

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



**Pacific Gas & Electric Company**  
**ELC (Corp ID 39)**  
**Status of Advice Letter 4392G/6100E**  
**As of April 12, 2021**

Subject: Vegetation Management Balancing Account and Wildfire Mitigation Balancing Account Revenue Requirement True Up Per Decision 20-12-005 Ordering Paragraphs 8 and 9

Division Assigned: Energy

Date Filed: 02-23-2021

Date to Calendar: 02-26-2021

Authorizing Documents: D2012005

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>03-25-2021</b>

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

AL Certificate Contact Information:

Stuart Rubio

(415) 973-4587

[PGETariffs@pge.com](mailto: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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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](mailto:edtariffunit@cpuc.ca.gov)**

February 23, 2021

**Advice 4392-G/6100-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject:     **Vegetation Management Balancing Account and Wildfire Mitigation  
Balancing Account Revenue Requirement True Up Per Decision 20-12-  
005 Ordering Paragraphs 8 and 9****

**Purpose**

In accordance with Ordering Paragraphs (OP) 8 and 9 of Decision (D.) 20-12-005, Pacific Gas and Electric Company (PG&E) **hereby submits** this Tier 2 advice letter to seek recovery of the Vegetation Management Balancing Account (VMBA) expense undercollection of \$110.823 million and Wildfire Mitigation Balancing Account (WMBA) expense undercollection of \$7.600 million as authorized by D.20-12-005 OP 1. This advice letter does not request a revenue requirement true-up for WMBA capital spend.

**Background**

On December 13, 2018, PG&E filed its 2020 General Rate Case (GRC) application requesting the Commission authorize its GRC revenue requirement for the 2020-2022 period. On December 20, 2019, PG&E filed the Joint Motion of the Public Advocates Office, The Utility Reform Network, Small Business Utility Advocates, Center for Accessible Technology, The National Diversity Coalition, Coalition of California Utility Employees, California City County Street Light Association, The Office of the Safety Advocate, and Pacific Gas and Electric Company for approval of a settlement agreement.

On December 3, 2020, the CPUC approved D.20-12-005 in PG&E's 2020 GRC, approving the Settlement Agreement (SA), with certain modifications, and adopting base revenue requirements for the 2020-2022 GRC term.

The SA, as revised and approved by D.20-12-005 OP 1, authorizes PG&E to recover VMBA expenses up to 120% of the adopted values through a Tier 2 advice letter.<sup>1</sup>

---

<sup>1</sup> See 2020 GRC SA Section 2.3.3 Table 3 for the adopted values. The 2020 adopted expense value is \$548.013 million.

The SA, as revised by the D.20-12-005 OP 1.a., requires that recorded amounts greater than 120% of the adopted values be recovered through a separate application. PG&E does not seek recovery of recorded amounts greater than 120% of adopted through this advice letter. In accordance with OP 1.a., PG&E will seek recovery of such costs through a future application.

The SA, as revised and approved by D.20-12-005 OP 1, authorizes PG&E to recover WMBA expenses up to 115% of the adopted values through a Tier 2 advice letter.<sup>2</sup>

The SA, as revised by the D.20-12-005 OP 1.b., requires that recorded amounts greater than 115% of the adopted values be recovered through a separate application. PG&E does not seek recovery of recorded amounts greater than 115% of adopted through this advice letter. In accordance with OP 1.b., PG&E will seek recovery of such costs through a future application.

On December 22, 2020, in accordance with D.20-12-005, PG&E filed Advice Letter 4344-G/6032-E, which included the following updates and revisions:

- Modified the VMBA (Electric Preliminary Statement BU) to become a two-way balancing account that records actual Routine and Enhanced Vegetation Management costs compared to amounts adopted in PG&E's GRC, and records costs for Tree Mortality and Fire Risk Reduction that were previously recovered through the Catastrophic Emergency Memorandum Account (CEMA).
- Established the WMBA (Electric Preliminary Statement IO and Gas Preliminary Statement Part FL) to track and record actual expenses and the capital revenue requirements associated with work authorized for recovery through the WMBA for PG&E's wildfire mitigation activities.

On February 5, 2021, PG&E submitted AL 4377-G/6076-E to provide, among other things, clarifying accounting details to the WMBA Electric and Gas Preliminary Statements.

### **Undercollection of 2020 Expenses**

As provided in SA sections 2.3.3 and 2.3.2.1, Tables 1 and 2 show adopted expense, the associated adopted amounts at 120% and 115% of the expense adopted values, amounts PG&E is seeking recovery of in this advice letter, and total 2020 accounts spend, for the VMBA and WMBA, respectively. Additional details are provided in Attachment A.

---

<sup>2</sup> See 2020 GRC SA Section 2.3.2.1 Table 1 for the adopted values. The 2020 adopted expense value is \$53.371 million.

