

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



**Pacific Gas & Electric Company**  
**ELC (Corp ID 39)**  
**Status of Advice Letter 6203E**  
**As of July 6, 2021**

Subject: Final Calculation of the Gain or Loss on Sale and Tax Information Related to the Sale of 1919 Webster Street, Oakland

Division Assigned: Energy

Date Filed: 05-26-2021

Date to Calendar: 05-28-2021

Authorizing Documents: D2102010

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>05-26-2021</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:

Annie Ho

415-973-8794

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



**Sidney Dietz**  
Director  
Regulatory Relations

Pacific Gas and Electric Company  
77 Beale St., Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415-973-3582

May 26, 2021

**Advice 6203-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Final Calculation of the Gain or Loss on Sale and Tax Information  
Related to the Sale of 1919 Webster Street, Oakland**

**Purpose**

Pacific Gas and Electric Company (PG&E) submits this advice letter in compliance with Ordering Paragraph (OP) 3 of Decision (D.) 21-02-010, which requires PG&E to submit the closing financial information after the closing date of each purchase and sale agreement to the California Public Utilities Commission's (Commission or CPUC) Energy Division as a Tier 1 advice letter. The financial information consists of the final calculation of the gain or loss on sale and tax information related to the sale of 1919 Webster Street property. The sale was completed on April 2, 2021.

**Background**

On June 30, 2020, PG&E filed an application for approval by the CPUC to sell six properties, including the 1919 Webster Street property, pursuant to California Public Utilities Code Section 851 and to allocate the gain or loss on sale of each property according to rules adopted in Decision (D.) 06-05-041 (Application). PG&E submitted a copy of the fully executed purchase and sale agreement for the 1919 Webster Street property on October 1, 2020.

On February 18, 2021, the Commission adopted D. 21-02-010, which authorized the sale of the 1919 Webster Street property, approved PG&E's proposed ratemaking, and ordered PG&E to submit this Tier 1 advice letter within 60 days following closing of the sale.

After the execution of purchase and sale agreement, but prior to the close of escrow, the building was damaged as a result of break-ins. Pursuant to Section 8.2 (b) of the purchase and sale agreement, PG&E provided a credit at closing in the amount of \$350,000, which corresponded to the cost to repair the damage.

**Attachment**

In compliance with D.21-02-010, PG&E has attached the following:

Attachment 1: 1919 Webster GLOS

**Protests**

**\*\*\*Due to the COVID-19 pandemic, 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](mailto: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 June 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](mailto: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:

Sidney Dietz  
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](mailto: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 3 of D.21-02-010, 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 May 26, 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 A.20-06-013. Address changes to the General Order 96-B service list should be directed to PG&E at email address [PGETariffs@pge.com](mailto: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](mailto:Process_Office@cpuc.ca.gov). Send all electronic approvals to [PGETariffs@pge.com](mailto: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 A.20-06-013



# 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) #: 6203-E

Tier Designation: 1

Subject of AL: Final Calculation of the Gain or Loss on Sale and Tax Information Related to the Sale of 1919 Webster Street, Oakland

Keywords (choose from CPUC listing): Compliance, Section 851

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.21-02-010

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: 5/26/21

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 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: Sidney 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](mailto:PGETariffs@pge.com)

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

Advice 6203-E  
May 25, 2021

## **Attachment 1**

**1919 Webster GLOS**

Table Showing Sales Price, Expenses, and Tax Effects  
Pacific Gas and Electric Company  
1919 Webster, Oakland, CA  
Net book values as of March 31, 2021  
(DOLLARS)

**1 SALES PROCEEDS**

Sales Price	23,500,000
Less Escrow Related Costs	(1,080,726)
Net Cash to PG&E excluding Prop Tax Reimb	<u>22,419,274</u>
Less Legal Fees:	(21,488)
Net Sale Proceeds	<u><u>22,397,787</u></u>

**2 ALLOCATION OF SALES PROCEEDS BASED ON THE HISTORICAL COST OF PROPERTY**

	Historical Cost	Proportional %
Non-Depreciable Property (Land)	1,126,064	7.44%
Depreciable Property	14,006,553	92.56%
	<u>15,132,617</u>	<u>100.00%</u>

