each program as of March 31, 2020.

<b>PG&amp;E MASH 1.0</b>	<b>Adjusted Budget</b>	<b>Expenditures</b>	<b>Remaining Budget</b>
Incentives	\$38,716,475	\$33,827,182 <sup>b</sup>	\$4,889,293
Administrative	\$2,699,316 <sup>a</sup>	\$2,699,316 <sup>c</sup>	\$0
Total	\$41,415,791	\$36,526,498	\$4,889,293

(a) MASH 1.0 budget includes \$2,039,118 for administration, marketing and outreach, and \$660,198 for evaluation.

(b) Incentive expenditures include MASH 1.0 projects that are fully complete and paid.

(c) MASH 1.0 expenditures include \$2,039,118 for administration, marketing and outreach, and \$660,198 for evaluation.

<b>PG&amp;E MASH 2.0</b>	<b>Adjusted Budget</b>	<b>Expenditures</b>	<b>Remaining Budget</b>
Incentives	\$27,874,929	\$11,433,798 <sup>b</sup>	\$16,441,131
Administrative	\$1,651,860 <sup>a</sup>	\$1,633,259 <sup>c</sup>	\$18,601
Total	\$29,526,789	\$13,067,057	\$16,459,732

(a) MASH 2.0 budget includes \$1,415,880 for administration, marketing and outreach, and \$235,980 for evaluation.

(b) Incentive expenditures include MASH 2.0 projects that are fully complete and paid.

(c) MASH 2.0 expenditures include \$1,398,524 for administration, marketing and outreach, and \$234,735 for evaluation. Includes administrative expenses for some MASH 1.0 projects and implementing the additional requirements for MASH 2.0.

Between August 2015 and August 2018, ten MASH 1.0 projects in PG&E territory dropped out, totaling \$4,889,293 in incentives becoming unreserved. These unreserved

incentives are not currently accounted for in the MASH 2.0 budget. PG&E requests to transfer this \$4.89M amount to the MASH 2.0 incentive budget.

The current MASH 2.0 administrative budget for PG&E is nearly exhausted due to the following reasons:

- The MASH 2.0 administrative budget in D.15-01-027 was reduced by over seventy percent compared to the MASH 1.0 administrative budget.
- PG&E has had to process more MASH 2.0 projects than MASH 1.0.<sup>8</sup>
- MASH 2.0 administration is more complex than MASH 1.0, including:
  - Implementing the job training requirement;
  - Establishing the new NEMV2MSH<sup>9</sup> tariff;
- There were administrative expenses recorded in MASH 2.0 that were associated with the review and processing of MASH 1.0 projects.<sup>10</sup>

The current administrative budget will be exhausted soon. PG&E requests to transfer \$1,293,000<sup>11</sup> from MASH 2.0 incentives to the administrative budget to continue administration through the program's end date of December 31, 2021. This will also allow PG&E to re-open the MASH program and process new applications for the remaining incentive budget.

The table below shows the updated budget and PG&E's current expenditures (as of March 31, 2020) after the transfers of \$4,889,293 to MASH 2.0 incentives and \$1,293,000 to MASH 2.0 administration requested by PG&E.

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<sup>8</sup> To date, there are 406 total MASH 2.0 applications submitted compared to a total of 346 MASH 1.0 applications submitted.

<sup>9</sup> Virtual Net Energy Metering for Multifamily Affordable Housing (MASH/NSHP) with Solar Generator(s).

<sup>10</sup> As noted previously, PG&E continued to administer MASH 1.0 applications for approximately 33 months after the MASH 1.0 administrative budget was fully rolled over into the MASH 2.0 incentive budget.

<sup>11</sup> \$1,293,000 is calculated based on a future estimated average administrative spend of approximately \$58,773 per month for 22 months, which includes program administration, data management, inspections, and final program evaluation and closeout. This estimate includes \$1,103,000 for administration, marketing and outreach, and \$190,000 for evaluation. The updated combined MASH 1.0 and MASH 2.0 administrative budget after the requested \$1,293,000 transfer is \$5,644,176. \$5,644,176 is less than the combined administrative budget of \$7,333,210 in the original decisions, and less than \$7,036,770, which is the combination of 12% of the adjusted MASH 1.0 budget (\$4,969,895) and 7% of the adjusted MASH 2.0 budget (\$2,066,875).

