

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



October 29, 2021

Advice Letter 6075-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: 2022 Budget Request for the Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT) Programs.

Dear Mr. Jacobson:

Advice Letter 6075-E-A is effective as of October 08, 2021.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

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

October 8, 2021

Advice 6075-E-A
(Pacific Gas and Electric Company U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Modification to the 2022 Budget Request for the Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT) Programs

Purpose

In conformance with Ordering Paragraphs (OPs) 2 and 4 of Resolution E-4999, PG&E filed Advice Letter (A) 6075-E on February 1, 2021 providing 2022 budget estimates for the Disadvantaged Community Green Tariff (DAC-GT) and the Community Solar Green Tariff (CS-GT) programs. This Supplemental Tier 1 Advice Letter, AL 6075-E-A, modifies the 2020 unspent funds by accounting for generation and customer discount costs, which were previously omitted, and updates the 2022 budget estimates and associated funding sources, previously reflected in AL 6075-E. PG&E requests this supplemental replace AL 6075-E in full.

Background

On June 3, 2019, the California Public Utilities Commission (Commission or CPUC) issued Resolution E-4999, which approved with modification, tariffs to Implement the Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs. Resolution E-4999 OP 2 directs that PG&E submit an annual program budget estimate and an annual Marketing, Education, and Outreach (ME&O) plan via Tier 1 advice letter by February 1st of every year, starting in 2020, for the next program year.¹

Resolution E-4999, OP 4 directs that any unspent balance from the prior year be applied to the requested program funding, thereby reducing the amount of greenhouse gas (GHG) allowance proceeds or Public Purpose Program (PPP) funds that need to be set aside in the next Energy Resource Recovery Account (ERRA) Forecast.²

¹ Resolution E-4999, p. 67, OP 2.

² Resolution E-4999, p.68, OP 4.

PG&E therefore (1) modifies the unspent DAC-GT and CS-GT balances from 2020 as filed in A 6075-E on February 2021, and (2) applies the modified balances to the budget request for 2022, and (3) acknowledges allocation of the 20% participant discount, administrative, and ME&O costs to PPP funds starting in 2022, and (4) indicates a 2.5 MW shift to CCA DAC-GT program administrator.

2020 Unspent Balance

On June 3, 2019, PG&E filed A. 19-06-001, *Application for 2020 Energy Resource Recovery Account (ERRA) and Generation Non-Bypassable Charges (NBC) Forecast and Greenhouse Gas (GHG) Forecast Revenue and Reconciliation Application (ERRA Forecast)*. In the final decision, D. 20-02-047 issued February 28, 2020, PG&E received the following amounts to set aside for the DAC-GT and CS-GT programs indicated in Table 1 for for 2020.³

Table 1: 2020 DAC-GT/CS-GT Set-Aside in 2020 ERRA Proceeding

2020 DAC-GT PROGRAM BUDGET	\$ 2,012,000
2020 CS-GT PROGRAM BUDGET	\$ 3,142,000

PG&E indicated in A 6075-E filed on February 1, 2021 that in 2020, PG&E spent less than the requested amounts on the DAC-GT and CS-GT programs and reflected actual amounts spent in Table 2 below. After further review, generation and customer discount charges were not captured for DAC-GT and have been incorporated in Table 3 below. The budget for CS-GT is unchanged.

Table 2: 2020 DAC-GT/CS-GT Revised Actual Expenditures

2020 DAC-GT PROGRAM BUDGET	\$2,710,971
2020 CS-GT PROGRAM BUDGET	\$ 906,208

The unspent balance for 2020 is the difference between the 2020 ERRA budget set-aside (Table 1) and the 2020 revised actual expenditures (Table 2). The revised DAC-GT overspend balance and the unchanged CS-GT unspent balance for 2020 are indicated in Table 3.

³ D.20-02-047, p. 23. PG&E has since filed A.20-07-002 on July 1, 2020, *Application for 2021 Energy Resource Recovery Account (ERRA) and Generation Non-Bypassable Charges (NBC) Forecast and Greenhouse Gas (GHG) Forecast Revenue and Reconciliation Application (ERRA Forecast)*. On November 9, 2020, PG&E filed the November Update to the 2021 ERRA Forecast Application, with updated budget requests for 2021.

Table 3: Revised 2020 DAC-GT/CS-GT Unspent Balance Indicating Overspend

2020 DAC-GT OVERSPENT FUNDS	\$ -698,971
2020 CS-GT UNSPENT FUNDS	\$ 2,235,792

The following Table 4 summarizes the calculations to determine over or unspent funds from 2020 that will be applied against the program budgets for 2022 to generate both programs' 2022 budget requests.

