

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 29, 2021

Sidney Bob Dietz II - Director
Regulatory Relations
Pacific Gas & Electric
77 Beale St., Mail Code B13U
San Francisco, CA 94177

Advice Letter 6372-E/6372-E-A

Subject: Staff Disposition of Pacific Gas & Electric Advice Letter No. 6372-E and Supplemental 6372-E-A, Establishing the Wildfire Hardening Fixed Recovery Charge and Wildfire Hardening Fixed Recovery Charge Balancing Account and Revising Departing Load Tariffs Pursuant to D.21-06-030

Dear Mr. Dietz:

Pacific Gas & Electric Company (PG&E) Advice Letter (AL) 6372-E, as modified by supplemental AL 6372-E-A is approved, with an effective date of November 21, 2021, as further described in the attached. Attachment 1 contains a detailed discussion of the AL, the protest, replies and ED staff's determination that PG&E AL 6372-E, as supplemented by AL 6372-E-A, should be approved.

Please contact Michael Conklin of Energy Division at michael.conklin@cpuc.ca.gov should you have any questions.

Sincerely,



FOR

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

cc:

ED Tariff Unit

Ann L. Trowbridge- atrowbridge@daycartermurphy.com

Attachment 1

Background

Commission Financing Order decision (D).21-06-030 (the Financing Order) authorized PG&E to issue up to approximately \$1.2 billion of Wildfire Hardening Recovery Bonds pursuant to Assembly Bill 1054.¹ In addition, D.21-06-030 authorized PG&E to establish a Wildfire Hardening Fixed Recovery Charge Balancing Account.² D.21-06-030 also contains direction regarding the applicability of Wildfire Hardening Fixed Recovery Charges to Departing Load consumers that is discussed in more detail below.

PG&E submitted Tier 2 Advice Letter (AL) 6372-E on October 22, 2021 for the purpose of establishing the Wildfire Hardening Fixed Recovery Charge (WHFRC), the Wildfire Hardening Fixed Recovery Charge Balancing Account (WHFRCBA) and to revise PG&E's Departing Load Tariffs, pursuant to Financing Order decision D.21-06-030.

PG&E AL 6372-E proposes to include two new Preliminary Statements in PG&E's electric tariffs reflecting the establishment of the WHFRC and WHFRCBA. AL 6372-E also proposes to modify existing Departing Load (DL) tariffs and applicable Electric Forms to "add language describing the WHFRC and WHFRCBA and to reference the new Preliminary Statements..."³

PG&E notes that "pursuant to Public Utilities Code section 850.1(b), the Financing Order required that consumers who no longer take transmission and distribution retail services from PG&E after the date of issuance of the Financing Order, or that meet the relevant criteria in the applicable tariff, shall be treated as DL Consumers using applicable tariffs for DL Consumers and shall be subject to pay the WHFRC and WHFRCBA."⁴

PG&E AL 6372-E included tariff revisions to schedule E-TMDL reflecting that the WHFRC applies to Transferred Municipal Departing Load (TMDL) Consumers if they are already TMDL customers, or if they become TMDL Consumers after the date of issuance of the Financing Order (FO). The tariff revisions state in part:

"By statute, and as set forth in the FO(s), these charges apply to all existing and future non-exempt consumers of electricity transmitted or distributed by means of electric transmission or distribution facilities (FO Consumer) in the geographical area that PG&E provides with electric distribution service (Service Territory) as of the date of issuance of the applicable FO."

"Transferred Municipal Departing Load Consumers are subject to these charges if, **on or after the date of issuance of the applicable FO(s)** for each series of Wildfire Hardening Recovery Bonds, they are an FO Consumer in the Service Territory and meet the definition of Transferred Municipal Departing Load..." (Emphasis added).

Similarly, AL 6372-E included tariff revisions to E-NMDL reflecting that the WHFRC applies to New Municipal Departing Load (NMDL) Consumers if they are already NMDL Consumers

¹ D.21-06-030, Ordering Paragraph 1.

² D.21-06-030, Ordering Paragraph 45.

³ PG&E AL 6372-E, p. 3.

⁴ PG&E AL 6372-E, p. 2 citing to D.21-06-030, Ordering Paragraph 12.

before the issuance date of the Financing Order, or if they become NMDL Consumers after the date of issuance of the Financing Order. The tariff revisions state in part:

“By statute, and as set forth in the FO(s), these charges apply to all existing and future non-exempt consumers of electricity transmitted or distributed by means of electric transmission or distribution facilities (FO Consumer) in the geographical area that PG&E provides with electric distribution service (Service Territory) as of the date of issuance of the applicable FO”

“New Municipal Departing Load Consumers are subject to these charges if, **on or after the date of issuance of the applicable FO(s)** for each series of Wildfire Hardening Recovery Bonds, they are an FO Consumer in the Service Territory and meet the definition of New Municipal Departing Load, unless sales under the Consumer’s OAS were CARE or FERA.” (Emphasis added).