**Table 1:  
2020 VMBA Undercollection Calculation (Amounts in Thousands)**

Line	Description	VMBA Expense Recorded A	VMBA Expense Adopted B	VMBA Expense Adopted at 120% C = B * 120%	Amount Subject to Future Reasonableness Review D = A - C	VMBA Expense Undercollection E = A - B - D
1	Adopted Expense Amount	\$1,250,093	\$548,013	\$657,615	\$592,477	\$109,603
2	Revenue Fees and Uncollectibles (Electric factor: 0.011136)	\$13,921	\$6,103	\$7,323	\$6,598	\$1,221
3	Total Revenue Requirement	\$1,264,014	\$554,116	\$664,938	\$599,076	\$110,823

Note: table sums may not add up due to rounding

**Table 2:  
2020 WMBA Undercollection Calculation (Amounts in Thousands)**

Line	Description	WMBA Expense Recorded A	WMBA Expense Adopted B	WMBA Expense Adopted at 115% C = B * 115%	Amount Subject to Future Reasonableness Review D = A - C	WMBA Expense Undercollection E = A - B - D	WMBA Expense Undercollection Subject to Recovery F <sup>3</sup>
1	Adopted Expense Amount	\$215,736	\$53,371	\$61,377	\$154,359	\$8,006	\$7,510 <sup>3</sup>
2	Revenue Fees and Uncollectibles (Electric factor: 0.011136, Gas factor: 0.013657)	2,434	636	732	1,702	\$95	\$90
3	Total Revenue Requirement	\$218,170	\$54,007	\$62,109	\$156,061	\$8,101	\$7,600

Note: table sums may not add up due to rounding

<sup>3</sup> Undercollection is calculated by comparing total actual expenses to total adopted expenses. As discussed in Advice Letter 4344-G/6032-E, amounts allocated to the FERC jurisdiction will not be recorded in the WMBA. As a result, 6.38% of the total A&G incurred expenses will be recovered through PG&E's FERC-jurisdictional formula rates. PG&E's adopted expenses of \$53,371 thousand is allocated 97.10% A&G and 2.90% O&M, as adopted in the 2020 GRC. PG&E requests that the CPUC-jurisdictional portion of \$7,510 million, which is recorded in the WMBA, plus the revenue fees and uncollectibles amount of \$90 thousand, be approved for recovery, for a grand total of \$7,600 thousand.

PG&E proposes to incorporate these revenue requirements in rates in future electric and gas rate changes.

### **Tariff Changes**

PG&E proposes to add the following standard entry to the Accounting Procedures section of the Main Account.

An entry to record the transfer of amounts to or from other accounts as approved by the Commission.

When PG&E filed Advice Letter 4344-G/6032-E to modify the VMBA, PG&E inadvertently missed adding this standard transfer language to the Main Account.

### **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](mailto: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 15, 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, 4<sup>th</sup> 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**

Pursuant to General Order (GO) 96-B, Rule 5.2, and OP 8 and 9 of D.20-12-005, this advice letter is submitted with a Tier 2 designation. PG&E requests that this **Tier 2** advice submittal become effective on regular notice **March 25, 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 service lists below. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

\_\_\_\_\_  
/S/

Erik Jacobson  
Director, Regulatory Relations

Attachments

cc: Service List



# 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 M)

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) #: 4392-G/6100-E

Tier Designation: 2

Subject of AL: Vegetation Management Balancing Account and Wildfire Mitigation Balancing Account Revenue Requirement True Up Per Decision 20-12-005 Ordering Paragraphs 8 and 9

Keywords (choose from CPUC listing): Compliance

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D. 20-12-005

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: 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: 3/25/21

No. of tariff sheets: 3

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: See Attachment 1

Service affected and changes proposed<sup>1</sup>: N/A

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

<sup>1</sup>Discuss 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](mailto: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](mailto:PGETariffs@pge.com)

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

<b>Cal P.U.C. Sheet No.</b>	<b>Title of Sheet</b>	<b>Cancelling Cal P.U.C. Sheet No.</b>
48876-E	ELECTRIC PRELIMINARY STATEMENT PART BU VEGETATION MANAGEMENT BALANCING ACCOUNT Sheet 2	48050-E
48877-E	ELECTRIC TABLE OF CONTENTS Sheet 1	48749-E
48878-E	ELECTRIC TABLE OF CONTENTS Sheet 12	47880-E



**ELECTRIC PRELIMINARY STATEMENT PART BU  
VEGETATION MANAGEMENT BALANCING ACCOUNT**

Sheet 2

BU. VEGETATION MANAGEMENT BALANCING ACCOUNT (VMBA) (Cont'd.)

5. VMBA ACCOUNTING PROCEDURE (Cont'd)

MAIN ACCOUNT:

- a. A debit entry equal to PG&E's actual Routine and Enhanced Vegetation Management expense for the month.
- b. A credit entry equal to one-twelfth of the amount adopted in PG&E's GRC or other base revenue proceeding for vegetation management expense.
- c. An entry to record the transfer of amounts to or from other accounts as approved by the Commission. (N)  
(N)
- d. An entry equal to interest on the average balance in the account at the beginning of the month and the balance 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, G.13 or its successor. (T)

REASONABLENESS REVIEW SUBACCOUNT:

- a) A debit entry equal to actual tree mortality expenses;
- b) A debit entry equal to actual Routine and Enhanced Vegetation Management expenses that are greater than 120 percent of adopted expenses;
- c) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and
- e) An entry equal to the interest on the average of the balance in this account at the beginning of the month and the balance in this 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.