Table 4: Summary of Revised 2020 DAC-GT Overspent Balance and CS-GT Unspent Balance

		DAC-GT	CS-GT	Total
1	2020 Program Budget Filed with the CPUC in AL 5609-E	\$ 2,012,391	\$ 3,141,869	\$ 5,154,260
2	2020 Program Set Asides Program Funds set aside in 2020 ERRRA Decision	\$ 2,012,000	\$ 3,142,000	\$ 5,154,000
3	2020 Program Expenditures (Revised Actuals) How much was spent on the program in 2020	\$ 2,710,971	\$ 906,208	\$ 3,617,179
4	2020 Over/Unspent Funds Difference between the Set Asides (2) and Actuals (3) <i>(These leftover funds will be subtracted from the 2022 program budget to create the PG&E 2022 Budget Request)</i>	\$ (-)698,971	\$ 2,235,792	\$ 1,536,821

2022 Budget Request

In conformance with Resolution E-4999, OP 2 PG&E submits the following revised DAC-GT and CS-GT budget request for 2022.⁴

As of January 23, 2021, DAC-GT has been at or near full enrollment through the auto-enrollment process detailed in Resolution E-4999 OP 1(I) and D.20-07-008. Therefore, PG&E assumes that 2022 will have full capacity enrollment (e.g. 54.82 MW) under the DAC-GT program through April 2022. Per Peninsula Clean Energy (PCE) Advice Letter 15 E, PG&E will transfer up to 2.5 MW, the equivalent of approximately 400 customers to PCE beginning with the May 2022 bill cycle. With this transfer, PG&E assumes full capacity enrollment of 52.32 MW as of May 2022.

PG&E will also allocate the 20% participant discount charges, Program management (Administrative and ME&O) and IT Costs costs from GHG funds to PPP funds in 2022 based on California Air Resources Board (CARB) guidelines as described in PG&E

⁴Resolution E-4999, p. 67, OP 2 - Beginning with the 2021 program budgets, no more than 10% of each program's budget may be allocated to program administration and no more than 4% allocated to ME&O. This budget does not conform to that requirement. Please see section on CS-GT ME&O Plan.

Advice Letter 6308-E.⁵ The revised 2022 DAC-GT budget and budget request is shown in Table 5 below.

Table 5: Revised DAC-GT 2022 Program Budget

<i>Generation Costs</i>	\$ 4,153,484
<i>20% Bill Discount</i>	\$ 3,851,509
<i>Program Management Costs</i>	\$ 263,412
<i>IT Costs</i>	\$ 34,854
2022 DAC-GT Program Budget	\$ 8,303,259
<i>2020 Overspent Funds</i>	\$ 698,971
2022 DAC-GT Program Budget Request	\$ 9,002,230

For DAC-GT and CS-GT, PG&E initiated procurement in the Spring of 2020 and submitted Advice Letter 5996-E on November 20, 2020 requesting Commission approval for five (5) projects supporting the DAC-GT and CS-GT programs. The five (5) 20-year purchase power agreements (PPA) results in new solar photovoltaic (PV) projects located in eligible DACs within PG&E's service territory for a total of 10.65 megawatts (MW). Two (2) of the five contracts will support the DAC-GT program and the remaining three (3) contracts will support the CS-GT Program. This advice letter was approved April 8, 2021.⁶

As of the date of this request, there are no CS-GT projects online. PG&E estimates that the CS-GT projects could begin delivery sometime during the first half of 2022. Given the specificity of location required to fill the CS-GT program, marketing and participant enrollment may not be able to begin until that same time. For these reasons, PG&E forecasts the 2022 budget to be below the funding that set aside in the previous budget cycle and is not requesting additional set-aside for the CS-GT program in 2022. The 2022 CS-GT budget and budget request is shown below in Table 6.

Table 6: CS-GT 2022 Program Budget

<i>Generation Costs</i>	\$ 118,344 ⁷
<i>20% Bill Discount</i>	\$ 266,628
<i>Program Management Costs</i>	\$ 426,817
<i>IT Costs</i>	\$ 561,333
2022 CS-GT Program Budget	\$ 1,373,122
<i>Subtract 2020 Unspent Funds</i>	\$ 2,235,792
2022 CS-GT Program Subtotal	\$ (862,670)
2022 CS-GT Program Budget Request	\$ 0

⁵ Available at https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6308-E.pdf

⁶ Available at https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5996-E.pdf

⁷ 3 CS-GT projects may come online as early as mid-2022. This generation budget assumes (conservatively) that these projects will come online and that there will be enrollees in the program to dispense the 20% discount to. Note that generation costs are updated from the original estimate based on recent procurement information; no other changes are made.

While the overspend of DAC-GT and the underspend of CS-GT are outlined separately for specific program accounting reference, Table 7 below reflects combined program budgets for an overall 2022 budget forecast.

