

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



**Pacific Gas & Electric Company**  
**ELC (Corp ID 39)**  
**Status of Advice Letter 4512G/6373E**  
**As of November 18, 2021**

Subject: PG&E's Uncollectibles Factor Effective January 1, 2022 in Compliance with the 2020 General Rate Case Decision 20-12-005

Division Assigned: Energy

Date Filed: 10-22-2021

Date to Calendar: 10-27-2021

Authorizing Documents: D2012005

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>01-01-2022</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

4159734587

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

October 21, 2021

**Advice 4512-G/6373-E**  
(Pacific Gas and Electric Company U 39 M)

Public Utilities Commission of the State of California

**Subject: PG&E's Uncollectibles Factor Effective January 1, 2022 in Compliance with the 2020 General Rate Case Decision 20-12-005**

**Purpose**

Pacific Gas and Electric Company (PG&E or the Company) submits this Tier 1 advice letter in accordance with section 9.6.2 of the 2020 General Rate Case (GRC) Phase 1 Decision (D.) 20-12-005 to update the 2022 uncollectibles factor.

**Background**

On December 13, 2018, PG&E filed its 2020 GRC Application (A.) 18-12-009. In its application, PG&E proposed generation and distribution base revenue requirements for the test year 2020 and post-test years 2021 and 2022. On December 20, 2019, PG&E and 8 other parties (the Settling Parties) filed with the California Public Utilities Commission (CPUC or Commission) a Settlement Agreement. On December 3, 2020, the CPUC approved the Settlement Agreement in D.20-12-005, with modifications not applicable to this requirement. D.20-12-005, section 9.6.2, adopts PG&E's methodology to forecast the uncollectibles factor to be revised annually by advice letter using a 10-year rolling average based on updated historical data. The 2022 uncollectibles factor, using historical data from 2011 through 2020, is 0.002953 (see Attachment 1). As the uncollectibles factor is a component of the Revenue Fees and Uncollectibles Factor (RF&U), the 2022 RF&U Factor has also been updated for Electric and Gas Expense and Revenue as follows and as provided in Attachment 2:

Revenue Fees & Uncollectibles Factor:

Electric Expense	0.010811		Electric Revenue	0.010696
Gas Expense	0.013332		Gas Revenue	0.013157

This submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

PG&E is tracking incremental uncollectible expense for residential<sup>1</sup> customers in the Residential Uncollectible Balancing Account (RUBA) and trueing up rates on an annual basis through the Annual Electric and Annual Gas True-up Advice Letters. PG&E is tracking incremental uncollectible expense for small business<sup>2</sup> and medium to large commercial<sup>3</sup> customers related to COVID-19 period arrearages and will seek future cost recovery of those amounts through a future General Rate Case, separate application, or proceeding as authorized by the CPUC. This tracking of incremental costs does not impact the RF&U calculation contained herein.

### **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 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 **November 10, 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:

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<sup>1</sup> Residential uncollectible expenses are currently being recorded in the RUBA. PG&E's Advice 4458-G/6237-E, submitted June 23, 2021, requesting to transfer the COVID-19 period related portions of incremental residential uncollectible expense from the COVID-19 Pandemic Protections Memorandum Accounts (CPPMA) into the RUBA is pending disposition.

<sup>2</sup> COVID-19 period related Small Business incremental uncollectible expenses are currently being tracked in the CPPMA.

<sup>3</sup> PG&E's Advice 4432-G/6194-E submitted on May 14, 2021 requesting to establish the Medium and Large Commercial and Industrial COVID-19 Disconnection Moratorium Memorandum Account (ML-CDMMA), is pending disposition.

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

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, this advice letter is submitted with a Tier 1 designation. PG&E requests that this **Tier 1** advice submittal become effective on **January 1, 2022**.

### **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.18-12-009 and A. 21-06-021**. 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/>.