Protest of Merced and Modesto Irrigation Districts

On November 12, 2021, the Merced Irrigation District and the Modesto Irrigation District (the Districts) filed a timely protest (Districts’ Protest) to PG&E AL 6372-E, “pursuant to the provisions of General Order 96-B”.⁵

The Districts cite to Ordering Paragraph 12 of D.21-06-030 and state that “With respect to departing load (DL) Consumers, D.21-06-030 provides that “[t]he Fixed Recovery Charges and any [Fixed Recovery Tax Amount] shall be **applicable to current PG&E Consumers that become DL Consumers after the date of the issuance of this Financing Order.**”⁶ (Emphasis by Districts).

The Districts’ Protest further asserts that “the mechanism established in the D.21-06-030 Financing Order is the same as the mechanism established in D.21-05-015”, which is the Financing Order authorizing PG&E to issue Stress Test Cost recovery bonds.

The Districts’ Protest cites to Ordering Paragraph 24 of D.21-05-015 that states in part “...consumers that **no longer take transmission and distribution retail service from PG&E after the date of this Financing Order**, or that meet relevant criteria in the applicable tariff, shall be treated as departing load (DL) Consumers using applicable tariffs for DL Consumers, including E-DCG, and will be subject to pay the Fixed Recovery Charges ...” (Emphasis by Districts).

The Districts’ Protest explains that the Districts compete with PG&E in a service area referred to as the “Joint Electric Distribution Service Area” and that there are two different types of DL Consumers:⁷

1. TMDL- Transferred Municipal Departing Load are customers that depart PG&E service to take electric service from the Districts in the Joint Electric Distribution Service Area.

⁵ Protest of the Districts, p. 1.

⁶ Protest of Districts, p. 1, citing D.21-06-030, pp.68-69 and Ordering Paragraph 12.

⁷ Protest of the Districts, p. 2.

2. NMDL- New Municipal Departing Load are customers who have never previously received electric service and choose to take service from the Districts in the Joint Electric Distribution Service Area.

The Districts' Protest states that PG&E AL 6372-E should be revised to correctly implement Ordering Paragraph 12 of D.21-06-030 regarding applicability of the WHFRC. The Districts' Protest asserts that according to Ordering Paragraph 12, the WHFRC and any (Fixed Recovery Tax Amount) shall be applicable to **“current PG&E Consumers that become DL Consumers after the date of the issuance of this Financing Order”**. The Districts' Protest explains the Districts are concerned that PG&E's proposed additions to Electric Schedule E-TMDL and E-NMDL may be interpreted as “erroneously” applying the WHFRC to consumers who became DL Consumers prior to the effective date of the issuance of D.21-06-030.⁸

As a result, the Districts' Protest includes revisions to PG&E's AL 6372-E proposed Schedule E-TMDL and E-NMDL to reflect the Districts' Protest's assertion that the WHFRC applies to each respective DL Consumer class only if they become TMDL or NMDL customers after the date of issuance of the Financing Order.

The District's Protest concludes that “similar revisions are likely required to PG&E's other DL tariffs, to ensure compliance with the D.21-06-030 Financing Order.”

Protest of California Clean DG Coalition

On November 12, 2021, the California Clean DG Coalition (CCDC) filed a timely protest (CCDC Protest) to PG&E AL 6372-E, “pursuant to the provisions of General Order 96-B”.⁹

Like the Districts' Protest, the CCDC Protest cites to Ordering Paragraph 12 of D.21-06-030 and states that “With respect to departing load (DL) Consumers, D.21-06-030 provides that “[t]he Fixed Recovery Charges and any [Fixed Recovery Tax Amount] shall be **applicable to current PG&E Consumers that become DL Consumers after the date of the issuance of this Financing Order.**”¹⁰ (Emphasis by CCDC).

The CCDC Protest further asserts that “The mechanism established in the D.21-06-030 Financing Order is the same as the mechanism established in D.21-05-015”, which is the Financing Order authorizing PG&E to issue Stress Test Costs recovery bonds.

The CCDC Protest cites to Ordering Paragraph 24 of D.21-05-015 that states in part “...consumers that **no longer take transmission and distribution retail service from PG&E after the date of this Financing Order**, or that meet relevant criteria in the applicable tariff, shall be treated as departing load (DL) Consumers using applicable tariffs for DL Consumers, including E-DCG, and will be subject to pay the Fixed Recovery Charges...” (Emphasis by CCDC).

⁸ Id.

⁹ Protest of the California Clean DG Coalition (CCDC), p. 1.

¹⁰ Protest of CCDC, p. 1, citing D.21-06-030, pp.68-69 and Ordering Paragraph 12.