Table 7: DAC-GT and CS-GT Combined 2022 Budget Forecast

	DAC-GT	CS-GT	Total
2022 Revised DAC-GT and CS-GT Budget Forecast Request	\$ 9,002,230	\$ (862,670)	\$ 8,139,560

Marketing, Education, and Outreach (ME&O) Plan

Because the DAC-GT program is fully enrolled through the automatic process from Resolution E-4999 and D.20-07-008, marketing for the DAC-GT program will not be necessary beyond routine communications with enrollees.

2022 CS-GT “Local Green Saver” ME&O Plan

Due to the timing of CS-GT procurement in 2020 and expected timeline for program implementation, PG&E has shifted the previously submitted CS-GT marketing budget out one year, such that the previous 2021 CS-GT marketing budget submitted in AL 5749-E serves as the foundation for the new 2022 budget and ME&O plan.

PG&E plans to support CS-GT program enrollment by developing educational materials, resources, and supporting Community Based Organizations (CBO) and CS-GT project sponsors to fill the program. PG&E Sponsor and CBO support includes:

1. PG&E marketing labor to create collateral and support CBO outreach education efforts.
2. PG&E’s website will provide potential sponsors and customers with CS-GT program benefits and direct sponsors to resources to get started.
3. Marketing collateral for sponsors and potential enrollees highlighting program eligibility, benefits, and steps to becoming a sponsor.
4. CBO and Sponsor, who are responsible for getting community interest in the program, available budget for marketing outreach.

PG&E must approve CBO and sponsor outreach plans with budget for approved plans to be allocated on a first come, first served basis. To allow fair access to marketing budgets and fair compensation for CBO and sponsor time, we have established an estimate of \$30,000 per project for marketing (details below).

PG&E expects to review sponsor marketing materials before they are used to market to customers. All marketing materials must:

- Comply with the CPUC CCA Code of Conduct, including marketing and outreach requirements relative to community choice aggregation;
- Be truthful, accurate and not false or misleading;
- Conform with PG&E's brand and logo usage guidelines; and
- Conform to Green-e guidelines.

Cost estimates for CS-GT budgets are preliminary until more details are available regarding the timing of projects to come online, and until the outreach efforts of (and the impacts of COVID-19 on) CBOs and sponsors can be more clearly defined. A preliminary outline is reflected in Table 8 below.

Table 8: 2022 CS-GT Estimated ME&O Spend

LABOR	\$ 22,800
CS-GT WEBSITE	\$ 50,000
COLLATERAL DEVELOPMENT (FACT SHEET)	\$ 10,000
CBO and SPONSOR MARKETING FUNDING ⁸	\$ 180,000
BILL, PRINT, MAIL COST	\$ 1,067
TOTAL 2022 CS-GT ESTIMATED MARKETING SPEND	\$ 263,867

Not all of the CS-GT projects will come online in 2022, and those that do come online will begin delivering power at different times during 2022. This will make PG&E's expenditures on generation and discounts smaller compared to the investments being made for marketing and for program management spent to launch the program.

PG&E's marketing budget, though lean, does not conform to the 4 percent ME&O budget cap required by Resolution E-4999. PG&E has modelled an estimated future steady state CS-GT budget and determined it conforms with the compliance requirements.

⁸ PG&E assumes that up to 3 CS-GT projects (those accepted in the first RFO) may come online during the 2022 year. Marketing is a lead-in item, requiring spending before the projects come online so that each project can be fully subscribed when the project is ready to begin delivering power. Therefore PG&E has assumed that 3 additional projects that may come online in 2023 may require marketing spending in the 2022 fiscal year. We have estimated a need for marketing for 6 projects at \$30k per project.

Consistent with Finding of Fact 12 in Resolution E-5125,⁹ issued August 6, 2021, PG&E notes that during 2022, before CS-GT has begun delivering customer benefits at full scale, it will not be possible to meet the administrative and ME&O caps. In accordance with Ordering Paragraph 3 of that resolution, DAC-GT and CS-GT budget Advice Letters will include any needed requests to exceed admin or ME&O caps and will be submitted as Tier 2 beginning in 2022.

Protests

*****Due to the COVID-19 pandemic, 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 **October 28, 2021**, 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:

Sidney Bob Dietz II
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

⁹ Available here:

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M398/K239/398239873.PDF>

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 Supplemental Tier 1 advice submittal become effective upon date of submittal, which is **October 8, 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 **R.14-07-002**. 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/

Sidney Bob Dietz II
Director, Regulatory Relations

Appendix

cc: Service List **R.14-07-002**



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 (U 39 E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Stuart Rubio

Phone #: (415) 973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: SHR8@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) #: 6075-E-A

Tier Designation: 1

Subject of AL: Supplemental: Modification to the 2022 Budget Request for the Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT) Programs

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 #: E-4999

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: N/A

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: 10/8/21

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: Sidney Bob Dietz II, 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

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

Intertie

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

OnGrid Solar
Pacific Gas and Electric Company
Peninsula Clean Energy

Pioneer Community Energy

Public Advocates Office

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