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/S/

Sidney Bob Dietz II  
Director, Regulatory Relations

### Attachments

cc: Service Lists A.18-12-009 and A.21-06-021



# 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 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) #: 4512-G/6373-E

Tier Designation: 1

Subject of AL: PG&E's Uncollectibles Factor Effective January 1, 2022 in Compliance with the 2020 General Rate Case Decision 20-12-005

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: 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 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 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](mailto:PGETariffs@pge.com)

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

# Attachment 1

## 2020 General Rate Case Decision D. 20-12-005

### Derivation of the Uncollectible Factor Using the Ten Year Rolling Average Method 2022 Uncollectible Factor Calculation

Line	Year	(A) Revenue	(B) Net Write-Off	C = (B/A) Factor	
1	2020	\$17,669,030,952	\$35,457,407	0.2007%	
2	2019	\$16,489,221,274	\$37,658,533	0.2284%	
3	2018	\$16,560,949,827	\$42,396,642	0.2560%	
4	2017	\$17,715,836,118	\$42,563,022	0.2403%	
5	2016	\$16,866,196,864	\$42,205,795	0.2502%	
6	2015	\$16,073,288,577	\$46,295,927	0.2880%	
7	2014	\$15,512,016,800	\$52,813,892	0.3405%	
8	2013	\$15,321,271,027	\$59,368,756	0.3875%	
9	2012	\$14,827,143,094	\$57,972,520	0.3910%	
10	2011	\$14,629,492,318	\$54,258,947	0.3709%	
11		Average Uncollectible Factor		<u><u>0.2953%</u></u>	(SUM of C)/10

**2020 GRC for the Year 2022 (Adopted Including 2022 Uncollectibles Factor Update)**  
**Revenue Fees and Uncollectible Factors (RF&U)**

<u>Electric Department* (CPUC Jurisdiction)</u> (\$ in thousands)			<u>Gas Department*</u> (\$ in thousands)		
<b><u>Revenue Factor (use 0.010696)</u></b>			<b><u>Revenue Factor (use 0.013157)</u></b>		
Uncollectible	15,719	<sup>(2)</sup>	Uncollectible	6,164	<sup>(5)</sup>
Franchise Requirements	38,234	<sup>(3)</sup>	Franchise Requirements	20,130	<sup>(6)</sup>
SFGR	2,982		SFGR	1,169	
<b>Total</b>	<b>56,934</b>		<b>Total</b>	<b>27,464</b>	
Franchise & Uncollect. Operating Revenues <sup>(1)</sup>	$\frac{56,934}{5,323,002}$	= 0.010696	Franchise & Uncollect. Operating Revenues <sup>(4)</sup>	$\frac{27,464}{2,087,460}$	= 0.013157
				**	
<b><u>Expense Factor (use 0.010811)</u></b>			<b><u>Expense Factor (use 0.013332)</u></b>		
	$\frac{0.010696}{1-0.010696}$	= 0.010811		$\frac{0.013157}{1-0.013157}$	= 0.013332

<b>Electric Revenue Factor:</b>			<b>Gas Revenue Factor:</b>		
Franchise:	$\frac{38,234}{5,323,002}$	= 0.007183	Franchise:	$\frac{20,130}{2,087,460}$	= 0.009643
SFGR	$\frac{2,982}{5,323,002}$	= 0.000560	SFGR	$\frac{1,169}{2,087,460}$	= 0.000560
Uncollectibles:	$\frac{15,719}{5,323,002}$	= 0.002953	Uncollectibles:	$\frac{6,164}{2,087,460}$	= 0.002953
<b>Total</b>		<b>0.010696</b>	<b>Total</b>		<b>0.013157</b>
<b>Electric Expense Factor:</b>			<b>Gas Expense Factor:</b>		
Franchise:	$\frac{0.007183}{1-0.010696}$	= 0.007260	Franchise:	$\frac{0.009643}{1-0.013157}$	= 0.009772
SFGR	$\frac{0.000560}{1-0.010696}$	= 0.000566	SFGR	$\frac{0.000560}{1-0.013157}$	= 0.000568
Uncollectibles:	$\frac{0.002953}{1-0.010696}$	= 0.002985	Uncollectibles:	$\frac{0.002953}{1-0.013157}$	= 0.002992
<b>Total</b>	$\frac{0.010696}{1-0.010696}$	= <b>0.010811</b>	<b>Total</b>	$\frac{0.013157}{1-0.013157}$	= <b>0.013332</b>

