STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE

May 18, 2022

Advice Letters 5973, AL 5973-E-A

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: Establishing a Prepayment Framework for the Power Charge Indifference Adjustment in Compliance with Decisions 18-10-019 and 20-08-004.

Dear Mr. Jacobson:

Advice Letters 5973, AL 5973-E-A is effective as of March 21, 2022, per Resolution E-5134 ordering paragraphs.

Sincerely,

Pete Skala
Interim Deputy Executive Director for Energy and Climate Policy/
Interim Director, Energy Division, CPUC

Pacific Gas and Electric Company®

Erik Jacobson
Director
Regulatory Relations

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

Facsimile: 415-973-3582

October 12, 2020

Advice 5973-E
Pacific Gas and Electric Company (U 39 E)

Public Utilities Commission of the State of California

Subject: **Establishing a Prepayment Framework for the Power Charge Indifference Adjustment in Compliance with Decisions 18-10-019 and 20-08-004**

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits this advice letter to establish a prepayment request processing framework pursuant to Ordering Paragraph (OP) 6 of Decision (D.) 20-08-004 (the Prepayment Decision). The proposed framework includes details on: (1) a solicitation process for requests to prepay the Power Charge Indifference Adjustment (PCIA), (2) how requests will be prioritized and evaluated, (3) guidelines for negotiating the prepayment of the PCIA, and (4) the regulatory approval process. In addition, OP 13 of D.18-10-019 (the Phase 1 Decision) ordered the investor-owned utilities (IOUs) to establish a balancing account to record all PCIA prepayments.[1] In this advice letter, PG&E introduces a new Electric Preliminary Statement Part IK, PCIA Prepayment Balancing Account (PPBA).

Background

In D.18-10-019, the California Public Utilities Commission (Commission or CPUC) ordered further development of a PCIA prepayment option in Phase 2 of Rulemaking (R.) 17-06-026 and directed the IOUs to submit any prepayment agreement for Commission approval via an Application. On August 12, 2020, the Commission issued the Prepayment Decision, adopting the Working Group 2 consensus guiding principles, except for the partial payment principle, and the consensus framework of the PCIA prepayment agreements. The Prepayment Decision also directs PG&E, Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E)

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[1] *See* OP 3 of D.20-08-004 stating: "The basic regulatory accounting process proposed by the co-chairs of Working Group 2 is adopted, entailing any prepayment amount be placed into an interest-bearing balancing account, as required by Decision 18-10-019, and allowing the investor-owned utility to calculate a "shadow bill" on a monthly basis and transfer that bill amount to the Portfolio Allocation Balancing Account every month."

(collectively, the IOUs) to each submit a Tier 2 advice letter within 60 days of issuance of the Prepayment Decision establishing a prepayment request processing framework. OP 6 of the Prepayment Decision directs the IOUs to provide details on the protocols to administer prepayment requests and negotiations in these advice letters and indicated that the Commission will determine the reasonableness of the protocols in its review of these advice letters.

PG&E also presents in this advice letter a new Electric Preliminary Statement Part IK (PPBA) for recording payments received from the Prepaying Customer(s) that opts to prepay the remaining estimated and negotiated balance of its entire PCIA obligation.[2] The introduction of this new regulatory account satisfies the requirements of OP 13 of the Phase 1 Decision mandating the IOUs to establish a balancing account to record all prepayments of PCIA obligations received pursuant to the parties' agreement discussed in OP 11.[3]

Section I below addresses directives ordered in the Prepayment Decision to establish a prepayment request processing framework. Section II below addresses directives ordered in the Phase 1 Decision to establish a balancing account to record all prepayments of the PCIA obligation. Section III below addresses additional considerations, including a review of the framework by PG&E for future potential refinements, changes to PG&E's billing system and the use of an Independent Evaluator (IE).