The CCDC Protest explains that customers “who depart PG&E service to install on-site generation to serve some or all of their loads are referred to as Customer Generation Departing Load (CGDL).”¹¹

The CCDC Protest states that PG&E AL 6372-E should be revised to correctly implement Ordering Paragraph 12 of D.21-06-030 regarding applicability of the WHFRC. The CCDC Protest asserts that according to Ordering Paragraph 12, the WHFRC and any (Fixed Recovery Tax Amount) shall be applicable to “**current PG&E Consumers that become DL Consumers after the date of the issuance of this Financing Order**”. The CCDC Protest states that CCDC is concerned that PG&E’s proposed additions to Electric Schedule E-DCG may be interpreted as “erroneously” applying the WHFRC to consumers who became DL Consumers prior to the effective date of the issuance of D.21-06-030.¹²

As a result, the CCDC Protest includes revisions to the AL 6372-E proposed Schedule E-DCG to reflect the CCDC Protest’s assertion that the WHFRC applies only to consumers who become CGDL customers after the date of issuance of the Financing Order.

The CCDC Protest concludes that “similar revisions are likely required to PG&E’s other DL tariffs, to ensure compliance with the D.21-06-030 Financing Order.”¹³

To summarize, both Protests contested PG&E’s revisions to the Departing Load Tariffs, asserting that according to D.21-06-030, Ordering Paragraph 12, the WHFRC and Fixed Recovery Tax Amounts (FRTA) are only applicable to DL Consumers that become DL Consumers after the date of the issuance of the Financing Order.

No parties contested the two new Preliminary Statements in PG&E’s electric tariffs reflecting the establishment of the WHFRC and WHFRCBA as proposed in AL 6372-E.

PG&E’s Reply to Protests

On November 16, 2021, PG&E filed its reply (Reply) to the Districts’ Protest and the CCDC Protest (collectively, the Protests). PG&E clarifies that the Protests do not take issue with the establishment of the WHFRC or WHFRCBA; therefore PG&E’s Reply responds only to the Departing Load issue raised by the Protests.

PG&E’s Reply asserts that the Protests fail to set forth grounds for rejecting PG&E’s revisions to the Departing Load Tariffs because the “changes properly implement the Financing Order, which states that consumers of electricity who meet the criteria of applicable Departing Load Tariffs as of the date of issuance of the Financing Order are subject to the WHFRC and WHFRCBA.”¹⁴

PG&E’s Reply disagrees with the Protests that the WHFRC only applies to DL customers that become DL customers after the date of the Financing Order, maintaining that the Financing

¹¹ Protest of CCDC, p. 2.

¹² Id.

¹³ Protest of CCDC, p. 3.

¹⁴ PG&E Reply to the Protests, p. 2. (citing Ordering Paragraphs 11 and 12 of D.21-06-030).

Order establishes that the WHFRC and FRTAs could be recovered from both existing and future consumers.¹⁵ PG&E asserts this treatment is consistent with PUC Sections 850, et seq.

In support of this position, PG&E cites to D.21-06-030, pp. 68-69 (citations omitted):

4.9. Implications of Nonbypassable Charges for Departing Load

As required by Article 5.8, the Fixed Recovery Charges and any FRTAs should be nonbypassable and recovered from existing and future Consumers in PG&E's Service Territory, other than Consumers in Exempt Fixed Recovery Charge Customer Classes. In addition, Consumers that no longer take transmission and distribution retail service from PG&E after the date of this Financing Order, or that meet the relevant criteria in the applicable tariff, should be treated as DL Consumers using applicable tariffs for DL Consumers, including E-DCG, will be subject to pay the Fixed Recovery Charges and any FRTAs. The Fixed Recovery Charges and any FRTAs are applicable to current PG&E Consumers that become DL Consumers after the date of this Financing Order. For these DL Consumers on TMDL or NMDL schedules, PG&E proposes to calculate the Fixed Recovery Charge- and any FRTA-related amounts that would need to be paid, using an approach that is consistent with the method currently in place for calculation of TMDL and NMDL obligations.

PG&E's Reply notes that the term "consumer" is defined in PUC Section 850(b)(3) as: "any individual, governmental body, trust, business entity, or nonprofit organization that consumes electricity that has been transmitted or distributed by means of electric transmission or distribution facilities, whether those electric transmission or distribution facilities are owned by the consumer, the electrical corporation, or any other party."

The Reply therefore contends that the non-bypassable charges "apply to any person or entity who consumes electricity in PG&E's service territory either currently or in the future, regardless of who owns the transmission or distribution facilities."¹⁶

PG&E's Reply further explains that the Financing Order (at 69-70) affirmed that the WHFRC "applies to *both existing and future consumers*" and rejected the requests of the Districts to defer determination of whether the fixed recovery charges should apply to consumers in the event of a future municipalization:¹⁷

"We note that parties CCSF, Merced and Modesto, and S. San Joaquin had requested that the Commission defer reaching a conclusion on this issue. As phrased by S. San Joaquin, "The Commission does not currently have a municipalization or asset transfer proposal before it. Accordingly, the question regarding whether and what conditions should apply to a potential future municipalization or asset transfer proposal is not ripe for decision." However, none of these parties took head-on the express terms and implications of the statute, which states "The commission may establish... an effective mechanism that ensures recovery of recovery costs through nonbypassable fixed recovery charges and

¹⁵ PG&E Reply to the Protests, p. 2.

¹⁶ PG&E Reply to Protests, p. 3.

