

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



June 17, 2021

Advice Letter 6096-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: Modification of the Microgrids Memorandum Account (MGMA) to add
Three New Subaccounts.**

Dear Mr. Jacobson:

Advice Letter 6096-E-A is effective as of January 1, 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

May 27, 2021

Advice 6096-E-A

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Modification of the Microgrids Memorandum Account (MGMA) to Add Four New Subaccounts

Purpose

Pursuant to Decision (“D.”) 21-01-018, Ordering Paragraph (“OP”) 7, OP 13, and OP 14, Pacific Gas and Electric Company (“PG&E”) submits this Supplemental Advice Letter to modify the Microgrids Memorandum Account (“MGMA”) by (1) adding the following new subaccounts: the 2021 Temporary Generation Subaccount, the 2022 Temporary Generation Subaccount, the Microgrid Incentive Program – Development Subaccount, and the Microgrid Incentive Program – Implementation and Administration Subaccount; and (2) modifying the Temporary Generation Subaccount’s name to 2020 Temporary Generation Subaccount to differentiate it from two of the new subaccounts being added to the MGMA via this advice letter submittal. At the request of Energy Division, PG&E is submitting this supplemental advice letter to establish the following two separate subaccounts (instead of one) for the Microgrid Incentive Program (“MIP”)¹: (1) a subaccount to track and record the costs for development of the MIP, and (2) a subaccount to track and record the costs for implementation and administration the MIP.

This supplemental advice letter replaces Advice Letter 6096-E in its entirety.

Background

The Commission initiated Rulemaking (“R.”) 19-09-009 to develop a policy framework surrounding the commercialization of microgrids and related resiliency strategies and to implement Senate Bill (SB) 1339 (Stern, 2018).

On July 3, 2020, the assigned Commissioner issued an amended Scoping Memo and Ruling for Track 2. This amended Scoping Memo and Ruling focused on the continued implementation of SB 1339. SB 1339 requires the Commission to implement microgrid

¹ The Commission adopted the Microgrid Incentive Program in D.21-01-018.

standards, protocols, guidelines, methods, rates, and tariffs as well as reduce barriers to microgrid deployment statewide.

On January 21, 2021, the Commission adopted D.21-01-018, which provides a pathway for utilities seeking to reserve temporary generation for use at substations during the 2021 wildfire season to track costs in a memorandum account. Additionally, the Commission adopted a Microgrid Incentive Program and ordered the utilities to track costs of implementing the program prior to adoption of the program implementation details in a subaccount within a new or existing microgrid memorandum account.

Discussion

Consistent with Decision 21-01-018, PG&E is submitting modifications to its Electric Preliminary Statement Part IG (Microgrids Memorandum Account) to add four new subaccounts to track and records costs for programs either explicitly adopted in the decision or for which pathways were adopted in the Decision for a utility to utilize the Microgrids Memorandum Account to track costs. The new subaccounts being added to PG&E's existing Microgrids Memorandum Account are:

- The 2021 Temporary Generation Subaccount, which will track incremental expenses for the temporary generation program specifically for safe-to-energize substations affected by transmission-level-public safety shutoff events during the 2021 fire season²;
- The 2022 Temporary Generation Subaccount, which will track incremental expenses for the temporary generation program specifically for safe-to-energize substations affected by transmission-level-public safety shutoff events during the 2022 fire season³; and
- The Microgrid Incentive Program – Development Subaccount, which will track incremental expenses related to developing the Microgrid Incentive Program pursuant to Section 3.4.3 of D.21-01-018 prior to Commission approval of the program implementation details.
- The Microgrid Incentive Program – Implementation and Administration Subaccount, which will track incremental expense related to implementation and administration requirements for fulfilling Section 3.4.3 of D.21-01-018 prior to Commission approval of the program implementation details.

In addition, PG&E proposes to modify the name of the existing Temporary Generation

² PG&E provides the following point of clarification: the Temporary Generation Subaccounts, demarcated by a calendar year, do not necessarily follow the calendar year (i.e., January to December) but instead the timeframe adheres to the fire season that begins in that year but can go over into the following calendar year. E.g., PG&E initiated a PSPS event in January 2021 and used temporary generation reserved in 2020 to support customers.

³ PG&E is establishing a subaccount for 2022 temporary generation in the event PG&E's application with a proposal for transitioning to clean sources of generation in future years to power customers during PSPS events is still pending before the Commission.

Subaccount in the Microgrids Memorandum Account to 2020 Temporary Generation Subaccount to differentiate it from two of the new subaccounts being added to the MGMA via this advice submittal. The 2020 Temporary Generation Subaccount tracks incremental expenses and capital related costs related to the reservation and use of temporary mobile generation during the 2020 fire season.