PG&E's Prepayment Processing Framework

I. Implementation of the Directives Ordered by D.20-08-004

This advice letter proposes to establish a prepayment request processing framework and addresses the compliance items ordered by the Prepayment Decision in OP 6:

- How many prepayment requests will be processed annually, and justifications for the limitations;
- How requests for prepayment will be prioritized by the IOU;
- What are the criteria and metrics by which the party seeking to prepay its Power Charge Indifference Adjustment obligation will be evaluated by the IOU under a viability screen;
- How the party seeking to prepay its Power Charge Indifference Adjustment obligation will be allocated the cost responsibility of prepayment negotiations that

[2] Prepaying Customer(s) refers to IOU counterparties who agree to and execute a successful prepayment agreement that is approved by the Commission.

[3] D.18-10-019, OP 12 and OP 13 inadvertently reference OP 10 rather than OP 11. OP 11 discusses prepayment of the PCIA obligation. OP 10 discusses the trigger mechanism associated with the PCIA cap.

do not result in an application for prepayment approval and how the associated cost will be calculated;
- What steps can parties take to reduce the total number of separate applications to the Commission to make the process more efficient, such as filing multiple requests for prepayment in a single application to the Commission.

PG&E's Proposed Prepayment Request Processing Framework

This section outlines PG&E's proposed protocol to administer prepayment requests and negotiations of the PCIA obligation as required by OP 6 (a)-(e) in the Prepayment Decision.

A. Number of Prepayment Requests and Structure of Prioritization Queue

1. Number of Solicitations

PG&E proposes to issue one annual solicitation for requests to prepay the remaining years of a customer's entire PCIA obligation. PG&E will utilize its standard solicitation process, which includes 1) the issuance of a market notice informing potential prepaying customers, 2) the relevant information PG&E needs to evaluate each prepayment request and 3) the solicitation schedule.

2. Number of Prepayment Requests

PG&E shall negotiate with a maximum of ten (10) direct access (DA) customers and two (2) community choice aggregators (CCAs) for the first annual solicitation.

The IOUs' proposed prepayment request processing framework is a new activity for the IOUs, the Commission, and the potential Prepayment Requestors.[4] For negotiations to be successful, all parties must agree upon the final prepayment price and the incorporation and allocation of risk within the prepayment agreement while complying with the statutory requirement of customer indifference. There is a high-level of uncertainty as to how much additional workload will be required by each IOU to negotiate multiple prepayment agreements and by the Commission to adequately review the application(s) to ensure it meets the evaluation criteria prescribed in the Prepayment Decision and subsequently approve the prepayment agreements.

Notably, PG&E's service territory currently includes 11 CCAs and hundreds of DA customers as potential Prepayment Requestors. PG&E believes an initial limitation of two CCAs and 10 DA customers will provide an opportunity for up to 32 percent of the CCAs' total aggregate load and up to 37 percent of the DA customers' total aggregate load, within the PG&E service territory, to prepay the PCIA obligation. PG&E believes there is increased risk to non-prepaying customers if PG&E were to entertain prepayment agreements for a majority of CCAs and DA customers in PG&E's service territory in the

[4] Prepayment Requestors refers to counterparties who have requested prepayment but have not reached or executed a negotiated agreement for prepayment of their PCIA obligation.

first year. The increased risk is likely to be reflected in an increase to the risk premium that is required by the Prepayment Decision to be incorporated into a prepayment agreement and could hinder the progress or likelihood of successful negotiations. The initial limitation of 2 CCAs and 10 DA customers seeks to provide an opportunity for CCAs and DA customers to prepay the PCIA obligation while limiting the amount of prepayment obligations exposed to the risk uncertainty associated with these agreements.

If PG&E determines after the first cycle of prepayment negotiations that processing a different number of prepayment requests is more appropriate for each annual solicitation, PG&E will submit a Tier 1 advice letter with the updated number and the justification for the change.

3. Structure of Prioritization Queue

After requests to prepay the PCIA obligation have been received within the designated time window, PG&E will assign a random number to each Prepayment Requestor. All Prepayment Requestors will then be ordered by the random number and placed into the prioritization queue. Beginning at the top of the prioritization queue, PG&E will select the first ten DA customers and the first two CCAs and notify them that they have been selected to begin negotiations for prepayment of the PCIA obligation. To move forward into the next phase, the respective DA customers and CCAs shall indicate to PG&E their intent to move forward into the negotiation process and provide a Negotiating and Processing Deposit, which is described in detail below, to PG&E in accordance with the schedule of the solicitation for requests. Should parties fail to provide the Negotiating and Processing Deposit, PG&E will not enter into negotiations with that party and will not select new parties from the prioritization queue.

