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



# Pacific Gas & Electric Company ELC (Corp ID 39) Status of Advice Letter 5908E As of November 19, 2020

Subject: nergy Price Updates for August 2020 Offered to Qualifying Facilities of 20 Megawatts or

Less in Compliance with Decision 20-05-006

Division Assigned: Energy

Date Filed: 08-07-2020

Date to Calendar: 08-12-2020

Authorizing Documents: D2005006

Disposition: Accepted

**Effective Date:** 08-08-2020

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Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



**Erik Jacobson**Director
Regulatory Relations

Pacific Gas and Electric Company 77 Beale St., Mail Code B13U P.O. Box 770000 San Francisco, CA 94177

Fax: 415-973-3582

August 7, 2020

#### Advice 5908-E

Pacific Gas and Electric Company (U 39 E)

Public Utilities Commission of the State of California

<u>Subject:</u> Energy Price Updates for August 2020 Offered to Qualifying Facilities of 20 Megawatts or Less in Compliance with Decision 20-05-006

### **Purpose**

Pacific Gas and Electric Company (PG&E) hereby submits the August 2020 energy prices eligible to Qualifying Facilities (QF) of 20 megawatts (MWs) or less seeking to sell electricity to PG&E under the Public Utility Regulatory Policies Act of 1978 (PURPA). This advice letter is submitted in compliance with Ordering Paragraph (OP) 7 of Decision (D.) 20-05-006 (the Decision).

# **Background**

On May 7, 2020, the California Public Utilities Commission (CPUC or Commission) adopted a new standard offer contract pursuant to PURPA (New PURPA SOC) available to QF generators seeking to sell electricity to a Commission-jurisdictional utility. This New PURPA SOC includes four avoided cost rates: (1) a rate determined at the time of contract execution for both capacity and energy, and (2) a rate determined at the time of product delivery for both capacity and energy. OP 1 and OP 2 of D.20-05-006 states as follows:

- 1. The energy price identified at the time of contract execution (18 C.F.R. § 292.304(d)(2)(ii)) is calculated by use of a three-year average of publicly available [California Independent System Operator (CAISO)] locational marginal prices for the PNode specific to a qualifying facility, calculated on a monthly basis with periods based on the Commission's most recently approved time-of-use periods specific to a utility, and a collar based on prices at the relevant Energy Trading Hub.
- 2. The capacity price identified at the time of contract execution (18 C.F.R. § 292.304(d)(2)(ii)) is calculated by use of a five-year weighted average of publicly available resource adequacy prices, shaped to time periods based on generation

<sup>&</sup>lt;sup>1</sup> The Commission issued the Decision on May 15, 2020.

capacity allocation factors adopted by the Commission and applied to updated time-of-use periods, with a 2.5% escalation factor for each year of the contract term after the last year included in the average. A capacity price is based on the provision of Resource Adequacy.

For energy prices at the time of product delivery, OP 3 determined that they are to be calculated using locational marginal prices from the CAISO's day-ahead market for the node specific to a QF. The Decision also established the regulatory requirements for updating the energy prices, with OP 7 requiring the investor-owned utilities (IOUs) to: (1) calculate revised energy prices on a monthly basis on the fifth business day of each month and (2) present them to the Commission via a Tier 1 advice letter.

This advice letter is submitted in compliance with the requirements of OP 1 and OP 7 for energy price updates. The energy prices applied to time of product delivery and time of execution pricing under the New PURPA SOC for contracts executed in August 2020 are is provided in Appendix A of this advice letter.<sup>2</sup>

### **Exhibits Accompanying this Advice Letter**

In support of this advice letter, PG&E provides the following additional information:

Appendix A: Energy Prices for New Pro Forma Under 20 MW PURPA Contract Executed in August 2020

# **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 August 27, 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

<sup>2</sup> In order to allow the CAISO adequate time to update energy prices for the settlement month, the data provided in Appendix A is gathered after the close of business on the third business day of this month.

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 1 advice letter become effective on August 7, 2020, which is the date this advice letter was submitted with the Commission.

