

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 6138E
As of May 4, 2021

Subject: Annual Capacity Price Updates Offered to Qualifying Facilities of 20 Megawatts or Less in Compliance with Decision 20-05-006

Division Assigned: Energy

Date Filed: 03-29-2021

Date to Calendar: 04-02-2021

Authorizing Documents: D2005006

Disposition:	Accepted
Effective Date:	03-29-2021

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Kimberly Loo

415-973-4587

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

March 29, 2021

Advice 6138-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Annual Capacity Price Updates Offered to Qualifying Facilities of 20
Megawatts or Less in Compliance with Decision 20-05-006**

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits the capacity prices eligible to Qualifying Facilities (QF) of 20 megawatts (MWs) or less seeking to sell electricity to PG&E under the Public Utility Regulatory Policies Act of 1978 (PURPA). This advice letter is submitted in compliance with Ordering Paragraph (OP) 8 of Decision (D.) 20-05-006 (the Decision).

Background

On May 7, 2020, the California Public Utilities Commission (Commission) adopted a new standard offer contract pursuant to PURPA (New PURPA SOC) available to QF generators seeking to sell electricity to a Commission-jurisdictional utility.¹ This New PURPA SOC includes four avoided cost rates: (1) a rate determined at the time of contract execution for both capacity and energy, and (2) a rate determined at the time of product delivery for both capacity and energy. OP 1 and OP 2 of D.20-05-006 states as follows:

- 1. The energy price identified at the time of contract execution (18 C.F.R. § 292.304(d)(2)(ii)) is calculated by use of a three-year average of publicly available [California Independent System Operator (CAISO)] locational marginal prices for the PNode specific to a qualifying facility, calculated on a monthly basis with periods based on the Commission's most recently approved time-of-use periods specific to a utility, and a collar based on prices at the relevant Energy Trading Hub.*

¹ The Commission issued the Decision on May 15, 2020.

2. *The capacity price identified at the time of contract execution (18 C.F.R. § 292.304(d)(2)(ii)) is calculated by use of a five-year weighted average of publicly available resource adequacy prices, shaped to time periods based on generation capacity allocation factors adopted by the Commission and applied to updated time-of-use periods, with a 2.5% escalation factor for each year of the contract term after the last year included in the average. A capacity price is based on the provision of Resource Adequacy.*

For capacity prices at the time of product delivery, OP 4 determined that they are to be calculated by the same methodology used for capacity price at time of execution, but with the price recalculated annually based on changes in the cost of resource adequacy (RA) and/or capacity allocation factors, and time-of-use factors. The Decision also established the regulatory requirements for updating the capacity prices, with OP 8 requiring the investor-owned utilities (IOUs) to: (1) calculate revised capacity prices no later than 15 days after the Commission publishes a new Resource Adequacy Report (2) submit the revised capacity prices to the Commission via a Tier 1 advice letter.²

This advice letter is submitted in compliance with the requirements of OP 4 and OP 8 for capacity price updates. The capacity prices applied to time of product delivery and time of execution pricing under the New PURPA SOC for contracts executed in 2021 and after the effective date of this advice letter are provided below.

Capacity Prices at Time of Contract Execution

In accordance with OP 2 and using the 2019 Resource Adequacy Report prepared by the Commission, PG&E calculates the monthly and annual capacity prices as follows:

² The 2019 Resource Adequacy Report was published on March 16, 2021.

Capacity Year	Total (\$/kW-month)	Total (\$/kW-year)
2021	\$3.26	\$39.12
2022	\$3.26	\$39.12
2023	\$3.26	\$39.12
2024	\$3.34	\$40.10
2025	\$3.43	\$41.10
2026	\$3.51	\$42.13
2027	\$3.60	\$43.18
2028	\$3.69	\$44.26
2029	\$3.78	\$45.37
2030	\$3.88	\$46.50
2031	\$3.97	\$47.66
2032	\$4.07	\$48.86
2033	\$4.17	\$50.08
2034	\$4.28	\$51.33
2035	\$4.38	\$52.61

Capacity Allocation Factor & Hourly Capacity Price

With regards to the directive as outlined in OP 4, PG&E submits capacity allocation factors (CAFs) as approved in D.97-03-017 in Table 1 below.

TABLE 1

	CAFs (%)	
	Period A	Period B
Peak	76.19%	N/A
Partial Peak	2.38%	21.25%
Off Peak	0.02%	0.15%
Super Off Peak	N/A	N/A

Consistent with the Decision and as directed by Resolution E-5104, PG&E will calculate Hourly Capacity Prices as follows, using the Time-of-Delivery (TOD) Periods as outline in Table 2.

$$CPToE = (CAF_m / H) \times RA$$

Where:

CPToE = Hourly Capacity Price at Time of Execution (\$/kWh).

CAF = Capacity Allocation Factor for the applicable Period.

H = The number of delivery hours that comprise the applicable Time-of-Delivery (TOD) period for the applicable year during the applicable Period.

RA = Capacity Price in \$/kW-year, as derived from the latest publicly available Resource Adequacy Report prepared by the Commission (or the equivalent prices in the successor reports).

As submitted in PG&E's Advice 5853-E and approved by Resolution E-5104, PG&E's TOD Periods for the New PURPA SOC is submitted in Table 2 below.

**TABLE 2
TOD PERIODS FOR THE NEW PURPA SOC**

Partial Peak	HE9 - HE16 (Monday - Saturday)
Peak	HE7 - HE8 & HE17 - HE 22 (Monday - Saturday)
Off Peak	All other hours + Sunday + NERC Holidays

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 April 19, 2021, which is 21 days³ 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

³ The 20-day protest period concludes on a weekend, therefore, PG&E is moving this date to the following business day.

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 5.1, and OP 8 of D.20-05-006, this advice letter is submitted with a Tier 1 designation. PG&E requests that this Tier 1 advice submittal become effective upon date of submittal, which is March 29, 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 Rulemaking (R.) 18-07-017. 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

cc: Service List R.18-07-017



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 U39E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@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) #: 6138-E

Tier Designation: 1

Subject of AL: Annual Capacity Price Updates Offered to Qualifying Facilities of 20 Megawatts or Less in Compliance with Decision 20-05-006

Keywords (choose from CPUC listing): Compliance, Capacity

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.20-05-006

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: 3/29/21

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

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

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: 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