PG&E may delay or further limit the number of prepayment requests it will review and process if resources become restricted, or if other unforeseen circumstances occur that would hamper PG&E's ability to effectively manage negotiations.

B. Criteria and Metrics Under a Viability Screen

In the Prepayment Decision, the Commission determined that "a viability screen may be necessary to determine serious interest and viability of parties interested in a prepayment agreement; and going beyond the standard due diligence may be necessary in some instances" and ordered the IOUs to provide the criteria and metrics by which a potential Prepayment Requestor will be evaluated should the IOU use a viability screen.[5] For the first annual solicitation for requests to prepay the PCIA obligation, financial viability will be based solely on whether Prepayment Requestors provide the required Negotiating and Processing Deposit. PG&E will require potential Prepayment Requestors to provide a Negotiating and Processing Deposit to demonstrate seriousness and financial viability. As mentioned above, the respective DA customers and CCAs must provide a Negotiating and Processing Deposit to PG&E prior to PG&E commencing negotiations with the

[5] D.20-08-004, p. 19.

Prepayment Requestor. Additional details on the Negotiating and Processing Deposit can be found in Section C.

C. Cost Recovery

In the Prepayment Decision, the Commission determined that "it is reasonable and equitable that bundled [service] customers do not bear the cost" for the processing and negotiations for prepayment of the PCIA obligation. Accordingly, PG&E outlines the associated costs that PG&E is expected to incur for making the prepayment of the PCIA option viable and proposed mechanisms to ensure compliance with the Prepayment Decision.

1. Application Fee

PG&E will require Prepayment Requestors to provide a one-time Application Fee of $3,500 to cover the administrative costs associated with issuing the solicitation for requests and ensure that Prepayment Requestors intend to enter into good faith negotiations. If Prepayment Requestors are not selected to negotiate in the first prepayment request cycle for which they applied, they will be required to submit a new request containing all relevant information in order to be placed into the prioritization queue in following annual solicitation but will not be required to provide another Application Fee.

PG&E anticipates expenses will be incurred for establishing the protocols and processes to be followed in order to implement PG&E's prepayment request processing framework. Moreover, PG&E expects that each prepayment request will likely incur some incremental costs that are specific to each Prepayment Requestor. For example, PG&E expects to incur costs associated with: (1) using an IE to oversee the prepayment process, (2) reviewing requests for prepayment, (3) developing and administering the solicitation protocols, and (4) administering a lottery process in order to prioritize requests. PG&E expects some of these costs to increase when more parties request prepayment of the PCIA. Additionally, the fact that this is a new and mostly uncharted process ensures that administering the process will require unforeseen commitments of time and expense by PG&E.

The Application Fee amount is based on best estimates of total administrative costs and the 12 parties (10 DA customers and 2 CCAs) that PG&E is expected to negotiate with to prepay the PCIA obligation. This fee structure will allow PG&E to recover costs not associated with the negotiating phase and will ensure that parties who request prepayment but do not enter negotiations with PG&E pay their fair share of the incurred administrative costs and prevent a cost shift to bundled service customers.

2. Negotiating and Processing Deposit

As mentioned in section B above, in lieu of conducting a viability screening, PG&E shall require a Prepayment Requestor to provide a Negotiating and Processing Deposit equivalent to 24 months of the prepaying customer's PCIA obligation, based on the uncapped PCIA rate for that particular period.

The Negotiating and Processing Deposit shall be used to recover the actual administrative costs and other associated costs (e.g. costs to support negotiations, etc.) incurred by PG&E during the negotiating window and to ensure the serious commitment and financial viability of the Prepayment Requestor and to promote good-faith negotiations by both parties.[6] Should negotiations fail to result in a mutually agreeable final prepayment price, the actual administrative costs incurred during the negotiating window will be paid by the Prepayment Requestor from the Negotiating and Processing Deposit.[7] Any remaining balance from the Negotiating and Processing Deposit in excess of the associated actual costs shall be refunded to the Prepayment Requestor. If negotiations are successful and an application for prepayment is approved by the Commission, the Negotiating and Processing Deposit shall be handled based on the terms and conditions of the prepayment agreement.[8]

D. Guidelines to Streamline the Regulatory Approval Process

PG&E has identified two potential mechanisms, in addition to the use of a request-for-offers-like process, to "reduce the total number of separate applications to the Commission to make the process more efficient" and make prepayment requests administratively feasible. Both mechanisms are described below.

