

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 4353G/6039E
As of January 21, 2021

Subject: PG&E's Uncollectibles Factor Effective January 1, 2021 in Compliance with the 2020 General Rate Case Decision 20-12-005

Division Assigned: Energy

Date Filed: 12-28-2020

Date to Calendar: 12-30-2020

Authorizing Documents: D2012005

Disposition:	Accepted
Effective Date:	01-01-2021

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



December 28, 2020

Advice 4353-G/6039-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: PG&E's Uncollectibles Factor Effective January 1, 2021 in Compliance with the 2020 General Rate Case Decision 20-12-005

Purpose

Pacific Gas and Electric Company (PG&E or the Company) submits this Tier 1 advice letter, in accordance with section 9.6.2 of the 2020 General Rate Case (GRC) Phase 1 Decision (D.) 20-12-005, to update the 2021 uncollectibles factor.

Background

On December 13, 2018, PG&E filed its 2020 GRC Application (A.) 18-12-009. In its application, PG&E proposed generation and distribution base revenue requirements for the test year 2020 and post-test years 2021 and 2022. On December 20, 2019, PG&E and 8 other parties (the Settling Parties) filed with the California Public Utilities Commission (CPUC or Commission) a Settlement Agreement. On December 3, 2020, the CPUC approved D.20-12-005, approving, with modifications not relevant here, the Settlement Agreement. D.20-12-005, section 9.6.2, adopts PG&E's methodology to forecast the uncollectible factor to be revised annually by advice letter submittal using a 10-year rolling average based on updated historical data. The 2021 uncollectibles factor, using historical data from 2010 through 2019, is 0.003010 (see Attachment 1). As the uncollectibles factor is a component of the Revenue Fees and Uncollectibles Factor (RF&U), the 2021 RF&U Factor has also been updated for Electric and Gas Expense and Revenue as follows and as provided in Attachment 2:

Revenue Fees & Uncollectible Factor:

Electric Expense	0.010869	Electric Revenue	0.010752
Gas Expense	0.013390	Gas Revenue	0.013213

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 January 19, 2021, which is 22 days¹ 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
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

¹ The 20-day protest period concludes on a weekend, then a holiday; therefore, PG&E is moving this date to the following business day.

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

Pursuant to General Order (GO) 96-B, Rule 5.1, this advice letter is submitted with a Tier 1 designation. PG&E requests that this Tier 1 advice submittal become effective on January 1, 2021.

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 A.18-12-009. 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

Attachments

cc: Service List A.18-12-009



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39M)

Utility type:

☒ ELC ☒ GAS ☐ WATER
☐ PLC ☐ HEAT

Contact Person: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 4353-G/6039-E

Tier Designation: 1

Subject of AL: PG&E's Uncollectibles Factor Effective January 1, 2021 in Compliance with the 2020 General Rate Case Decision 20-12-005

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.20-12-005

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: 1/1/21

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

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

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Erik Jacobson, c/o Megan Lawson
Title: Director, Regulatory Relations
Utility Name: Pacific Gas and Electric Company
Address: 77 Beale Street, Mail Code B13U
City: San Francisco, CA 94177
State: California Zip: 94177
Telephone (xxx) xxx-xxxx: (415)973-2093
Facsimile (xxx) xxx-xxxx: (415)973-3582
Email: PGETariffs@pge.com

Name:
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Clear Form

2020 General Rate Case Decision D. 20-12-005

Derivation of the Uncollectible Factor
Using the Ten Year Rolling Average Method
2021 Uncollectible Factor Calculation

Line	Year	(A)	(B)	C = (B/A)
		Revenue	Net Write-Off	Factor
1	2019	\$16,489,221,274	\$37,658,533	0.2284%
2	2018	\$16,560,949,827	\$42,396,642	0.2560%
3	2017	\$17,715,836,118	\$42,563,022	0.2403%
4	2016	\$16,866,196,864	\$42,205,795	0.2502%
5	2015	\$16,073,288,577	\$46,295,927	0.2880%
6	2014	\$15,512,016,800	\$52,813,892	0.3405%
7	2013	\$15,321,271,027	\$59,368,756	0.3875%
8	2012	\$14,827,143,094	\$57,972,520	0.3910%
9	2011	\$14,629,492,318	\$54,258,947	0.3709%
10	2010	\$14,741,296,164	\$37,988,685	0.2577%
11		Average Uncollectible Factor		<u><u>0.3010%</u></u> (SUM of C)/10

2020 GRC for the Year 2021 (Adopted Including 2021 Uncollectibles Factor Update)
Revenue Fees and Uncollectible Factors (RF&U)

Electric Department* (CPUC Jurisdiction) (\$ in thousands)				Gas Department* (\$ in thousands)			
<u>Revenue Factor (use 0.010752)</u>				<u>Revenue Factor (use 0.013213)</u>			
Uncollectible		15,510	⁽²⁾	Uncollectible		6,099	⁽⁵⁾
Franchise Requirements		37,009	⁽³⁾	Franchise Requirements		19,538	⁽⁶⁾
SFGR		<u>2,886</u>		SFGR		<u>1,135</u>	
Total		55,404		Total		26,772	
Franchise & Uncollect. Operating Revenues ⁽¹⁾	$\frac{55,404}{5,152,727}$	=	0.010752	Franchise & Uncollect. Operating Revenues ⁽⁴⁾	$\frac{26,772}{2,026,185}$	=	0.013213
			**				**
<u>Expense Factor (use 0.010869)</u>				<u>Expense Factor (use 0.013390)</u>			
	$\frac{0.010752}{1-0.010752}$	=	0.010869		$\frac{0.013213}{1-0.013213}$	=	0.013390