**ELECTRIC TABLE OF CONTENTS**

Sheet 12

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
<b>Preliminary Statements (Cont'd)</b>		
Part BB	Competition Transition Charge Responsibility for All Customers and CTC Procedure for Departing Loads .....	24070,19906,19907,16400,14960,14961,16229,16230, 16231,24071,14964,14965,14966,14967,14968-14969,16401,16402-E
Part BK	Transmission Revenue Requirement Reclassification Memorandum Account.....	47878-E
Part BU	Vegetation Management Balancing Account.....	33880, <b>48876</b> -E (T)
Part BY	Self-Generation Program Memorandum Account.....	26209-E

(Continued)

Advice 6100-E  
Decision D.20-12-005

Issued by  
**Robert S. Kenney**  
Vice President, Regulatory Affairs

Submitted February 23, 2021  
Effective \_\_\_\_\_  
Resolution \_\_\_\_\_

Advice 4392-G/6100-E  
February 23, 2021

## **Attachment 2**

### **Redline Tariff Revisions**



**ELECTRIC PRELIMINARY STATEMENT PART BU  
VEGETATION MANAGEMENT BALANCING ACCOUNT**

Sheet 2

BU. VEGETATION MANAGEMENT BALANCING ACCOUNT (VMBA) (Cont'd.)

5. VMBA ACCOUNTING PROCEDURE (Cont'd)

MAIN ACCOUNT:

- a. A debit entry equal to PG&E's actual Routine and Enhanced Vegetation Management expense for the month.
- b. A credit entry equal to one-twelfth of the amount adopted in PG&E's GRC or other base revenue proceeding for vegetation management expense.
- c. An entry to record the transfer of amounts to or from other accounts as approved by the Commission.
- ed. An entry equal to interest on the average balance in the account at the beginning of the month and the balance 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, G.13 or its successor.

REASONABLENESS REVIEW SUBACCOUNT:

- a) A debit entry equal to actual tree mortality expenses;
- b) A debit entry equal to actual Routine and Enhanced Vegetation Management expenses that are greater than 120 percent of adopted expenses;
- c) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and
- e) An entry equal to the interest on the average of the balance in this account at the beginning of the month and the balance in this 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.

Advice 4392-G/6100-E  
February 23, 2021

## **Attachment A**

**2020 GRC Revenue Requirement -  
VMBA and WMBA**

2020 GRC Revenue Requirement - VMBA and WMBA

Table 1: Revenue Requirement by program for the costs between 100%-115%/120% of authorized spend

Program	100% of authorized spend	Spend % covered in the Advice letter filing	Spend \$ covered in the Advice letter filing	Revenue Fees and Uncollectibles factor	Revenue Fees and Uncollectibles \$	Total Revenue Requirement for advice letter filing	WMBA Expense Undercollection Subject to Recovery in advice letter
Wildfire Mitigation Balancing Account (WMBA)	53,371	15%	8,006	Electric: 0.011136 Gas: 0.013657	95	8,101	7,600
Vegetation Management Balancing account	548,013	20%	109,603	0.011136	1,221	110,823	110,823
<b>Total</b>	<b>601,384</b>		<b>117,608</b>		<b>1,316</b>	<b>118,924</b>	<b>118,423</b>

Table 2: Revenue Requirement by Line of Business for the costs between 100%-115%/120% of authorized spend

Program	Electric Distribution	Electric Generation	Gas Distribution	Gas Transmission	Electric Transmission	Total
Wildfire Mitigation Balancing Account (WMBA)	3,159	1,905	1,705	829	501	8,101
Vegetation Management Balancing account	110,823	-	-	-	-	110,823
<b>Total</b>	<b>113,983</b>	<b>1,905</b>	<b>1,705</b>	<b>829</b>	<b>501</b>	<b>118,924</b>

Table 3: Revenue Requirement calculation by Line of Business for Wildfire Mitigation Balancing Account

	Operations and Maintenance		Admin and General	Total cost	RF&U	Total RRQ
Wildfire Mitigation Balancing Account Authorized	1,550		51,821	53,371		
Wildfire Mitigation Balancing Account Authorized -115%	1,782		59,594	61,377		
Wildfire Mitigation Balancing Account Authorized -15%	232		7,773	8,006		
<b>Line of Business</b>	<b>Operations and Maintenance</b>	<b>Admin and General</b>	<b>Total cost</b>	<b>RF&amp;U</b>	<b>Total RRQ</b>	
Electric Distribution	232	2,892	3,125	35	3,159	
Electric Generation		1,884	1,884	21	1,905	
Gas Distribution		1,682	1,682	23	1,705	
Gas Transmission		818	818	11	829	
Electric Transmission		496	496	6	501	
<b>Total</b>	<b>232</b>	<b>7,773</b>	<b>8,006</b>	<b>95</b>	<b>8,101</b>	

**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