¹⁷ PG&E Reply to Protests, p. 3. (citing to D.21-06-030, pp. 69-70).

any associated fixed recovery tax amounts from existing and future consumers in the service territory...” (§850.1(b) (emphasis added)). These parties also failed to directly address that the Commission has clearly applied these nonbypassable charges to all departing load customers in all such financing orders.

We make it clear that, in accordance with the statute, we direct the nonbypassable fixed recovery charges to apply to existing and future customers in the service territory, regardless of possible future municipalization or possible future asset transfers. We do this to properly apply the plain language of the statute. We also do this to ensure the confidence of potential Recovery Bond purchasers who understandably need to expect that there is an effective mechanism to ensure recovery of recovery costs through fixed recovery charges to repay the Recovery Bonds.”

In addition, PG&E’s Reply cites to language in Ordering Paragraph 11 showing that the Financing Order intended for the WHFRC to apply to both existing and future customers:

“The Fixed Recovery Charges and any Fixed Recovery Tax Amount shall be nonbypassable and recovered from existing and future Consumers, as defined in Public Utilities (Pub. Util.) Code Section 850(b)(3), in Pacific Gas and Electric Company’s Service Territory as of the date of this Financing Order, except for those Consumers participating in the California Alternative Rates for Energy or Family Electric Rate Assistance programs pursuant to Pub. Util. Code Section 850.1(i).¹⁸

Finally, PG&E cites to language in Ordering Paragraph 12 showing that in addition to customers after the date of issuance of the Financing Order, customers that “meet the relevant criteria in the applicable tariff” are also subject to the pay the WHFRC:

Consumers that no longer take transmission and distribution retail service or that depart or reduce Pacific Gas and Electric Company (PG&E) service after the date of the issuance of this Financing Order, *or that meet the relevant criteria in the applicable tariff*, shall be treated as departing load (DL) Consumers using applicable tariffs for DL Consumers, and shall be subject to pay the Fixed Recovery Charges and any Fixed Recovery Tax Amount (FRTA). The Fixed Recovery Charges and any FRTAs shall be applicable to current PG&E Consumers that become DL Consumers after the date of the issuance of this Financing Order. These DL Consumers shall pay the Fixed Recovery Charge and any FRTAs based on an approach that is consistent with the method currently in place for recovery of nonbypassable charges for DL customers.¹⁹ (Emphasis by PG&E)

PG&E asserts that under Ordering Paragraph 12, the WHFRC and FRTAs are applicable to both present and future consumers, which includes two types of Departing Load consumers. PG&E explains the first type (that the Protests do not object to) are consumers that become DL Consumers after the date of issuance of the Financing Order while the second type are those consumers that meet the relevant criteria in the applicable tariff as of the date of issuance of the Financing Order.²⁰

¹⁸ D.21-06-030, Ordering Paragraph 11.

¹⁹ D.21-06-030, Ordering Paragraph 12.

²⁰ PG&E Reply to Protests, p. 4.

PG&E's Reply concludes that the Protests "...fail to address the "meet the relevant criteria in the applicable tariff" language of Ordering Paragraph 12 in their protests, and their proposed revision to the Departing Load Tariffs is inconsistent with both the Financing Order and Sections 850 et seq. The revisions to PG&E's Departing Load Tariffs proposed in the Advice Letter are proper and necessary to implement the Financing Order."²¹

PG&E Supplemental Advice Letter 6372-E-A

On November 23, 2021, PG&E submitted supplemental AL 6372-E-A "to remove proposed modifications to PG&E's Departing Load Tariffs as originally submitted in Advice Letter 6372-E."²² PG&E further states it submitted supplemental AL 6372-E-A "To effectuate a December 1, 2021 rate change consistent with the financial modeling and revenue requirement rate recovery expectations in issuing the first series of the Wildfire Hardening Recovery Bonds...as no party has protested the establishment of the WHFRC or WHFRCBA..."²³

Supplemental AL 6372-E-A contains the following proposed revisions to AL 6372-E:

- Preliminary Statement Part JF: Wildfire Hardening Fixed Recovery Charge (WHFRC) included for completeness "but has not changed from the original submittal."²⁴
- Revise original proposed Preliminary Statement JG: Wildfire Hardening Fixed Recovery Charge Balancing Account (WHFRCBA) to remove proposed informational rate table associated with Departing Load Consumers.
- Remove Tariff Revisions to the following Departing Load Tariffs and Electric Forms proposed in original Advice Letter 6372-E:
 - Electric Schedule E-DCG: Departing Customer Generation CG
 - Electric Schedule E-NMDL: New Municipal Departing Load
 - Electric Schedule E-TMDL: Transferred Municipal Departing Load
 - Electric Schedule E-SDL: Split-Wheeling Departing Load
 - Electric Schedule E-NWDL: New WAPA Departing Load
 - Electric Sample Form No. 79-1002: Customer Generation Departing Nonbypassable Charge Statement
 - Electric Sample Form No. 79-1006: Transferred Municipal Departing Load Nonbypassable Charge Statement

PG&E states that it will submit a new separate Advice Letter to propose the Departing Load tariffs where the issues raised by [the Protests] can be addressed.²⁵

Energy Division Disposition

Energy Division (ED) has reviewed PG&E AL 6372-E, supplemental AL 6372-E-A, the Protests, PG&E's Reply to the Protests, PUC Sec. 850, et seq, and the relevant provisions of D.21-06-030.