<u>Electric Revenue Factor:</u>				<u>Gas Revenue Factor:</u>			
Franchise:	$\frac{37,009}{5,152,727}$	=	0.007182	Franchise:	$\frac{19,538}{2,026,185}$	=	0.009643
SFGR	$\frac{2,886}{5,152,727}$	=	0.000560	SFGR	$\frac{1,135}{2,026,185}$	=	0.000560
Uncollectibles:	$\frac{15,510}{5,152,727}$	=	0.003010	Uncollectibles:	$\frac{6,099}{2,026,185}$	=	0.003010
Total			0.010752	Total			0.013213
<u>Electric Expense Factor:</u>				<u>Gas Expense Factor:</u>			
Franchise:	$\frac{0.007182}{1-0.010752}$	=	0.007260	Franchise:	$\frac{0.009643}{1-0.013213}$	=	0.009772
SFGR	$\frac{0.000560}{1-0.010752}$	=	0.000566	SFGR	$\frac{0.000560}{1-0.013213}$	=	0.000568
Uncollectibles:	$\frac{0.003010}{1-0.010752}$	=	0.003043	Uncollectibles:	$\frac{0.003010}{1-0.013213}$	=	0.003050
Total	$\frac{0.010752}{1-0.010752}$	=	0.010869	Total	$\frac{0.013213}{1-0.013213}$	=	0.013390

Check

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Notes:

* Electric and Gas RF&U Factors are based on Electric Distribution and Gas Distribution revenues and RF&U expenses.

** Operating Revenues exclude interdepartmental revenues in this calculation.

1) -6) See Attachment 2, page 2 of 2.

Attachment 2, Page 2 of 2

Pacific Gas and Electric Company
2020 CPUC General Rate Case (Adopted D.20-12-005)
Franchise, SFGR Tax and Uncollectibles at Proposed Rates
Attrition Year 2021
\$(000)

Line No.	Description	Electric Generation (A)	Electric Distribution (B)	Gas Distribution (C)	Source/Formula
Uncollectible Accounts					
1	Rate Case Revenues	2,282,596	5,169,291	2,161,153	Decision 20-12-005 (Note 1)
2	Percent of Revenue from Customers	0.996796	0.996796	0.937548	Decision 20-12-005 RO Model
3	Rate Case Revenues from Customers	2,275,281	5,152,727	2,026,185	Ln 1 x Ln 2
4	Uncollectible Rate	0.003010	0.003010	0.003010	Decision 20-12-005 (Note 1)
5	Uncollectible Accounts Expense	6,849	15,510	6,099	Ln 3 x Ln 4
Franchise Fees & SF Gross Receipts Tax					
6	Rate Case Revenues from Customers	2,275,281	5,152,727	2,026,185	Ln 3
7	Uncollectible Accounts Expense	6,849	15,510	6,099	Ln 5
8	Net Rate Case Revenue from Customers	2,268,433	5,137,217	2,020,086	Ln 6 - Ln 7
9	Franchise & SFGR Tax Rate	0.007766	0.007766	0.010234	Decision 20-12-005 RO Model
10	Franchise Fees & SFGR Tax Expense	17,616	39,895	20,673	Ln 8 x Ln 9
11	Franchise Rate	0.007204	0.007204	0.009672	Exhibit 083: (PG&E-10) Results of Operations - Workpapers Supporting Chapter 7, WP 7-55
12	Franchise Fees Expense	16,342	37,009	19,538	Ln 8 x Ln 11
13	SFGR Tax Rate	0.000562	0.000562	0.000562	Exhibit 083: (PG&E-10) Results of Operations - Workpapers Supporting Chapter 8, WP 8-29
14	SFGR Tax Expense	1,274	2,886	1,135	Ln 8 x Ln 13

Note 1: Consistent with D.20-12-005, 2021 rate case revenues and 2021 uncollectible expense have been updated to reflect the revised uncollectible rate.

The 2021 revised uncollectible rate is based on the 2010-2019 recorded data (Attachment 1).

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

AT&T Albion Power Company	East Bay Community Energy Ellison Schneider & Harris LLP Energy Management Service Engineers and Scientists of California	Pioneer Community Energy
Alta Power Group, LLC Anderson & Poole		Redwood Coast Energy Authority Regulatory & Cogeneration Service, Inc. SCD Energy Solutions San Diego Gas & Electric Company
Atlas ReFuel BART	GenOn Energy, Inc. Goodin, MacBride, Squeri, Schlotz & Ritchie Green Power Institute Hanna & Morton ICF IGS Energy	SPURR San Francisco Water Power and Sewer Semptra Utilities
Barkovich & Yap, Inc. California Cotton Ginners & Growers Assn California Energy Commission	International Power Technology Intestate Gas Services, Inc. Kelly Group Ken Bohn Consulting Keyes & Fox LLP Leviton Manufacturing Co., Inc.	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.
California Hub for Energy Efficiency Financing	Los Angeles County Integrated Waste Management Task Force MRW & Associates Manatt Phelps Phillips Marin Energy Authority McKenzie & Associates	TransCanada Utility Cost Management Utility Power Solutions Water and Energy Consulting Wellhead Electric Company Western Manufactured Housing Communities Association (WMA) Yep Energy
California Alternative Energy and Advanced Transportation Financing Authority California Public Utilities Commission Calpine	Modesto Irrigation District NLine Energy, Inc. NRG Solar	
Cameron-Daniel, P.C. Casner, Steve Cenergy Power Center for Biological Diversity	Office of Ratepayer Advocates OnGrid Solar Pacific Gas and Electric Company Peninsula Clean Energy	
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		