

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



December 3, 2021

Advice Letters 6358-E and 6358-E-A

Sidney Bob Dietz II
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

SUBJECT:

Advice Letters 6358-E and 6358-E-A - Notice of Federal Energy Regulatory Commission Rate Filing for Annual Updates to the Transmission Revenue Balancing Account Adjustment, the Reliability Services Rates, and the End-Use Customer Refund Balancing Account Adjustment

Dear Mr. Dietz,

The Commission is in receipt of Advice Letters 6358-E and 6358-E-A, which pertain to the three balancing accounts referenced above. Consistent with Commission Resolution E-3930, which establishes a process whereby the Commission authorizes the pass-through of rate changes for transmission-related costs that have been filed with and become effective at FERC, subject to refund (in both FERC and Commission jurisdictional rates), the Commission approves the requested effective date of January 1, 2022 for the updated revenue requirements and rates associated with these three balancing accounts.¹

BACKGROUND

PG&E filed Advice Letter 6358-E on October 8, 2021 to notify the Commission of PG&E's September 30, 2021 filing in FERC Docket No. ER21-2980-000. Specifically, PG&E's FERC filing requested approval of annual updates to the transmission revenue requirements and associated rates in PG&E's Transmission Owner Tariff related to three of PG&E's FERC balancing accounts: the Transmission Revenue Balancing Account ("TRBA"); the Reliability Services Balancing Account ("RSBA"); and the End-Use Customer Refund Balancing Account ("ECRBA"). PG&E requested an effective date of January 1, 2022 for the updated revenue requirements and rates associated with these three balancing accounts.

PG&E identified an error in its initial filing and filed an errata at FERC on November 5, 2021. Supplemental Advice Letter 6358-E-A, which was filed at the CPUC on November 9, 2021, reflects the corrections in PG&E's FERC filing.

No protests were filed in response to AL 6358-E or 6358-E-A.

¹ Resolution E-3930 at 5 (explaining that "[c]onsistent with the filed rate doctrine, it is just and reasonable under State law for the utilities to recover through retail rates the transmission rates that are filed with and become effective at the FERC, provided that those rate adjustments are subject to refund to the same extent as they are at the FERC.").

THE COMMISSION'S APPROVAL

The CPUC approves the effective date of January 1, 2022 for the updated revenue requirements and rates that are the subject of Advice Letter 6358-E and corrections in Advice Letter 6358-E-A, subject to refund. The CPUC's authorization to pass through the updated transmission revenue requirement and FERC rates to retail customers neither constitutes the CPUC's approval that PG&E's FERC-jurisdictional expenditures were prudently incurred nor represents the CPUC's agreement that the resulting FERC rates are just and reasonable.²

Sincerely,

 FOR

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division

² As explained in Commission Resolution E-3930, “[t]he CPUC routinely files as an intervener in the proceedings at FERC.” The Commission will continue to represent California ratepayers in any FERC proceedings related to these or any other advice letter filings, as the Commission deems necessary, including, but not limited to circumstances in which errors in the filings are subsequently identified and/or other issues arise. For example, this is the third year in the last four that PG&E has discovered errors resulting in the need to refile its balancing account filings at FERC: Pacific Gas and Electric Company’s Motion to Withdraw Filing of Balancing Account Revisions, Transmission Owner Tariff, PG&E FERC Electric Tariff Volume No. 5, Docket No. ER19-111-000, November 20, 2018 and Amendment to Pacific Gas and Electric Company Transmission Owner Tariff Balancing Account Revisions, FERC Docket No. ER21-131, November 12, 2020.