²¹ Id.

²² PG&E supplemental AL 6372-E-A, p. 1.

²³ Id.

²⁴ PG&E supplemental AL 6372-E-A, p. 2.

²⁵ PG&E supplemental AL 6372-E-A, p. 1.

ED finds that PG&E's supplemental AL 6372-E-A revises AL 6372-E to effectively remove the proposed revisions to the Departing Load tariffs that were the subject of the Protests. Therefore, for purposes of PG&E AL 6372-E/6372-E-A, the concerns of the Protests have been rendered moot. ED further finds that the Preliminary Statements reflecting the establishment of the WHFRC and WHFRCBA contained in supplemental AL 6372-E-A are consistent with D.21-06-030 and are uncontested. As a result, ED approves AL 6372-E, as modified by supplemental AL 6372-E-A.

Conclusion

Although the Protests assert that AL 6372-E should be revised to correctly implement OP 12 of D.21-06-030, as discussed above, ED finds that the revisions contained in supplemental AL 6372-E-A have rendered the Protests moot for purposes of AL 6372-E. Therefore, for the purposes of AL 6372-E and supplemental AL 6372-E-A, the Protests are denied.

In conclusion, ED finds that the Preliminary Statement additions to PG&E's electric tariffs presented in supplemental AL 6372-E-A establishing the WHFRC and WHFRCBA are consistent with D.21-06-030 and are uncontested. As a result, PG&E AL 6372-E, as modified by supplemental AL 6372-E-A, is approved.



Sidney Bob Dietz II
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

November 23, 2021

Advice 6372-E-A

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Supplemental: Establishing the Wildfire Hardening Fixed Recovery Charge and Wildfire Hardening Fixed Recovery Charge Balancing Account Pursuant to Decision 21-06-030

Purpose

Pursuant to Decision (D.) 21-06-030 (the Financing Order), Pacific Gas and Electric Company (PG&E) submits this Supplemental Advice Letter to remove proposed modifications to PG&E's Departing Load Tariffs as originally submitted in Advice Letter 6372-E. This supplemental advice letter supersedes original Advice 6372-E in part. While the tariff revisions are being replaced, the advice letter contained in original Advice 6372-E remains unchanged.

Background

On October 22, 2021, pursuant to the Financing Order, PG&E submitted Advice Letter 6372-E to establish the Wildfire Hardening Fixed Recovery Charge (WHFRC) and Wildfire Hardening Fixed Recovery Charge Balancing Account (WHFRCBA), and revise Departing Load tariffs. Advice Letter 6372-E was timely protested on November 12, 2021 by Merced Irrigation District (Merced ID), Modesto Irrigation District (Modesto ID), and the California Clean DG Coalition (CCDC). Protestants argued only against certain of the revisions to the Departing Load tariffs and did not argue against the establishment of the WHFRC or WHFRCBA. In response, PG&E submitted its Reply to Protest on November 16, 2021.

To effectuate a December 1, 2021 rate change consistent with the financial modeling and revenue requirement rate recovery expectations in issuing the first series of the Wildfire Hardening Recovery Bonds, and as no party protested the establishment of the WHFRC or WHFRCBA, PG&E submits this Supplemental Advice Letter 6372-E-A to remove the Departing Load tariff revisions from the Advice Letter. PG&E files this supplement to facilitate implementation of the WHFRC and WHFRCBA by December 1, 2021, and reserves all rights regarding the proposed Departing Load tariff changes. PG&E will submit a new separate Advice Letter to propose the Departing Load tariffs where the issues raised by the Merced ID, Modesto ID, and the CCDC can be addressed.

Tariff Revisions

For clarity, PG&E proposes to replace in full the tariffs originally submitted in Advice Letter 6372-E. Through this Supplemental Advice Letter, PG&E is seeking to make the following tariff revisions from tariffs originally submitted in Advice Letter 6372-E.

- Preliminary Statement Part JF: Wildfire Hardening Fixed Recovery Charge (WHFRC) is included for completeness, but has not changed from the original submittal. Rate values approved in Advice Letter 6390-E will be incorporated into the rate table presented in Preliminary Statement Part JF in the upcoming rate implementation Advice Letter for rates effective December 1, 2021.¹
- Revise original proposed Preliminary Statement Part JG: Wildfire Hardening Fixed Recovery Charge Balancing Account (WHFRCBA) to remove proposed informational rate table associated with Departing Load Consumers.
- Remove Tariff Revisions to the following Departing Load Tariffs and Electric Forms proposed in original Advice Letter 6372-E:
 - Electric Schedule E-DCG: Departing Customer Generation CG
 - Electric Schedule E-NMDL: New Municipal Departing Load
 - Electric Schedule E-TMDL: Transferred Municipal Departing Load
 - Electric Schedule E-SDL: Split-Wheeling Departing Load
 - Electric Schedule E-NWDL: New WAPA Departing Load
 - Electric Sample Form No. 79-1002: Customer Generation Departing Nonbypassable Charge Statement
 - Electric Sample Form No. 79-1006: Transferred Municipal Departing Nonbypassable Charge Statement

Protests

PG&E asks that the Commission, pursuant to GO 96-B, General Rule 7.5.1, maintain the original protest and comment period designated in Advice 6372-E and not reopen the protest period.

