

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



February 8, 2021

Advice Letter 6010-E

Erik Jacobson
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

SUBJECT:

Advice Letter 6010-E – Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Access Charge Balancing Account Adjustment

Dear Mr. Jacobson,

The Commission is in receipt of Advice Letter 6010-E, which pertains to PG&E's Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Access Charge Balancing Account Adjustment. Consistent with Commission Resolution E-3930, which establishes a process whereby the Commission authorizes the pass-through of rate changes for transmission-related costs that have been filed with and become effective at FERC, subject to refund (in both FERC and Commission jurisdictional rates)¹, the Commission approves the effective date of this Advice Letter as the date of this letter, understanding that PG&E's 2020 TACBAA rate was never implemented and will be reflected in the 2021 TACBAA rates at FERC rates on March 1, 2021.²

BACKGROUND

On December 6, 2019, PG&E filed its TACBAA annual update with FERC in Docket No. ER20-541-000. On January 17, 2020, PG&E filed with FERC to withdraw the TACBAA Filing and on January 28, 2020, PG&E filed with the Commission to withdraw Advice Letter 5723-E.

On March 17, 2020, PG&E filed a revised TACBAA with FERC in Docket No. ER20-1316-000. In that filing, PG&E requested a "to be determined" effective date for the proposed TACBAA rates because the effective date of a pending retail rate increase established by the CPUC was not yet known.

On May 8, 2020, FERC accepted PG&E's TACBAA filing with the "to be determined" effective date and ordered PG&E to notify FERC of the actual effective date within five days of that date.

The 2020 TACBAA, which was never implemented in FERC rates, is now incorporated into PG&E's 2021 TACBAA rate of \$0.00076/kWh, which is expected to become effective FERC on March 1, 2021.

¹ Resolution E-3930 at 5 (explaining that "[c]onsistent with the filed rate doctrine, it is just and reasonable under State law for the utilities to recover through retail rates the transmission rates that are filed with and become effective at the FERC, provided that those rate adjustments are subject to refund to the same extent as they are at the FERC.").

² See Advice Letter 6037-E.

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No protests were filed in response to AL 6010-E.

DISPOSITION

The Energy Division approves AL-6010-E with an effective date of the date of this letter for the updated revenue requirement and rates subject to refund. The CPUC's authorization to pass through the updated transmission revenue requirement and FERC rates to retail customers neither constitutes the CPUC's approval that PG&E's FERC-jurisdictional expenditures were prudently incurred nor represents the CPUC's agreement that the resulting FERC rates are just and reasonable.³

Sincerely,

 FOR

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

cc: Relevant parties and/or Service List Number (please include emails if external contact)

³ As explained in Commission Resolution E-3930, "[t]he CPUC routinely files as an intervener in the proceedings at FERC." The Commission will continue to represent California ratepayers in any FERC proceedings related to these or any other advice letter filings, as the Commission deems necessary, including, but not limited to circumstances in which errors in the filings are subsequently identified and/or other issues arise.

November 20, 2020

Advice 6010-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Access Charge Balancing Account Adjustment

Purpose

Pacific Gas and Electric Company ("PG&E") submits this advice letter to provide the California Public Utilities Commission ("Commission" or "CPUC") with notice of PG&E's filing with the Federal Energy Regulatory Commission ("FERC") that requested a transmission rate change for its retail electric customers, in compliance with Resolution E-3930 (Resolution). PG&E's FERC filing requested approval of the annual update to the Transmission Access Charge Balancing Account Adjustment ("TACBAA") with a to be determined effective date.

Background

On December 6, 2019, PG&E filed its TACBAA annual update with FERC in Docket No. ER20-541-000. On January 17, 2020, PG&E filed with FERC to withdraw the TACBAA Filing and on January 28, 2020, PG&E filed with the Commission to withdraw Advice Letter 5723-E. In the withdrawal Advice Letter, PG&E explained that the withdrawal of the TACBAA filing was to reduce rate volatility since the TACBAA would have lowered rates on March 1, 2020 when an expected increase from a PG&E CPUC-jurisdictional rate was anticipated a short time thereafter.