Tariff Revisions

Modifications to Electric Preliminary Statement IG, *Microgrids Memorandum Account*, are provided at Attachment 1. For convenience, redline versions of the tariff revisions are included as Attachment 2

CPUC approval of this submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Pursuant to CPUC General Order 96-B, Section 7.5.1, PG&E hereby requests that the protest period be waived.

Effective Date

PG&E requests that this Tier 1 advice submittal become effective as of 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 R.19-09-009. 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/

Sidney Dietz
Director, Regulatory Relations

Attachments

cc: Service List R.19-09-009



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 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) #: 6096-E-A

Tier Designation: 1

Subject of AL: Supplemental: Modification of the Microgrids Memorandum Account (MGMA) to Add Three New Subaccounts

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.21-01-018

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: 7

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: Electric Preliminary Statement Part IG

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: Sidnev Dietz 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:

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
50009-E	ELECTRIC PRELIMINARY STATEMENT PART IG MICROGRIDS MEMORANDUM ACCOUNT (MGMA) Sheet 1	46851-E
50010-E	ELECTRIC PRELIMINARY STATEMENT PART IG MICROGRIDS MEMORANDUM ACCOUNT (MGMA) Sheet 2	46852-E
50011-E	ELECTRIC PRELIMINARY STATEMENT PART IG MICROGRIDS MEMORANDUM ACCOUNT (MGMA) Sheet 3	46853-E
50012-E	ELECTRIC PRELIMINARY STATEMENT PART IG MICROGRIDS MEMORANDUM ACCOUNT (MGMA) Sheet 4	
50013-E	ELECTRIC PRELIMINARY STATEMENT PART IG MICROGRIDS MEMORANDUM ACCOUNT (MGMA) Sheet 5	
50014-E	ELECTRIC TABLE OF CONTENTS Sheet 1	49664-E
50015-E	ELECTRIC TABLE OF CONTENTS Sheet 17	49704-E



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 1

IG. Microgrids Memorandum Account (MGMA)

- 1. PURPOSE: The purpose of the Microgrids Memorandum Account (MGMA) is to record and track incremental electric expense and capital related costs related to the Make-Ready Program, the 2020 Temporary Generation Program, and the Community Microgrid Enablement Program (CMEP) approved by Decision (D.) 20-06-017 and the 2021 Temporary Generation Program, the 2022 Temporary Generation Program, and the Microgrid Incentive Program approved by D.21-01-018. (T)
- 2. APPLICABILITY: The MGMA applies to all electric customer classes, except for those specifically excluded by the Commission.
- 3. REVISION DATE: Disposition of the balances in the Make-Ready Program subaccount will be addressed in a separate application or in an upcoming track of the Microgrids and Resilience Strategies rulemaking (R.19-09-009). Disposition of the balances in the 2020 Temporary Generation subaccount, the 2021 Temporary Generation subaccount, the 2022 Temporary Generation subaccount, the CMEP subaccount, the Microgrid Incentive Program – Development Subaccount, and the Microgrid Incentive Program – Implementation and Administration Subaccount will be addressed in a separate application or in a future General Rate Case. (T)
- 4. RATES: The MGMA does not have a rate component.
- 5. ACCOUNTING PROCEDURE: The MGMA consists of the following subaccounts:
 - The Make-Ready Program subaccount will track incremental expense and capital related costs related to making infrastructure upgrades to the Utility’s distribution system in order to enable substations to create microgrids using local sources of generation;
 - The 2020 Temporary Generation subaccount will track incremental expenses and capital related costs related to the reservation and use of temporary mobile generation during the 2020 fire season; (T)
 - The 2021 Temporary Generation subaccount will track incremental expenses for the temporary generation program specifically for safe-to-energize substations affected by transmission-level-public safety shutoff events during the 2021 fire season; (N)
 - The 2022 Temporary Generation subaccount will track incremental expenses for the temporary generation program specifically for safe-to-energize substations affected by transmission-level-public safety shutoff events during the 2022 fire season; (N)
 - The CMEP subaccount will track incremental expense and capital related costs related to implementation and administration of the program; (L)

(Continued)

Advice	6096-E-A	Issued by	Submitted	May 27, 2021
Decision	21-01-018	Robert S. Kenney	Effective	January 1, 2021
		<i>Vice President, Regulatory Affairs</i>	Resolution	



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 2

5. ACCOUNTING PROCEDURE: (Cont'd)

The Microgrid Incentive Program - Development subaccount will track incremental expenses related to developing the Microgrid Incentive Program pursuant to Section 3.4.3 of D.21-01-018 prior to Commission approval of the program implementation details; and (N)

The Microgrid Incentive Program – Implementation and Administration subaccount will track incremental expenses related to the other implementation requirements for fulfilling Section 3.4.3 of D.21-01-018. (N)

a. Make-Ready Program subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows: (L)