Effective Date

Pursuant to General Order (GO) 96-B, Rule 5.2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective concurrent with the original Advice Letter 6372-E, which is November 21, 2021.

¹ On November 5, 2021, PG&E submitted Advice Letter 6390-E (IAL) which established initial Fixed Recovery Charges for the issuance of the Wildfire Hardening Recovery Bonds. Pursuant to the Initial AB1054 Financing Order, the IAL is automatically approved and effective noon on the fourth business day after pricing unless the Commission staff rejects the IAL. The Commission did not submit a rejection and the IAL was considered effective on November 10, 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.21-02-020. 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 Bob Dietz II
Director, Regulatory Relations

Attachments

cc: Service List A.21-02-020



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: 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) #: 6372-E-A

Tier Designation: 2

Subject of AL: Supplemental: Establishing the Wildfire Hardening Fixed Recovery Charge and Wildfire Hardening Fixed Recovery Charge Balancing Account Pursuant to Decision 21-06-030

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.21-06-030

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: 11/21/21

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: See Attachment 1

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: Sidney Bob Dietz II, 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	
52035-E	ELECTRIC PRELIMINARY STATEMENT PART JF WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC) Sheet 1	
52036-E	ELECTRIC PRELIMINARY STATEMENT PART JF WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC) Sheet 2	
52037-E	ELECTRIC PRELIMINARY STATEMENT PART JF WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC) Sheet 3	
52038-E	ELECTRIC PRELIMINARY STATEMENT PART JG WILDFIRE HARDENING FIXED RECOVERY CHARGE BALANCING ACCOUNT (WHFRCBA) Sheet 1	
52039-E	ELECTRIC PRELIMINARY STATEMENT PART JG WILDFIRE HARDENING FIXED RECOVERY CHARGE BALANCING ACCOUNT (WHFRCBA) Sheet 2	
52040-E	ELECTRIC TABLE OF CONTENTS Sheet 1	52027-E
52041-E	ELECTRIC TABLE OF CONTENTS Sheet 18	51669-E



ELECTRIC PRELIMINARY STATEMENT PART JF
WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC)

Sheet 1

JF. WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC)

(N)

1. PURPOSE:

The purpose of this section is to establish a Wildfire Hardening Fixed Recovery Charge, as mandated by Article 5.8 of the California Public Utilities Code (Article 5.8). Article 5.8 Section 850(a)(2) authorizes PG&E to recover a portion of its costs associated with fire risk mitigation capital expenditures and wildfire-related costs and expenditures (Wildfire Amounts) through the issuance of Wildfire Hardening Recovery Bonds. The Wildfire Hardening Fixed Recovery Charge is defined by Article 5.8 as a nonbypassable, separate charge that is authorized by the Commission in a Financing Order to recover costs and expenses related to catastrophic wildfires and financing costs associated with the Wildfire Hardening Recovery Bonds. The Wildfire Hardening Fixed Recovery Charge will be comprised of the following components: (1) scheduled debt service on the Wildfire Hardening Recovery Bonds, (2) administration and servicing fees, (3) Bond Trustee fees and other expenses, (4) any credit enhancements, (5) allowance for uncollectibles, (6) replenishing the capital subaccounts, and (7) other ongoing financing costs. A separate Wildfire Hardening Fixed Recovery Charge will apply to each series of Wildfire Hardening Recovery Bonds issued. The aggregate amount of applicable Wildfire Hardening Fixed Recovery Charges will appear on customers' bills under one line item called "Wildfire Hardening Charge (WHC)."

The rights in and to the Wildfire Hardening Fixed Recovery Charge established pursuant to the Financing Order constitute "Wildfire Hardening Recovery Property" as defined in the legislation and have been established pursuant to a Financing Order (FO), Decision 21-06-030, issued by the California Public Utilities Commission. Concurrently with the effectiveness of the Wildfire Hardening Recovery Charge, PG&E has sold all of its rights with respect to such Wildfire Hardening Recovery Property to [SPE], a Delaware Limited Liability Company (Special Purpose Entity). The Wildfire Hardening Recovery Property includes the right, title, and interest of PG&E 1) in and to the Wildfire Hardening Fixed Recovery Charges, including all rights to obtain adjustments to the Wildfire Hardening Fixed Recovery Charges as provided in the Financing Order, and 2) to be paid the amount that is determined in the Financing Order that PG&E is lawfully entitled to receive pursuant to the provisions of Article 5.8 and the proceeds thereof, and all revenues, collections, claims, payments, money, or proceeds of or arising from Wildfire Hardening Fixed Recovery Charges that are subject of the Financing Order. PG&E has no rights to the Wildfire Hardening Recovery Property, Wildfire Hardening Fixed Recovery Charge or any amounts payable thereunder.