# **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 Rulemaking (R.) 18-07-017. 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

Attachment

Appendix A: Energy Prices for New Pro Forma Under 20 MW PURPA Contract Executed in August 2020

cc: Service List R.18-07-017





# California Public Utilities Commission

# ADVICE LETTER



ENERGIUILIII	OF CALL						
MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)							
Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39E)							
Jtility type: 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) #: 5908-E	Tier Designation: 1						
Subject of AL: Energy Price Updates for August 20 Compliance with Decision 20-05-00	020 Offered to Qualifying Facilities of 20 Megawatts or Less in 06						
Keywords (choose from CPUC listing): Complian AL Type: Monthly Quarterly Annual							
If AL submitted in compliance with a Commission D.20-05-006	on order, indicate relevant Decision/Resolution #:						
Does AL replace a withdrawn or rejected AL? I	f so, identify the prior AL: $_{ m No}$						
Summarize differences between the AL and th	e 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: 8/7/20	No. of tariff sheets: $_{ m 0}$						
Estimated system annual revenue effect (%): N	J/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: $_{ m N/A}$							
Service affected and changes proposed $^{1:}$ $_{ m N/A}$	A						
Pending advice letters that revise the same tariff sheets: $ m _{N/A}$							

# 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: <a href="mailto:EDTariffUnit@cpuc.ca.gov">EDTariffUnit@cpuc.ca.gov</a>

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:

# **Appendix A**

Energy Prices for New Pro Forma Under 20 MW PURPA Contract Executed in August 2020

#### **APPENDIX A**

### NEW STANDARD OFFER CONTRACT FOR QUALIFYING FACILITIES OF 20 MEGAWATTS (MW) OR LESS

### (DECISION 20-05-006)

#### CONTRACT ENERGY PRICES - AUGUST 2020<sup>1</sup>

**Table 1** - The applicable <u>Time of Delivery Periods</u> (TOD Periods) for a contract executed in August 2020 under the New Qualifying Facility (QF) Standard Offer Contract (New QF SOC) as served in PG&E's Advice 5853-E are provided below. These values correspond to the table in Section 2(a) of Exhibit D for the As-Executed Option contract. The reference source of these TOD Periods apply only to the New QF SOC, are subject to change pursuant to Decision 20-05-006, and will not modify the time periods used in legacy QF contracts.

TOD Periods – Hour Ending (HE)					
1 = Peak	HE07 - HE08 & HE17 - HE22 (Monday - Saturday)				
2 = Partial-Peak	HE09 - HE16 (Monday - Saturday)				
3 = Off-Peak	All other hours (Monday - Saturday) and all hours on Sunday and North American Electric Reliability Corporation Holidays				

**Table 2** - The Contract TOD Energy Price (\$/MWh) for a contract executed in August 2020 using the As-Executed Option under the New QF SOC will be calculated using the three-year average of the CAISO locational marginal prices for the pricing node specific to the qualifying facility. The monthly energy prices, for each TOD Period, will be limited by a 10 percent collar based on the three-year average prices at the applicable Energy Trading Hub as shown below. If applicable, these calculated values will be inserted into Section 2(b) of Exhibit D for the As-Executed Option contract.

### North of Path 15 (NP15):

Month	1 Peak (\$/MWh)			2 Partial-Peak (\$/MWh)			3 Off-Peak (\$/MWh)		
	+10%	NP15	-10%	+10%	NP15	-10%	+10%	NP15	-10%
Jan	49.92	45.38	40.85	32.21	29.28	26.35	35.43	32.21	28.99
Feb	66.20	60.19	54.17	34.80	31.64	28.48	45.37	41.25	37.12
Mar	46.41	42.19	37.97	24.20	22.00	19.80	32.75	29.77	26.80
Apr	37.75	34.31	30.88	15.56	14.15	12.73	23.31	21.19	19.07
May	33.03	30.03	27.03	12.72	11.56	10.41	18.98	17.25	15.53
Jun	38.70	35.18	31.66	21.35	19.41	17.47	23.78	21.62	19.45
Jul	63.47	57.70	51.93	32.72	29.75	26.77	31.50	28.64	25.77
Aug	68.76	62.51	56.26	38.82	35.29	31.76	36.44	33.13	29.82
Sep	54.59	49.63	44.66	32.08	29.16	26.25	34.95	31.78	28.60
Oct	62.95	57.23	51.50	36.33	33.03	29.73	37.58	34.16	30.74
Nov	63.85	58.05	52.24	38.98	35.44	31.89	43.14	39.22	35.30
Dec	61.02	55.47	49.92	39.77	36.16	32.54	43.07	39.16	35.24

All contract prices herein are only applicable to contracts executed under the form of contract specified under Decision 20-05-006 and approved by the California Public Utilities Commission.

The Energy Trading Hubprices and applicable collar are based on California Independent System Operator Corporation (CAISO) OASIS data as of July 31, 2020.