- 1) A debit entry equal to the expense incurred related to implementation of the Make-Ready Program. (L)
- 2) A debit or credit entry equal to the revenue requirement based on the recorded capital costs associated with the implementation of the Make-Ready Program. Capital revenue requirements include depreciation expense, return on investment, federal and state taxes, and property taxes associated with costs of installed equipment. (L)
- 3) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC. (L)
- 4) An debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (L)

b. 2020 Temporary Generation subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows: (T)

- 1) A debit entry equal to the expense incurred related to implementation of the 2020 Temporary Generation Program, net of any reimbursements, if applicable (T)

(L)
(L)

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 3

5. ACCOUNTING PROCEDURE: (Cont'd)

- b. 2020 Temporary Generation subaccount (Cont'd) (L)
 - 2.) If applicable, a debit or credit entry equal to the revenue requirement based on the recorded capital costs associated with the implementation of the 2020 Temporary Generation Program. Capital revenue requirements include depreciation expense, return on investment, federal and state taxes, and property taxes associated with costs of installed equipment.¹ |
 - 3.) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC. |
 - 4.) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (L)/(T) |
- c. 2021 Temporary Generation Subaccount (N)

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

 - 1) A debit entry equal to the expense incurred related to implementation of the 2021 Temporary Generation Program, net of any reimbursements, if applicable. |
 - 2) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC. |
 - 3) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (N) |

¹ PG&E's accounting policies will be applied to the costs recorded to the MGMA 2020 Temporary Generation Subaccount to determine expense or capitalization treatment. These policies apply to property, plant, and equipment as well as computer software. Lifespan, inclusion in the Retirement Unit Catalog, and exceeding a minimum material cost per unit, are among the main determining factors. However, some situations are very specific and require additional analysis and judgement in determining the cost categorization. PG&E has included in its preliminary statement accounting procedures to allow both expense and capitalized costs to be recorded into the MGMA 2020 Temporary Generation Subaccount in the event that these costs are incurred in order to implement D.20-06-017. (T)

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 4

5. ACCOUNTING PROCEDURE: (Cont'd)

(N)

d. 2022 Temporary Generation Subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to implementation of the 2022 Temporary Generation Program, net of any reimbursements, if applicable.
- 2) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 3) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(N)

e. CMEP subaccount

(T)/(L)

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

(L)

- 1) A debit entry equal to the expense incurred related to implementation of the CMEP.
- 2) A debit or credit entry equal to the revenue requirement based on the recorded capital costs associated with the implementation of the CMEP. Capital revenue requirements include depreciation expense, return on investment, federal and state taxes, and property taxes associated with costs of installed equipment.
- 3) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 4) An debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(L)



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 5

5. ACCOUNTING PROCEDURE: (Cont'd)

f. Microgrid Incentive Program Subaccount – Development

(N)

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to development of the Microgrid Incentive Program.
- 2) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 3) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

e. Microgrid Incentive Program Subaccount – Implementation and Administration

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

1. A debit entry equal to the expense incurred related to the implementation and administration of the Microgrid Incentive Program.
2. A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
3. A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(N)

(Continued)



ELECTRIC TABLE OF CONTENTS

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PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
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Part GD	Smart Grid Pilot Deployment Project Balancing Account.....	32540,32541, 32542-E
Part GE	Statewide Marketing, Education and Outreach Expenditure Balancing Account.....	37728-E
Part GF	Customer Data Access Balancing Account – Electric.....	33136-E
Part GH	Mobile Home Park Balancing Account - Electric.....	47077,47078-E
Part GI	Energy Data Center Memorandum Account – Electric.....	33940-E
Part GJ	Major Emergency Balancing Account (MEBA).....	40563-E
Part GK	SmartMeter™ Opt-Out Program Balancing Account - Electric (SOPBA-E).....	35625,35626,35627-E
Part GL	Hydro Licensing Balancing Account (HLBA).....	40564-E
Part GM	Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA).....	40565-E
Part GN	San Francisco Incandescent Streetlight Replacement Account.....	34364-E
Part GO	Disconnection Memorandum Account - Electric (DMA-E).....	34604-E
Part GP	Green Tariff Shared Renewables Memorandum Account (GTSRMA).....	40566,40567, 40567-E
Part GQ	Energy Efficiency Financing Balancing Account – Electric (EEFMA-E).....	35292,35293,35294-E
Part GR	Green Tariff Shared Renewables Balancing Account (GTSRBA).....	40569,40570,35377-E
Part GS	Residential Rate Reform Memorandum Account (RRRMA).....	40571,40572-E
Part GT	Assembly Bill 802 Memorandum Account - Electric.....	40573-E
Part GU	Z-Factor Memorandum Account (ZFMA-E).....	40574-E
Part GV	Distribution Interconnection Memorandum Account (DIMA).....	40575-E
Part GY	Electric Vehicle Program Balancing Account (EVPBA).....	40576-E
Part GZ	Distributed Energy Resources Distribution Deferral Account.....	43656,43657,43658-E
Part HA	Avoided Cost Calculator Memorandum Account.....	40000-E
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Part HG	Emergency Consumer Protections Memorandum Account - Electric (WCPMA-E).....	43007,46342,44215-E
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Part HL	Wildfire Expense Memorandum Account (WEMA-E).....	42604, 42605-E
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Part HQ	Fire Risk Mitigation Memorandum Account (FRMMA).....	43314-E
Part HR	Net Energy Metering (NEM) Balancing Account (NEMBA).....	43317-E
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Part HT	Officer Compensation Memorandum Account (OCMA-E).....	43629,43630-E
Part HU	San Joaquin Valley Disadvantaged Communities Pilot Balancing Account.....	44053-E
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Part IG	Microgrids Memorandum Account (MGMA).....	50009,50010,50011,50012,50013-E (T)