**3 GROSS GAIN/(LOSS) ON SALE**

	Historical Cost	Net Book Value	Sales Proceeds	Pre-Tax Gain/(Loss)	Book NBV	
Non-Depreciable Property (Land)	1,126,064	1,126,064	1,666,395	540,331	1,126,064	
Depreciable Property	14,006,553	6,770,800	20,731,391	13,960,591	6,770,800	
	<u>15,132,617</u>	<u>7,896,864</u>	<u>22,397,787</u>	<u>14,500,922</u>	<u>7,896,864</u>	Depreciable Net Book Value

**4 TAX GAIN/(LOSS) ON SALE**

	Historical Cost	Net Tax Value	Sales Proceeds	Pre-Tax Gain/(Loss)	Depreciable Net Tax Value	
Non-Depreciable Property (Land)	1,126,064	1,126,064	1,666,395	540,331	1,126,064	
Depreciable Property	14,006,553	4,581,539	20,731,391	16,149,853	4,581,539	
	<u>15,132,617</u>	<u>5,707,603</u>	<u>22,397,787</u>	<u>16,690,184</u>	<u>5,707,603</u>	Depreciable Net Tax Value
					2,189,262	Depr Net Book Value less Depr Net Tax Value
					612,643	Deferred Tax Liability / (Asset)

**5 GAIN/(LOSS) ALLOCATION**

	Non-Utility Property Allocation	Other Depreciable Assets	Land (Pre-Tax Allocation)	Sharing Allocation	Taxes 27.984%	After Tax Gain / (Loss)
Ratepayers - 100% of Loss (Pre-Tax and After-Tax)	0%	100%	59%	11,651,141	(3,260,455) *	8,390,686
Ratepayers Pass-thru - 100% of Loss (Pre-Tax and After-Tax)				(11,651,141)	3,260,455 *	(8,390,686)
Shareholder	100%	0%	41%	196,947	(55,114)	141,834
Non-Utility Gain				2,652,834	(742,369)	1,910,465
Total Gain/(Loss) Allocation	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>2,849,781</u>	<u>(797,483)</u>	<u>2,052,298</u>

\* No tax impact as the ratepayer contribution / distribution will net the tax impact to zero.

Table Showing Sales Price, Expenses, and Tax Effects  
Pacific Gas and Electric Company  
1919 Webster, Oakland, CA  
Net book values as of March 31, 2021  
(DOLLARS)

	Net	Sales	Before Tax	
	Tax Value	Proceeds	Gain/ (Loss)	
<b>6 TAXES ON PROPERTY</b>				
Non-Depreciable Property (Land)	1,126,064	1,666,395	540,331	
Depreciable Property	4,581,539	20,731,391	16,149,853	
Totals	<u>5,707,603</u>	<u>22,397,787</u>	<u>16,690,184</u>	
	<b>Non-Utility Property*</b>	<b>CPUC Land - Shareholder (33%)</b>	<b>CPUC Land - Ratepayer (67%)</b>	<b>Depreciable Property</b>
Taxable Gain / (Loss)	2,652,834	196,947	287,965	11,363,176 a
Ratepayer Contribution / (Distribution)	-	-	(287,965)	(11,363,176) b
Net Taxable Gain / (Loss)	2,652,834	196,947	0	- c=a-b
Tax Rate	27.984%	27.984%	27.984%	27.984% d
Net Federal and State Income Tax	742,369	55,114	0	- e=c*d
After Tax Gain / (Loss)	<u>1,910,465</u>	<u>141,834</u>	<u>287,965</u>	<u>11,363,176 f=a-e</u>
After-Tax Ratepayers Allocation	-	-	287,965	11,363,176
After-Tax Shareholder Allocation	1,910,465	141,834	-	-
Taxing Jurisdiction Allocation (Shareholder)	742,369	55,114	-	-
Total Gain / (Loss) Allocation	<u>2,652,834</u>	<u>196,947</u>	<u>287,965</u>	<u>11,363,176</u>

\*Approximately 21% of time the property was out of ratebase

**7 RATE BASE CHANGES**

	Beginning	Changes	Ending
Gross Plant	-	-	-
Depreciation Reserve (Book Accumulated Depreciation)	-	-	-
Property Sale Proceeds credited to Depreciation Reserve	-	(11,363,176)	(11,363,176)
Net Plant	-	(11,363,176)	(11,363,176)
Total Rate Base Change	<u>-</u>	<u>(11,363,176)</u>	<u>(11,363,176)</u>

Note: There are no beginning balance for utility gross plant and depreciation reserve because these assets have already been transferred into a non-utility property account (i.e. not part of rate base).

**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