2. APPLICABILITY:

This Wildfire Hardening Fixed Recovery Charge shall apply to all customers except for those customers participating in the California Alternate Rates for Energy or Family Electric Rate Assistance programs pursuant to Section 850.1(i).

(N)

(Continued)



ELECTRIC PRELIMINARY STATEMENT PART JF
WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC)

Sheet 2

JF. WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC) (Cont'd)

(N)

3. ISSUANCE ADVICE LETTER:

PG&E shall submit an Issuance Advice Letter no later than one day after the Wildfire Hardening Recovery Bonds are priced. The Issuance Advice Letter will include the final issuance details and a request that the Wildfire Hardening Fixed Recovery Charge be set based on the actual amount, price, and other terms of the Wildfire Hardening Recovery Bonds. Unless before noon on the fourth business day after pricing the Commission issues an order finding that the proposed issuance does not comply with the Financing Order, the Issuance Advice Letter and the Wildfire Hardening Fixed Recovery Charges established by an Issuance Advice Letter will be effective automatically at noon on the fourth business day after pricing - and the Wildfire Hardening Recovery Property, established pursuant to Section 850.1(h) and the Financing Order, will come into being simultaneous with the sale of the Wildfire Hardening Recovery Property to the SPE.

4. WILDFIRE HARDENING FIXED RECOVERY CHARGE ADJUSTMENTS:

PG&E will submit a Routine True-Up Mechanism Advice Letter at least annually, or more often if necessary, as described in the Financing Order to adjust the Wildfire Hardening Fixed Recovery Charge to ensure timely recovery of Wildfire Hardening Recovery Bond principal, interest, and other Financing Costs. All true-up adjustments to the Wildfire Hardening Fixed Recovery Charges shall ensure that the Wildfire Hardening Fixed Recovery Charges generate sufficient revenues to timely pay all scheduled (or legally due) payments of principal (including, if any, prior scheduled but unpaid principal payments), interest, and other Wildfire Hardening Recovery costs to be paid with Wildfire Hardening Fixed Recovery Charge revenues. The adjustment will be based on the following: (1) the most recent test-year sales; (2) the most recent adopted revenue allocation factors, (3) the test-year projected amortization schedule; (4) estimated ongoing financing costs; (5) an adjustment to reflect collections from the prior period; and (6) changes to projected uncollectibles. The advice letter will adjust the Wildfire Hardening Fixed Recovery Charge for each series of Wildfire Hardening Recovery Bonds issued and become effective on 1) March 1, in the case of an annual Routine True-Up, 2) September 1, in the case of a semi-annual Routine True-Up and 3) the first day of the month after the filing of an interim Routine True-Up.

In addition to the Routine True-Up Mechanism, PG&E may also make changes to the Wildfire Hardening Fixed Recovery Charge based on changes to the logic, structure, and components of the cash flow model not specified above. In this case, PG&E will file a Non-Routine True-Up Mechanism Advice Letter at least 90 days before the date when the proposed changes would become effective.

(N)

(Continued)

Advice 6372-E-A
Decision D.21-06-030

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted
Effective
Resolution

November 23, 2021



ELECTRIC PRELIMINARY STATEMENT PART JF
WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC)

Sheet 3

JF. WILDFIRE HARDENING FIXED RECOVERY CHARGE (WHFRC) (Cont'd)

(N)

5. WILDFIRE HARDENING FIXED RECOVERY CHARGE:

WILDFIRE HARDENING RECOVERY BONDS Series 1 (FO Issued 6/24/21)

Rate Group	Rate (\$/kWh)	
Residential	\$x.xxxx	(N)
Small L&P/BEV1	\$x.xxxx	(N)
A-10S/B-10S	\$x.xxxx	(N)
A-10P/B-10P	\$x.xxxx	(N)
A-10T/B-10T	\$x.xxxx	(N)
E-19S/B-19S/BEV2S	\$x.xxxx	(N)
E-19P/B-19P/BEV2P	\$x.xxxx	(N)
E-19T/B-19T/BEV2T	\$x.xxxx	(N)
Streetlight	\$x.xxxx	(N)
Standby S - STOUS/SBS	\$x.xxxx	(N)
Standby P - STOUP/SBP	\$x.xxxx	(N)
Standby T - STOUT/SBT	\$x.xxxx	(N)
Agriculture	\$x.xxxx	(N)
E-20S/B-20S	\$x.xxxx	(N)
E-20P/B-20P	\$x.xxxx	(N)
E-20T/B-20T	\$x.xxxx	(N)

(N)



ELECTRIC PRELIMINARY STATEMENT PART JG Sheet 1
WILDFIRE HARDENING FIXED RECOVERY CHARGE BALANCING ACCOUNT (WHFRCBA)

JG. WILDFIRE HARDENING FIXED RECOVERY CHARGE BALANCING ACCOUNT (WHBFCBA) (N)

1. PURPOSE: (N)

The purpose of the WHFRCBA is to record the costs and benefits associated with Wildfire Hardening Recovery Bonds that are not recovered from customers through the Wildfire Hardening Fixed Recovery Charge to charge those costs to or return those benefits to customers. Wildfire Hardening Recovery Bonds are authorized by the Commission in a Financing Order (FO), Decision 21-06-030, to recover costs and expenses related to catastrophic wildfires and financing costs associated with the Wildfire Hardening Recovery Bonds.

