

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 6084E
As of March 12, 2021

Subject: Advice Letter for the Revisions to the 2020 IPE DIDF Contract due to Expansion of Scope

Division Assigned: Energy

Date Filed: 02-16-2021

Date to Calendar: 02-19-2021

Authorizing Documents: None

Disposition:	Accepted
Effective Date:	03-18-2021

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Annie Ho

415-973-8794

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

February 16, 2021

Advice 6084-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Advice Letter for the Revisions to the 2020 IPE DIDF Contract due to Expansion of Scope

Purpose

PG&E is submitting a revised scope for the Independent Professional Engineer (“IPE”) contract to add scope of work to be performed by the IPE for the 2020 Distribution Investment Deferral Framework (“DIDF”), as directed by recent Administrative Law Judge Rulings.¹ The Final IPE Plan requires an adjustment to the initial cost estimate of IPE Scope of Work. Cost recovery for the revised scope of work will be pursuant to the cost recovery for the scope of work as authorized under Decision (“D.”) 16-12-036, D.18-02-004, Rulemaking (“R.”) 14-08-013, and this Advice Letter.

Background

The initial contract for the IPE was based on the February 15, 2018 Decision on DIDF Process (D.18-02-004), the May 7, 2019 Administrative Law Judge Ruling Modifying the DIDF from R.14-08-013, and the April 13, 2020 Administrative Law Judge Ruling Modifying the DIDF from R.14-08-013. The subsequent May 11, 2020 Administrative Law Judge Ruling Modifying the DIDF from R.14-08-013 provided additional insights and details regarding the IPE scope of work, which included a Final IPE Plan to be filed on August 15, 2020.

Additional Scope of Work for the IPE is detailed in Attachment A: PG&E Revised IPE DIDF Scope of Work. The additional scope of work reflects the May 11, 2020 Administrative Law Judge Ruling Modifying the DIDF from R.14-08-013 and the Final IPE Plan issued on August 15, 2020.

¹ The 2020 DIDF cycle here refers to the third annual DIDF cycle corresponding with the August 17, 2020 Grid Needs Assessment (“GNA”) and Distribution Deferral Opportunity Report (“DDOR”).

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 March 8, 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:

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

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 submittal become effective on regular notice, March 18, 2021 which is 30 calendar days after the date of 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.14-08-013. 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

Attachment A: PG&E Revised IPE DIDF Scope of Work

cc: R.14-08-013
Gabe Petlin, gabriel.petlin@cpuc.ca.gov
Keishaa Austin, Keishaa.Austin@cpuc.ca.gov



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 U39 E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Annie Ho
 Phone #: (415) 973-8794
 E-mail: PGETariffs@pge.com
 E-mail Disposition Notice to: AMHP@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) #: 6084-E

Tier Designation: 2

Subject of AL: Advice Letter for the Revisions to the 2020 IPE DIDF Contract due to Expansion of Scope

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 #:

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: 3/18/21

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:

Attachment A

PG&E Revised IPE DIDF Scope of Work

Attachment A: PG&E Revised IPE DIDF Scope of Work

The April 13, 2020 Administrative Law Judge Ruling Modifying the Distribution Investment Deferral Framework (“DIDF”) (“April Ruling”) provided guidance regarding the expanded scope of the Independent Professional Engineer (“IPE”) including an expansion of the technical breadth and time period of the IPE independent review role.¹ The April Ruling also required the IPE to develop an IPE Plan for the first time. This plan would, to the extent possible, serve as an agreement with the Energy Division and the utility as to how the IPE would work with the utility to implement its role. The April Ruling also directed the utilities to enter into contracts with the IPE as soon as possible in order for the IPE to develop its Draft Plans by May 15, 2020 and to prepare to implement those parts of the plan that required preparatory work between April and July, prior to the Distribution Forecasting Working Group meeting, the DIDF Stakeholder meeting, and the Distribution Planning Advisory Group (“DPAG”) meetings.

Nexant was hired as PG&E’s IPE and they began developing a draft IPE Plan outline following the April Ruling for each of the three utilities. Each plan needed to be tailored to the specific business processes used by each utility and the approach to perform the verification and validation for those business processes for each utility.

PG&E asked Nexant to provide a cost estimate for the IPE work to be performed for the 2020/2021 DIDF cycle. Nexant provided its best estimate of the level of effort on April 25, 2020 and the estimate was incorporated into the PG&E Contract that was executed on May 8, 2020. In developing the draft PG&E IPE Plan, several areas were clarified that represented work that was not anticipated when the April 25th cost estimate was developed. Some of those items are included in the list below. In addition, the May 11, 2020 Administrative Law Judge Ruling Modifying the DIDF (“May Ruling”) added work to the IPE’s Scope for several of the business processes that would eventually be included in the Final IPE Plan.

The Draft IPE Plan was distributed to stakeholders in late May and based upon feedback from Stakeholders, the Draft IPE Plan was modified. The plan was followed and further modified as needed based upon the early implementation of the plan. A Final IPE Plan that reflected the changes made in response to stakeholder comments, the May Ruling, and other changes that was necessary to carry out the IPE scope of work was completed and distributed on August 15, 2020. Some of the changes that were made in the development of the Final IPE Plan are included in the list below.

As a result of the timeline for estimating the effort required to perform the IPE Scope for 2020/2021 DIDF Cycle and the development of the Final IPE Plan, additional scope details were developed and reflected in the Final IPE Plan that were not considered in the development of the April 13th cost estimate. These additional details resulted in additional effort required to implement the final PG&E IPE Plan. As a result, the April 25th estimate did not consider these additional efforts and thus the contract did not include sufficient funds to complete the full effort in the final IPE scope of work for PG&E. Examples of business process areas that were added or modified that contributed to the increase in the PG&E IPE implementation effort are:

1. Review list of internally approved capital projects – this area was added in the process of developing the Draft Plan and then modified due to utility and stakeholder comments in the Final Plan.

¹ Note the scope of the IPE role in the current 2020/2021 DIDF cycle extends until July 1, 2021.

2. Process for treating confidential material in the IPE report – this extensive process was added in the Final Plan well after the cost estimate was developed.
3. Review implementation of planning standard and/or planning process – this area was modified following the time the cost estimate was made.
4. Compare 2019 forecast and actual circuit loading for 2019 candidate deferral projects – this was added after the development of the cost estimate.
5. Develop recommended solution and generate list of Planned Investments (follow the IOU's documented planning standards and/or planning process) – this was added after the cost estimate was made.
6. Incorporate load transfers, phase transfers, correct data errors – this was added after the cost estimate was developed.
7. Collect 2019 actual circuit loading and adjust for weather as needed – this was modified after the cost estimate was developed.

These additions added technical scope, processing steps, and additional volumes of data requests and confidentiality reviews that resulted in substantially more effort than reflected in the April 13th cost estimate. As a result, the effort required to complete to the IPE Scope to date for PG&E exceeded the budget included in the contract.² Nexant completed its efforts to develop PG&E IPE DPAG report, the principle IPE deliverable, despite the fact that there were insufficient funds because it felt it needed to develop that deliverable on time and that it was unlikely that a cost cap revision could be implemented in time to meet the tight IPE DPAG Report schedule.

² Note that the estimates for the other two utilities were also low and in one other case will require an adjustment.

**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