1. <u>Negotiating Window of the Prepayment Requests</u>

First, PG&E proposes to employ a negotiating window for the prepayment requests in order to facilitate successful negotiations and minimize administrative costs for all parties. PG&E will establish a reasonable length of time, communicated in advance of the issuance of the solicitation, within which negotiations will occur. Clearly defining a negotiating window period will enable PG&E to use a similar set of assumptions for all Prepayment Requestors, encourage all parties to make a best effort to negotiate a mutually agreeable final prepayment price within the specified negotiating time window and, when appropriate, batch multiple negotiated prepayment agreements in a single application to the Commission.

2. <u>Filing of Applications to the Commission</u>

Second, PG&E proposes to submit all of the negotiated prepayment agreements to the Commission at the same time. When those agreements contain substantially and

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[6] D.20-08-004, p. 17.

[7] D.20-08-004, OP 7.

[8] For example, a prepaying customer may elect to include the administrative costs and any other associated costs in the final prepayment price to be paid through a one-time payment using the Negotiating and Processing Deposit or through levelized payments over 2 to 5 years in accordance with the respective prepayment agreement.

materially similar terms and conditions, PG&E will submit multiple negotiated prepayment agreements in a single application.

PG&E anticipates each application to contain the executed prepayment agreements and necessary documentation to support the application, including market-sensitive and confidential information, and PG&E will submit multiple negotiated prepayment agreements in a single application if such market-sensitive and confidential information can be shared among the Prepayment Requestors within the single application. This will allow the Commission to review some or all of the agreements for each annual solicitation simultaneously with the goal to provide a streamlined review and approval process while maintaining confidentiality for the respective Prepayment Requestors.

II. Implementation of the Directives Ordered by D.18-10-019

In addition to the directives ordered by D.20-08-004, this advice letter addresses the following compliance item ordered by OP 13 in the Phase 1 Decision:

> "…to establish a balancing account to record all prepayments of Power Charge Indifference Adjustment obligations received pursuant to agreements reached proposed disposition of the balances in these accounts in its advice letter."

PCIA Prepayment Balancing Account

The purpose of the PPBA is to record Commission-approved prepaid PCIA obligations received based on agreements reached between PG&E and individual DA customers or a CCA on behalf of its CCA customers, pursuant to the prepayment directives approved by the Commission in D.18-10-019 and D.20-08-004.

Pursuant to OP 3 of D.20-08-004, the Commission approved the basic regulatory accounting process proposed by the co-chairs of Working Group Two. That process required that any prepayment amount be placed into an interest-bearing account, as required by D.18-10-019, and allowed the IOU to calculate a "shadow bill" on a monthly basis and transfer the equivalent revenue based on the shadow bills from the PPBA to the Portfolio Allocation Balancing Account (PABA) every month. As noted in OP 3, additional steps may be introduced depending on the final structure of the prepayment agreement and the details of the accounting treatment for prepayments shall be fully explained in individual applications for prepayment agreements.

PG&E's proposed PPBA will be comprised of subaccounts, where each subaccount will be dedicated to an individual prepayment agreement reached between PG&E and any DA customer or individual CCA and approved by the Commission via an application. The primary entries in the Pre-Payer PCIA Pre-Payment Subaccount are:

1. A credit amount equal to the actual amount of the PCIA obligations received pursuant to agreements reached between PG&E and prepaying DA customers or CCAs prepaying on behalf of its CCA customers.

2. A debit entry to transfer the prepaying customer's amount for the month to the PABA. This amount will be determined by the Commission-approved Prepayment Application as:

   a. The calculated PCIA "shadow bill" amount the prepaying customer would have owed for the month if it had not prepaid, or
   b. An amount that amortizes the prepayment amount on a straight-line basis over the estimated life of the prepayment obligation.