On March 17, 2020, PG&E filed a revised TACBAA with FERC in Docket No. ER20-1316-000. In that filing, PG&E requested a "to be determined" effective date for the proposed TACBAA rates because the effective date of that pending retail rate increase established by the CPUC was not yet known.

On May 8, 2020, FERC accepted PG&E's TACBAA filing with the "to be determined" effective date and ordered PG&E to notify FERC of the actual effective date within five days of that date.

TACBAA

The TACBAA is a ratemaking mechanism designed to ensure that the difference in the amount of costs billed to PG&E as a load-serving entity and the revenues paid to PG&E as a Participating Transmission Owner (“PTO”) under the California Independent System Operator Corporation (“CAISO”) Tariff is recovered from, or returned to, PG&E’s End-Use customers.

Section 5.7 of PG&E’s Transmission Owner (“TO”) Tariff describes the items to be included in the Transmission Access Charge Balancing Account (“TACBA”) and sets forth the procedure for revising the TACBAA rate on an annual basis. As described in PG&E’s TO Tariff, the effective date for the updated TACBAA rate is March 1 of each year. The 2020 TACBAA rate consists of three components: (1) the projected balance of the TACBA as of February 28, 2020, including interest; (2) the forecasted TACBA costs and customer usage volumes for the next rate period; and (3) an amount for Revenue Fees and Uncollectible Accounts (“RF&U”).

The total revenue requirement (“RRQ”) used in the development of the 2020 TACBAA rate is \$224,875,570, which is the sum of: the projected balance of the TACBA as of May 31, 2020, a credit of \$51,190,018; the forecasted TACBA costs for the next rate period, a charge of \$273,392,493; and the RF&U adjustment, a charge of \$2,673,096. The corresponding TACBAA rate is \$0.00288/kWh. This rate represents a decrease from the March 1, 2019 TACBAA RRQ of \$494,816,633 and the corresponding rate of \$0.00618/kWh.

Compliance with Resolution E-3930

PG&E submits this advice letter pursuant to Process Element 3 of Resolution E-3930. Consistent with past practice, by service to the Commission’s Legal Division, PG&E also provided the Commission with a complete copy of the 2020 TACBAA annual update filing on the same date that it was filed with FERC.

In this advice letter, PG&E requests authority to revise each corresponding transmission rate component of its Commission-jurisdictional tariffs on the date FERC ultimately authorizes these changes to become effective, or as soon thereafter as possible, subject to refund, and to make corresponding adjustments to its total applicable Commission jurisdictional rates. Adjustments to total residential rates will be made pursuant to CPUC Decisions D.15-07-001 on residential rate reform and D18-08-013 on transition to time-of-use rates.

As anticipated under Process Element 4 of Resolution E-3930, PG&E will supplement this advice letter, or indicate in a separate advice letter that coincides with other retail rate changes, when the requested TACBAA rate change is accepted, modified, rejected, or otherwise acted upon by FERC.

This FERC rate change will generally affect the rates of all bundled, Direct Access, and Community Choice Aggregation customers. The TACBAA rate change will be consolidated into the next scheduled rate change. At that time, PG&E will also provide complete updated tariff sheets.

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 December 10, 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, 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
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.co

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 letter become effective as soon as practicable since FERC has authorized the TACBAA annual update changes to become effective. PG&E proposes to consolidate the electric rate changes resulting from the 2020 TACBAA Filing, to the extent practicable, with the first planned rate change after FERC authorizes PG&E's requests.

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 the parties shown on the attached list. 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



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) #: 6010-E

Tier Designation: 2

Subject of AL: Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Access Charge Balancing Account Adjustment

Keywords (choose from CPUC listing): Compliance, Balancing Account

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: Res. E-3930

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:

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:

**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 Hub for Energy Efficiency
Financing

California Alternative Energy and
Advanced Transportation Financing
Authority
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