2. REVISION DATE:

Disposition of the amounts in the account shall be determined in the Annual Electric True-Up Advice Letter, or as authorized by the Commission. Any balance in the account shall be transferred to the Distribution Revenue Adjustment Mechanism (DRAM).

3. WHFRCBA Rates:

The WHFRCBA does not have a rate component.

4. TIME PERIOD:

The WHFRCBA will become effective with the issuance of the first Wildfire Hardening Recovery Bonds and will expire after the Wildfire Hardening Recovery Bonds are fully repaid and any remaining balance is returned to or recovered from customers.

5. ACCOUNTING PROCEDURES: PG&E shall maintain the WHBFCBA by making entries at the end of each month as follows:

- a. A debit entry equal to federal income and state franchise tax accruals on revenues received to fund the Wildfire Hardening Recovery Bond repayment.
- b. A credit or debit entry, as necessary, to record the flow-through or flow-back of the benefit of repairs tax deductions associated with the assets financed with the Wildfire Hardening Recovery Bonds.
- c. A credit or debit entry, as necessary, to record the interest on accumulated deferred income tax associated with the federal or State of California income or franchise taxes related to the assets financed with the Wildfire Hardening Recovery Bonds.
- d. A debit entry equal to the estimated Revenue Fees requirements on the Wildfire Hardening Fixed Recovery Charge revenues received from customers.
- e. A credit entry equal to the servicing and administration fees paid to PG&E in excess of PG&E's recorded incremental cost of billing and collecting the Wildfire Hardening Fixed Recovery Charges as specified in Preliminary Statement Part JF or acting as administrator of the special purpose entity that issues the Wildfire Hardening Recovery Bonds.

(N)

(Continued)



ELECTRIC PRELIMINARY STATEMENT PART JG Sheet 2
WILDFIRE HARDENING FIXED RECOVERY CHARGE BALANCING ACCOUNT (WHFRCBA)

- 5. ACCOUNTING PROCEDURES (Cont'd) (N)
 - f. 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 H.15 or its successor. |
 - g. A debit or credit entry, as applicable, to transfer the balance in the account to DRAM in conjunction with the Annual Electric True-Up filing or through another advice letter as approved by the Commission. |
- (N)



ELECTRIC TABLE OF CONTENTS

Sheet 1

TABLE OF CONTENTS

SCHEDULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Title Page.....		52040-E	(T)
Rate Schedules.....	52028,52029,52030,52031,52032,52033,52034,49654,49184,-E		
Preliminary Statements.....	49185,48878,50629,50630,49682,50058,51616,-E		
Preliminary Statements, Rules.....		52041 ,50633,51987-E	(T)
Maps, Contracts and Deviations.....		50635-E	
Sample Forms.....	50636,49743,50637,50638,50639,49735,		
.....	50640,50641,49307,50642,49309,49310,49311-E		

(Continued)

Advice 6372-E-A
Decision D.21-06-030

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted November 23, 2021
Effective _____
Resolution _____



ELECTRIC TABLE OF CONTENTS

Sheet 18

Part	TITLE OF SHEET	CAL P.U.C. SHEET NO.	
Preliminary Statements (Cont'd)			
Part JF	Wildfire Hardening Fixed Recovery Charge.....	52035,52036,52037-E	(N)
Part JG	Wildfire Hardening Fixed Recovery Charge Balancing Account.....	52038,52039-E	(N)

RULE	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Rules		
Rule 01	Definitions	25914,50028,50029,50030,50031,50032,50033,46391,46392, 43251,43252,43253,49255,50550,51171,51614,51206,51664, 51208,51209,51210,51211,51212,51213,51214,51215,51216, 51217,51218,51219, 51220,51222,51223-E
Rule 02	Description of Service	11257,11896*,11611,14079,11261,11262,11263,31319,27764,27765, 27766,27767,11269,11270,11271,11272,27768,11274,11275,27769, 27770,11278,41100,50622,45471,45472,45473,45474,45475-E
Rule 03	Application for Service	27798,46817,46818-E
Rule 04	Contracts.....	34614-E
Rule 05	Special Information Required on Forms	32168,14192,37150-E
Rule 06	Establishment and Reestablishment of Credit	46819,46820-E
Rule 07	Deposits	46821,46822-E
Rule 08	Notices	46823,46824,46825,14146,35236-E
Rule 09	Rendering and Payment of Bills	41048,43019,46804,49760,49761,47337,47338,47339,47340-E
Rule 10	Disputed Bills	11308,11309,11310-E

(Continued)

**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
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
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