The "shadow bill" is the PCIA amount the prepaying customer would have owed for that time period if it had not prepaid. It will be calculated by taking the pre-payer's total applicable consumption and multiplying it by the current vintage PCIA rates applicable to the prepaying customers.

The balance in the PPBA will be amortized by transferring the monthly "shadow bill" amount to the PABA until the prepayment balance has been fully amortized. If there is a residual balance after the "shadow bills" have been applied, then this balance will be transferred to PABA.

Alternatively, PG&E may propose an amortization schedule that transfers a levelized lump sum amount of the prepaid PCIA obligation over a number of years from the PPBA to the PABA, which would eliminate the need for a "shadow bill" process, which may not be necessary in certain cases. Each prepayment application will propose an amortization schedule for the balance transfer based on the unique circumstances of the prepayment agreement.

PG&E's proposed PPBA, Preliminary Statement IK, is included in Attachment 1 and includes an illustrative set of entries for the "Pre-Payer's PCIA Pre-Payment Subaccount."

III. <u>Additional Considerations</u>

A. Review of the Prepayment Request Processing Framework

The PCIA prepayment request processing framework is new for the IOUs, the Commission, and Prepayment Requestors. Consequently, a learning curve is expected during the first few years. PG&E plans to review the prepayment request processing framework each year in order to better facilitate the needs of the market while further enabling a more streamlined administrative process. PG&E will seek Commission approval for actions that PG&E considers to be material changes within the process.

B. Changes to PG&E's Billing System

In order to implement the monthly and annual accounting, tracking and transferring of the PCIA rate, and "shadow billing" to support the prepayment of the PCIA, modifications to PG&E's billing systems will be required. If costs will be incurred, PG&E shall request the recovery of those costs through the appropriate venue and consistent with the Prepayment Decision. PG&E shall consider incorporating the required billing system modifications into the timeframe within which PG&E can begin accepting and processing requests for prepayment of the PCIA, and PG&E's backlog of billing system and billing statement changes resulting from multiple rate design proceedings over the past several years. In addition, PG&E plans to undertake a lifecycle upgrade of its main billing system (Customer Care and Billing (CC&B)) in 2021. PG&E also plans to replace its ancillary billing system (also called the Advanced Billing System (ABS)), which is the system for complex rates such as Net Energy Metering (NEM) for multi-family, Virtual NEM, NEM plus paired storage, Standby Service, etc. The ABS replacement and CC&B upgrade would require freeze and stabilization periods, which combined with the backlog of rate changes, may limit PG&E's ability to begin work required for implementing this and other new billing system projects prior to 2022.

C. Independent Evaluator

In order to ensure fairness and transparency, PG&E proposes engaging an Independent Evaluator (IE) to oversee implementation of PG&E's proposed prepayment request processing framework and respective negotiations with Prepayment Requestors. PG&E

anticipates the IE will monitor the process from start-to-finish and will generate a report following the conclusion of the process on an annual basis.

Exhibits Accompanying this Advice Letter

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

Attachment 1: Electric Preliminary Statement Part IK (PPBA)

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 November 2, 2020, which is 21 days after the date of this submittal.[9] 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

[9] PG&E requests to extend the protest period by one additional day because twenty days following submission of this advice letter is Sunday, November 1, 2020.

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 respectfully requests that this Tier 2 advice letter become effective on November 11, 2020, which is thirty (30) days from the date of this 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.17-06-026. 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

cc: Service List R.17-06-026

California Public Utilities Commission

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) #: 5973-E

Tier Designation: 2

Subject of AL: Establishing a Prepayment Framework for the Power Charge Indifference Adjustment in Compliance with Decisions 18-10-019 and 20-08-004

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.18-10-019 and D.20-08-004

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: 11/11/20

No. of tariff sheets: 4

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: See Attachment 1

Service affected and changes proposed[1]: N/A

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

[1]Discuss in AL if more space is needed.