<b>MASH 2.0 After Requested Transfers</b>	<b>Budget</b>	<b>Expenditures</b>	<b>Remaining Budget</b>
Incentives	\$31,471,222 <sup>a</sup>	\$11,433,798	\$20,037,424 <sup>c</sup>
Administrative	\$2,944,860 <sup>b</sup>	\$1,633,259	\$1,311,601
<b>Total</b>	<b>\$34,416,082</b>	<b>\$13,067,057</b>	<b>\$21,349,025</b>

(a) Includes the requested transfer of \$4,889,293 from canceled MASH 1.0 incentives to MASH 2.0 incentives, and the requested transfer of \$1,293,00 from the MASH 2.0 incentive budget to the MASH 2.0 administrative budget.

(b) Includes the requested transfer of \$1,293,000 from the MASH 2.0 incentive budget to the MASH 2.0 administrative budget.

(c) Includes \$4,055,605 in reserved incentives for MASH 2.0 projects in progress according to the public MASH Budget Report for PG&E as of April 30, 2020: [https://www.californiadgstats.ca.gov/programs/mash\\_budget/](https://www.californiadgstats.ca.gov/programs/mash_budget/).

If the requested transfers are adopted, PG&E's remaining incentive budget will increase from \$16,441,131 to \$20,037,424.

The Solar on Multifamily Affordable Housing (SOMAH) program launched in 2019 with high interest and participation, but the SOMAH program does not allow master-meter buildings. The main intent of re-opening the MASH program is to provide incentives to master-meter buildings that do not meet the eligibility requirements to participate in the SOMAH program.

To ensure the MASH program end date of December 31, 2021, all projects must be installed with the signed Incentive Claim Form (ICF) submitted no later than October 31, 2021. No extensions will be granted beyond the date of October 31, 2021, consistent with Southern California Edison's approach to re-opening of their MASH program in March 2020. This two-month period is to provide enough time for inspections and incentive payments to be completed prior to the required transfer of unspent or unencumbered funds described below.

The MASH program has been successful, exceeding its capacity goals. D.15-01-027 adopted a state-wide capacity target for MASH of 35 MW. To date, 49.8 MW of capacity for MASH projects have been installed. PG&E's portion of this target capacity is 15.3 MW, and the completed capacity in PG&E territory to date is 20.65 MW.

The requested changes will enable PG&E to re-open the MASH program, deliver remaining incentive funds, and further increase MW capacity while managing administrative costs through the program's end date of December 31, 2021. Any unspent or unencumbered funds after the program end date shall be used for "cost-effective energy efficiency measures in low-income residential housing that benefit ratepayers" as set forth in Section 2852(c)(3).<sup>12</sup>

<sup>12</sup> D.15-01-027, p.78, OP 12.

To ensure the success of the re-opening and sufficient program support through the final project completion, PG&E requests to transfer \$4,889,293 from previously canceled projects to the incentive budget, and requests to transfer \$1,293,000 from the incentive budget to the administrative budget.

### **Rates**

The approval of this submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

### **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 submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than June 16, 2020, 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**

PG&E requests that this Tier 2 advice submittal become effective on regular notice, June 26, 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 Service R.12-11-005. 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 submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

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

Erik Jacobson  
Director, Regulatory Relations

cc: Service List R.12-11-005



# 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 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) #: 5834-E

Tier Designation: 2

Subject of AL: Modification of Pacific Gas and Electric Company's Multifamily Affordable Housing (MASH) Budget

Keywords (choose from CPUC listing): Solar

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☒ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

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: 6/26/20

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 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:

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	Water and Energy Consulting Wellhead
Coast Economic Consulting	McKenzie & Associates	Electric Company
Commercial Energy		Western Manufactured Housing
Crossborder Energy	Modesto Irrigation District	Communities Association (WMA)
Crown Road Energy, LLC	NLine Energy, Inc.	Yep Energy
Davis Wright Tremaine LLP	NRG Solar	
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	