

February 1, 2021

Advice 6075-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: 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 hereby submits this Tier 1 Advice Letter to submit 2022 program budget estimates for the Disadvantaged Community Green Tariff (DAC-GT) and the Community Solar Green Tariff (CS-GT), and an annual Marketing, Education, and Outreach (ME&O) plan.

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 funds that need to be set aside in the next Energy Resource Recovery Account (ERRA) Forecast.² PG&E therefore (1) calculates the unspent DAC-GT and CS-GT balances from 2020, and (2) applies the unspent balances to the budget request for 2022.

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

¹ Resolution E-4999, p. 67, OP 2.

² Resolution E-4999, p.68, OP 4.

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

In 2020, PG&E spent less than the requested amounts on the DAC-GT and CS-GT programs. The actual amounts spent are indicated in Table 2.

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

2020 DAC-GT PROGRAM SPENDING	\$ 1,098,400
2020 CS-GT PROGRAM SPENDING	\$ 906,208

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

Table 3: 2020 DAC-GT/CS-GT Unspent Balance

2020 DAC-GT UNSPENT FUNDS	\$ 913,600
2020 CS-GT UNSPENT FUNDS	\$ 2,235,792

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

Table 4: Summary of 2020 DAC-GT/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	\$ 5,154,259
2	2020 Program Set Asides Program Funds set aside in 2020 ERRA Decision	\$ 2,012,000	\$ 3,142,000	\$ 5,154,000

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.

3	2020 Program Expenditures (Actuals) How much was spent on the program in 2020	\$ 1,098,400	\$ 906,208	\$ 2,004,608
4	2020 Unspent Funds Difference between the Set Asides (2) and Actuals (3) (These leftover funds will be subtracted from the 2022 program budget to create the PG&E 2022 Budget Request)	\$ 913,600	\$ 2,235,792	\$ 3,149,392

2022 Budget Request

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

As of January 23, 2021, DAC-GT has been fully enrolled through the auto-enrollment process detailed in Resolution E-4999 OP 1(l) and D.20-07-008. Therefore, PG&E assumes that 2022 will have 12 months of full capacity enrollment (e.g. 54.82 MW) under the DAC-GT program, with associated generation costs, and costs for the 20% discount. The 2022 DAC-GT budget and budget request, less unspent 2020 funds is shown below.

Table 4: DAC-GT 2022 Program Budget

<i>Generation Costs</i>	\$ 3,748,069
<i>20% Bill Discount</i>	\$ 3,851,509
<i>Program Management Costs</i>	\$ 316,454
<i>IT Costs</i>	\$ 34,854
2022 DAC-GT Program Budget	\$ 7,950,896
<i>Subtract 2020 Unspent Funds</i>	\$ 913,600
2022 DAC-GT Program Budget Request	\$ 7,037,296

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.⁵

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.

⁵ https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5996-E.pdf

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 5.

Table 5: CS-GT 2022 Program Budget

<i>Generation Costs</i>	\$ 210,450 ⁶
<i>20% Bill Discount</i>	\$ 266,628 ⁷
<i>Program Management Costs</i>	\$ 426,817
<i>IT Costs</i>	\$ 561,333
2022 CS-GT Program Budget	\$ 1,465,229
<i>Subtract 2020 Unspent Funds</i>	\$ 2,235,792
2022 CS-GT Program Subtotal	\$ (770,563)
2022 CS-GT Program Budget Request	\$ 0

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.

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.

⁶ 3 CS-GT projects (currently requesting approval from the CPUC) 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.

⁷ Ibid

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 \$30k 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.

LABOR	\$ 22,800
CS-GT WEBSITE	\$ 50,000
COLLATERAL DEVELOPMENT (FACT SHEET)	\$ 10,000
CBO and SPONSOR MARKETING FUNDING ⁸	\$ 180,000 ⁹
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 relatively smaller compared to the investments being made for marketing and for program management spent to launch the program.

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.

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. PG&E is authorized to submit a Tier 3 Advice Letter requesting an adjustment to the 10 percent administrative and 4 percent ME&O budget allocations with an accompanying rationale for why the adjustment is warranted. As such, PG&E plans to submit an advice letter in Q1 2021 addressing the administrative and ME&O budget cap for the CS-GT program only.

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 **February 22, 2021**, which is 21¹⁰ 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
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

¹⁰ The 20-day protest period concludes on a weekend; therefore, PG&E is moving this date to the following business day.

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 submittal become effective upon date of submittal, which is **February 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 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/

Erik Jacobson
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 (ID 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

Tier Designation: 1

Subject of AL: 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: 2/1/21

No. of tariff sheets: N/A

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

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