Clear Form

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:

<table>
<tr>
<td rowspan="2">CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov</td>
<td>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</td>
</tr>
<tr>
<td>Name:
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:</td>
</tr>
</table>

Clear Form

Attachment 1
Advice 5973-E

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
47649-E	ELECTRIC PRELIMINARY STATEMENT PART IK POWER CHARGE INDIFFERENCE ADJUSTMENT PREPAYMENT BALANCING ACCOUNT Sheet 1	
47650-E	ELECTRIC PRELIMINARY STATEMENT PART IK POWER CHARGE INDIFFERENCE ADJUSTMENT PREPAYMENT BALANCING ACCOUNT Sheet 2	
47651-E	ELECTRIC TABLE OF CONTENTS Sheet 1	47344-E*
47652-E	ELECTRIC TABLE OF CONTENTS Sheet 17	47642-E

IK. POWER CHARGE INDIFFERENCE ADJUSTMENT PREPAYMENT BALANCING ACCOUNT (N)

A. PURPOSE: The purpose of the Power Charge Indifference Adjustment (PCIA) Prepayment Balancing Account (PPBA) is to record prepayments of PCIA obligations received from individual Direct Access (DA) customers or from a Community Choice Aggregator (CCA) on behalf of a defined set of CCA customers, pursuant to the prepayment directives approved by the California Public Utilities Commission (Commission or CPUC) in Decisions (D.) 18-10-019 and D.20-08-004. (N)

The PPBA will be comprised of sub-accounts, where each subaccount will be dedicated to an individual prepayment agreement reached between PG&E and any DA customer or individual CCA entity and approved by the Commission via an application submitted pursuant to Ordering Paragraph (OP) 12 of D.18-10-019 (Prepayment Application).

B. APPLICABILITY: Each subaccount in the PPBA will be attributable to the Portfolio Allocation Balancing Account (PABA) vintage subaccounts based on the customer's otherwise applicable vintage PCIA assignment for purposes of amortizing the balance in the PPBA pre-payer subaccount to the PABA vintage subaccounts.

C. REVISION DATE: The disposition of the balances in the respective prepayment subaccounts will be in accordance with the Commission-approved prepayment application or as otherwise determined by the Commission.

D. RATES: This account does not have a rate component.

E. ACCOUNTING PROCEDURE: PG&E shall maintain the PPBA by making monthly entries to the subaccounts as follows:

A. [Pre-payer 1] PCIA Prepayment Subaccount

a. A credit amount equal to the actual amount of the PCIA obligations received pursuant to agreements reached between PG&E and prepaying DA customers or CCA entities prepaying on behalf of its customers.

b. A debit entry to transfer a portion of the pre-paid PCIA obligation to the PABA. This amount of the pre-paid PCIA obligation that will be transferred will be determined in accordance with the Commission-approved Prepayment Application as:

i. The calculated PCIA shadow bill amount the prepaying customer would have owed for the month if it had not prepaid, or

ii. An amount that amortizes the prepaid PCIA obligation on a straight-line basis or over the estimated life of the PCIA prepayment obligation or other reasonable period as determined by the Commission. (N)

(Continued)

IK. POWER CHARGE INDIFFERENCE ADJUSTMENT PREPAYMENT BALANCING ACCOUNT (Cont'd) (N)

E. ACCOUNTING PROCEDURE (Cont'd): (N)

A. [Pre-payer 1] PCIA Prepayment Subaccount (Cont'd)

c. A credit entry equal to the interest on the average of the balance in the beginning of the month and the balance after the entries above, unless otherwise specified in the Prepayment Application, equal to the one-twelfth of the interest rate on three-month nonfinancial Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication. (N)

TABLE OF CONTENTS

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	

(Continued)

ELECTRIC TABLE OF CONTENTS

(Continued)

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

AT&T
Albion Power Company

Alta Power Group, LLC
Anderson & Poole

Atlas ReFuel
BART

Barkovich & Yap, Inc.
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
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
Engineers and Scientists of California

GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
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
San Diego Gas & Electric Company

SPURR
San Francisco Water Power and Sewer
Sempra Utilities

Sierra Telephone Company, Inc.
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
Utility Cost Management
Utility Power Solutions
Water and Energy Consulting Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)
Yep Energy