# Zone Between Path 15 and Path 26 (ZP26):

Month	1 Peak (\$/MWh)			2 Partial-Peak (\$/MWh)			3 Off-Peak (\$/MWh)		
	+10%	ZP26	-10%	+10%	ZP26	-10%	+10%	ZP26	-10%
Jan	49.83	45.30	40.77	30.07	27.34	24.61	34.75	31.59	28.43
Feb	66.06	60.05	54.05	31.06	28.23	25.41	44.84	40.76	36.68
Mar	46.38	42.17	37.95	22.43	20.39	18.35	32.73	29.75	26.78
Apr	37.53	34.12	30.71	11.82	10.75	9.67	23.15	21.04	18.94
May	32.54	29.58	26.62	10.53	9.57	8.61	18.71	17.01	15.31
Jun	37.85	34.41	30.97	18.81	17.10	15.39	23.67	21.52	19.36
Jul	63.06	57.33	51.60	31.72	28.84	25.96	31.06	28.24	25.41
Aug	68.18	61.98	55.78	37.38	33.98	30.58	36.56	33.24	29.91
Sep	53.25	48.41	43.57	29.11	26.47	23.82	34.04	30.94	27.85
Oct	62.34	56.67	51.00	28.41	25.82	23.24	36.38	33.08	29.77
Nov	64.11	58.28	52.45	37.69	34.27	30.84	42.55	38.69	34.82
Dec	61.60	56.00	50.40	37.46	34.05	30.65	42.49	38.63	34.76

# South of Path 15 (SP15):

Month	1 Peak (\$/MWh)			2 Partial-Peak (\$/MWh)			3 Off-Peak (\$/MWh)		
	+10%	SP15	-10%	+10%	SP15	-10%	+10%	SP15	-10%
Jan	51.58	46.89	42.20	31.47	28.61	25.75	35.12	31.93	28.73
Feb	67.70	61.54	55.39	31.78	28.89	26.00	44.69	40.63	36.57
Mar	47.07	42.79	38.52	21.78	19.80	17.82	32.44	29.49	26.54
Apr	38.05	34.59	31.14	12.88	11.71	10.54	23.31	21.19	19.07
May	33.44	30.40	27.36	11.53	10.48	9.43	19.23	17.48	15.73
Jun	38.62	35.11	31.60	20.08	18.25	16.43	23.71	21.55	19.40
Jul	77.60	70.54	63.49	44.25	40.22	36.20	35.37	32.15	28.94
Aug	82.47	74.97	67.48	47.01	42.74	38.46	39.69	36.08	32.47
Sep	57.87	52.61	47.35	31.56	28.69	25.82	35.04	31.86	28.67
Oct	62.21	56.56	50.90	29.56	26.87	24.18	36.59	33.26	29.94
Nov	68.02	61.83	55.65	38.69	35.17	31.65	43.16	39.23	35.31
Dec	66.61	60.55	54.50	39.43	35.85	32.26	43.26	39.32	35.39

### PG&E Gas and Electric Advice Submittal List General Order 96-B, Section IV

AT&T

Albion Power Company Alcantar & Kahl LLP

Alta Power Group, LLC Anderson & Poole

Atlas ReFuel BART

Barkovich & Yap, Inc.
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine

Cameron-Daniel, P.C.
Casner, Steve
Cenergy Power
Center for Biological Diversity

Chevron Pipeline and Power City of Palo Alto

City of San Jose
Clean Power Research
Coast Economic Consulting
Commercial Energy
Crossborder Energy
Crown Road Energy, LLC
Davis Wright Tremaine LLP
Day Carter Murphy

Dept of General Services Don Pickett & Associates, Inc. Douglass & Liddell Downey & Brand
East Bay Community Energy
Ellison Schneider & Harris LLP
Energy Management Service

GenOn Energy, Inc. Goodin, MacBride, Squeri, Schlotz & Ritchie Green Power Institute

Engineers and Scientists of California

Hanna & Morton ICF

**IGS Energy** 

International Power Technology Intestate Gas Services, Inc.

Kelly Group Ken Bohn Consulting Keyes & Fox LLP Leviton Manufacturing Co., Inc.

Los Angeles County Integrated Waste Management Task Force MRW & Associates Manatt Phelps Phillips Marin Energy Authority McKenzie & Associates

Modesto Irrigation District NLine Energy, Inc. NRG Solar

Office of Ratepayer Advocates OnGrid Solar Pacific Gas and Electric Company Peninsula Clean Energy Pioneer Community Energy

Redwood Coast Energy Authority Regulatory & Cogeneration Service, Inc. SCD Energy Solutions

SCE SDG&E and SoCalGas

SPURR
San Francisco Water Power and Sewer
Seattle City Light
Sempra Utilities
Southern California Edison Company
Southern California Gas Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

TransCanada
Troutman Sanders LLP
Utility Cost Management
Utility Power Solutions
Water and Energy Consulting Wellhead
Electric Company
Western Manufactured Housing
Communities Association (WMA)
Yep Energy