Check 0 (0)

Notes:

\* Electric and Gas RF&U Factors are based on Electric Distribution and Gas Distribution revenues and RF&U expenses.

\*\* Operating Revenues exclude interdepartmental revenues in this calculation.

1) -6) See Attachment 2, page 2 of 2.

## Attachment 2, Page 2 of 2

Pacific Gas and Electric Company  
 2020 CPUC General Rate Case (Adopted D.20-12-005)  
 Franchise, SFGR Tax and Uncollectibles at Proposed Rates  
 Attrition Year 2022  
 \$(000)

Line No.	Description	Electric Generation (A)	Electric Distribution (B)	Gas Distribution (C)	Source/Formula
<b>Uncollectible Accounts</b>					
1	Rate Case Revenues	2,253,670	5,340,114	2,226,509	Decision 20-12-005 ( <b>Note 1</b> )
2	Percent of Revenue from Customers	<u>0.996796</u>	<u>0.996796</u>	<u>0.937548</u>	Decision 20-12-005 RO Model
3	Rate Case Revenues from Customers	2,246,449	5,323,002	2,087,460	Ln 1 x Ln 2
4	Uncollectible Rate	<u>0.002953</u>	<u>0.002953</u>	<u>0.002953</u>	Decision 20-12-005 ( <b>Note 1</b> )
5	Uncollectible Accounts Expense	<u><u>6,634</u></u>	<u><u>15,719</u></u>	<u><u>6,164</u></u>	Ln 3 x Ln 4
<b>Franchise Fees &amp; SF Gross Receipts Tax</b>					
6	Rate Case Revenues from Customers	2,246,449	5,323,002	2,087,460	Ln 3
7	Uncollectible Accounts Expense	<u>6,634</u>	<u>15,719</u>	<u>6,164</u>	Ln 5
8	Net Rate Case Revenue from Customers	2,239,815	5,307,283	2,081,296	Ln 6 - Ln 7
9	Franchise & SFGR Tax Rate	<u>0.007766</u>	<u>0.007766</u>	<u>0.010234</u>	Decision 20-12-005 RO Model
10	Franchise Fees & SFGR Tax Expense	<u><u>17,394</u></u>	<u><u>41,215</u></u>	<u><u>21,300</u></u>	Ln 8 x Ln 9
11	Franchise Rate	0.007204	0.007204	0.009672	Exhibit 083: (PG&E-10) Results of Operations - Workpapers Supporting Chapter 7, WP 7-55
12	Franchise Fees Expense	<u><u>16,136</u></u>	<u><u>38,234</u></u>	<u><u>20,130</u></u>	Ln 8 x Ln 11
13	SFGR Tax Rate	<u>0.000562</u>	<u>0.000562</u>	<u>0.000562</u>	Exhibit 083: (PG&E-10) Results of Operations - Workpapers Supporting Chapter 8, WP 8-29
14	SFGR Tax Expense	<u><u>1,258</u></u>	<u><u>2,982</u></u>	<u><u>1,169</u></u>	Ln 8 x Ln 13

**Note 1:** Consistent with D.20-12-005, 2022 rate case revenues and 2022 uncollectible expense have been updated to reflect the revised uncollectible rate. The 2022 revised uncollectible rate is based on the 2011-2020 recorded data (Attachment 1).

**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  
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