(Continued)

Advice 6096-E-A
May 27, 2021

Attachment 2

Redline Tariffs



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 1

(N)

(N)

The Microgrid Incentive Program – Implementation and Administration subaccount will track incremental expenses related to the other implementation requirements for fulfilling Section 3.4.3 of D.21-01-018.

a. Make-Ready Program subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to implementation of the Make-Ready Program.
- 2) A debit or credit entry equal to the revenue requirement based on the recorded capital costs associated with the implementation of the Make-Ready Program. Capital revenue requirements include depreciation expense, return on investment, federal and state taxes, and property taxes associated with costs of installed equipment.
- 3) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.

(Continued)

Advice 5883-E
Decision 20-06-017

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted July 17, 2020
Effective December 18, 2020
Resolution



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 2 (N)
(N)

5. ACCOUNTING PROCEDURE: (Cont'd)

(N)

4) ~~A~~ debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

b. 2020 Temporary Generation subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to implementation of the 2020 Temporary Generation Program, net of any reimbursements, if applicable
- 2) If applicable, a debit or credit entry equal to the revenue requirement based on the recorded capital costs associated with the implementation of the 2020 Temporary Generation Program. Capital revenue requirements include depreciation expense, return on investment, federal and state taxes, and property taxes associated with costs of installed equipment.¹
- 3) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 5) ~~4.)~~ A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(N)

¹ PG&E's accounting policies will be applied to the costs recorded to the MGMA 2020 Temporary Generation Subaccount to determine expense or capitalization treatment. These policies apply to property, plant, and equipment as well as computer software. Lifespan, inclusion in the Retirement Unit Catalog, and exceeding a minimum material cost per unit, are among the main determining factors. However, some situations are very specific and require additional analysis and judgement in determining the cost categorization. PG&E has included in its preliminary statement accounting procedures to allow both expense and capitalized costs to be recorded into the MGMA 2020 Temporary Generation Subaccount in the event that these costs are incurred in order to implement D.20-06-017.

(N)

(N)

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 3 (N)
(N)

5. ACCOUNTING PROCEDURE: (Cont'd)

(N)

c. 2021 Temporary Generation Subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to implementation of the 2021 Temporary Generation Program, net of any reimbursements, if applicable.
- 2) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 3) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

d. 2022 Temporary Generation Subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to implementation of the 2022 Temporary Generation Program, net of any reimbursements, if applicable.
- 2) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 3) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(N)

e. CMEP subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to implementation of the CMEP.
- 2) A debit or credit entry equal to the revenue requirement based on the recorded capital costs associated with the implementation of the CMEP. Capital revenue requirements include depreciation expense, return on investment, federal and state taxes, and property taxes associated with costs of installed equipment.



**ELECTRIC PRELIMINARY STATEMENT PART IG
MICROGRIDS MEMORANDUM ACCOUNT (MGMA)**

Sheet 3

(N)
(N)

- 3) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 4) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

f. Microgrid Incentive Program Subaccount - Development

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1) A debit entry equal to the expense incurred related to the development of the Microgrid Incentive Program.
- 2) A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 3) A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

g. Microgrid Incentive Program Subaccount – Implementation and Administration

The following entries will be made to this subaccount at the end of each month, or as applicable, as follows:

- 1. A debit entry equal to the expense incurred related to the implementation and administration of the Microgrid Incentive Program.
- 2. A debit or credit entry to transfer all or a portion of the balance in this subaccount, to other adjustment clauses for future rate recovery, as may be approved by the CPUC.
- 3. A debit or credit entry equal to the interest on the average of the balance in the account at the beginning of the month and the balance in the account after the above entries, at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

**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