Sidney Bob Dietz II
Director
Regulatory Relations

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November 9, 2021

Advice 6358-E-A

(Pacific Gas and Electric Company U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Notice of Federal Energy Regulatory Commission Rate Filing Errata for Annual Updates to the Reliability Services Rates Balancing Account Adjustment

Purpose

In compliance with California Public Utilities Commission (“Commission” or “CPUC”) Resolution E-3930, Pacific Gas and Electric Company (“PG&E”) submits this supplemental advice letter to notify the Commission of PG&E’s November 5, 2021 errata filing with the Federal Energy Regulatory Commission (“FERC”), in FERC Docket No. ER21-2980-002. The errata corrected the balance of the Reliability Services Balancing Account (“RSBA”). The filing corrected the Reliability Service Balancing Account balances and adjustments and requested an effective date of January 1, 2022 for the updated revenue requirements and rates.

This supplemental advice letter updates part of section RS Rates in original Advice 6358-E.

Background

PG&E’s TO Tariff specifies the rates and charges for transmission access to PG&E-owned facilities that are part of the California Independent System Operator Corporation (“CAISO”) controlled grid. The base transmission rates in the TO Tariff, along with the three transmission rate adjustments discussed in this advice letter filing make up the total transmission rates for PG&E’s retail customers.

RS Rates

FERC Opinion No. 459 approved a September 21, 2001, partial settlement allowing recovery of PG&E's Reliability Services ("RS") costs from retail TO Tariff customers.

The TRR for the RS rate consists of three components: (1) the RSBA balance, consisting of the principal balance and the interest expected as of December 31, 2021; (2) the forecast of RS costs for 2022; and (3) an adjustment for RF&U.

In the September 30, 2021 filing, the total RS revenue requirement for the 2022 RS rates was a charge to customers of \$6,422,868.00. As a result of correcting the "Balance of RSBA" cells, the total RS revenue requirement for retail 2022 RS rates is a charge to customers of \$6,842,031.00. This amount consists of the RSBA balance, which is a credit of \$6,009,548.00, plus the forecast of RS costs for 2022, which is a charge of \$12,780,261.00, plus the RF&U adjustment, which is a charge of \$71,318.00.

The corrections to the "Balance of RSBA" cells does not harm any PG&E customers. Although the corrected 2022 RS revenue requirement increased from a charge of \$6,422,868 to \$6,842,031, the corrected 2022 RS revenue requirement is a decrease in revenue requirement when compared to the 2021 RS revenue requirement of \$10,469,138, which was filed and accepted by FERC in Docket No. ER21-131-000.

Compliance with Resolution E-3930

PG&E submits this advice letter pursuant to Process Element 3 of Resolution E-3930. Consistent with past practice, PG&E also provided the Commission with a complete copy of the 2022 Balancing Account Filing on the same date that it was filed with FERC, by service to the Commission's Legal Division.

These FERC rate changes will generally affect the rates of all bundled, Direct Access, and Community Choice Aggregation customers. Typically, the 2022 Balancing Account Filing rate change will be consolidated into other rate changes scheduled to be filed in late December for an effective date of January 1, 2022. At that time, PG&E will also provide complete updated tariff sheets.

Protests

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

Effective Date

PG&E requests that this Tier 2 supplemental advice letter become effective concurrent with original Advice Letter 6358-E, which PG&E expects to be on or after **January 1, 2022**. PG&E proposes to consolidate the electric rate changes resulting from the 2022 Balancing Account Filing, to the extent practicable, with the first planned rate change after FERC authorizes PG&E's requests.

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. 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 filings can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

Sidney Bob Dietz II
Director, Regulatory Relations

Attachments



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 (U 39 E)

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) #: 6358-E-A

Tier Designation: 2

Subject of AL: Supplemental: Notice of Federal Energy Regulatory Commission Rate Filing Errata for Annual Updates to the Reliability Services Rates Balancing Account Adjustment

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 #: Res. E-3930

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: 1/1/22

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

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Title: Director, Regulatory Relations
Utility Name: Pacific Gas and Electric Company
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State: California Zip: 94177
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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

Intertie

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

OnGrid Solar
Pacific Gas and Electric Company
Peninsula Clean Energy

Pioneer Community Energy

Public Advocates Office

Redwood Coast Energy Authority
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
San Diego Gas & Electric Company

SPURR
San Francisco Water Power and Sewer
Semptra 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