

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 4563G/6483E
As of April 7, 2022

Subject: Statewide Marketing, Education, and Outreach (Statewide ME&O) 2022 Annual Budget Update

Division Assigned: Energy

Date Filed: 01-27-2022

Date to Calendar: 01-31-2022

Authorizing Documents: D1901005

Disposition:	Accepted
Effective Date:	01-27-2022

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Stuart Rubio

415-973-4587

PGETariffs@pge.com

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



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to
edtariffunit@cpuc.ca.gov

January 27, 2022

Advice 4563-G/6483-E

(Pacific Gas and Electric Company U 39 M)

Public Utilities Commission of the State of California

Subject: Statewide Marketing, Education, and Outreach (Statewide ME&O) 2022 Annual Budget Update

Purpose

In Decision (D.) 19-01-005, Ordering Paragraph (OP) 1, the California Public Utilities Commission (Commission or CPUC) ordered Pacific Gas and Electric Company (PG&E) to extend its contract with the implementer of the 2017-2019 Statewide Marketing, Education and Outreach (Statewide ME&O) program through December 31, 2021. The amended contract was submitted to the Commission's Energy Division via a Tier 1 Advice Letter¹ (AL) dated May 10, 2019.

This annual Tier 1 Budget Advice Letter is submitted for the twelve-month period from January 1, 2021 to December 31, 2021 in compliance with OP 6 of the above-cited Decision, which orders that "After the Tier 1 Advice Letter required by Ordering Paragraph 1 is filed, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall each file Tier 1 Advice Letters specifying the dollar amounts of their respective statewide Marketing, Education, and Outreach budgets for the period October 1, 2019 through December 31, 2019, and annually thereafter for the twelve-month periods ending December 31, 2020 and December 31, 2021."

Background

The Statewide ME&O program is to promote energy management concepts, demand-side management, energy efficiency actions, and clean energy opportunities for the State's residents and small businesses under the brand name "Energy Upgrade California". Application (A.) 12-07-008 was opened to determine 2014-2015 budget allocations for the Statewide ME&O program. The Commission opened Phase 2 to determine 2016 bridge funding and Phase 3 to determine program administration and funding post-2016. Phase 3 also adopted a Request for Proposal (RFP) process to select

¹ PG&E AL 4098-G/5544-E

a new Statewide ME&O implementer and D.16-09-020 approved the winner of said RFP. The Commission appointed PG&E to manage the RFP process in coordination with other Statewide ME&O stakeholders.

D.16-03-029, issued March 22, 2016, states that a budget of no less than \$23 million per year is to be assumed for the statewide implementer (Conclusion of Law 9, p. 71). DDB Worldwide Communications Group, Inc.'s (DDB) maximum budget for developing and funding the execution of the Statewide ME&O program, including related stakeholder meetings, research, and oversight of plan implementation, is consistent with that guideline. PG&E, acting as the fiscal agent, entered into a contract with DDB. The contract is being managed by the CPUC.

On October 17, 2016, PG&E submitted AL 3770-G/4939-E pursuant to OP 4 of D.16-09-020 and submitted the final contract and budget between PG&E and the new statewide implementer, DDB. Under this contract DDB implemented the Statewide ME&O program from October 1, 2016 through September 30, 2019.

On April 5, 2017, DDB submitted ALs DDB-1 and DDB-2 pursuant to OP 13 of D.16-09-020 and Attachment A of D.16-03-029. The ALs included a Five-year Marketing, Education, and Outreach Strategic Roadmap (Roadmap) and a 2017-2018 Joint Consumer Action Plan. Resolution E-4871 approved both the Roadmap and Joint Consumer Action Plan, effective August 10, 2017.

On September 10, 2017, DDB submitted a supplemental AL, DDB-1-A, in which Evaluation, Measurement and Verification (EM&V) expenses and Investor Owned Utilities' (IOUs') administration expenses were removed from DDB's budget allocation. The changes reduced DDB's budget from \$73,318,314 to \$68,186,032². Under the larger Statewide ME&O budget, Commission staff is authorized a 4% budget allocation to conduct statewide EM&V studies and the IOUs are authorized 3% for administrative costs related to Statewide ME&O activities.

On January 10, 2019, the CPUC issued D.19-01-005 authorizing the renewal of the contract with DDB and directing PG&E to extend the contract through the end of 2021. The Commission ordered PG&E to submit a Tier 1 AL amending the contract for 27 additional months and keeping the annual budget unchanged. In the Tier 1 AL 4098-G/5544-E submittal dated May 10, 2019, and its associated supplementals, PG&E amended the contract between the IOUs and DDB for an additional 27-month extension and submitted it to the Commission's Energy Division (ED).

On August 14, 2019, PG&E submitted Advice Letter 4132-G/5617-E which provided Statewide ME&O Program Budget information for October, November and December of 2019, the first three months of the contract extension authorized by the Commission in D.19-01-005.

² AL DDB-1-A, p. 1.

On December 31, 2019, PG&E submitted Advice Letter 4202-G/5732-E which provides Statewide ME&O Program Budget information for January 2020 to December 2020, in compliance with the contract extension authorized by the Commission in D.19-01-005.

On December 31, 2020, PG&E submitted Advice Letter 4355-G/6045-E which provided Statewide ME&O Program Budget information for January 2021 to December 2021, in compliance with the contract extension authorized by the Commission in D.19-01-005.

This will be the final Advice Letter related to the contract extension authorized by the Commission in D.19-01-005. As of December 31, 2021, there are no longer funds authorized to continue the marketing efforts. The Tier 1 Advice Letter requirement is now complete.

All budgets shown below reflect allocations and estimates for the timeframe of October 1, 2019 - December 31, 2021.

Statewide ME&O Funding Allocations

Resolution E-4871 outlined the funding allocation for the Statewide ME&O budget as follows: PG&E 46.74%, Southern California Edison Company (SCE) 32.68%, San Diego Gas & Electric Company (SDG&E) 12.43%, and Southern California Gas Company (SoCal Gas) 8.14%. However, the original percentage allocation totaled 99.99%. To ensure that 100% of Statewide ME&O program costs are covered, each IOU adds 0.0025% to its allocated budget percentage. Table 1 below shows initial and adjusted percentages.

Table 1: Statewide ME&O IOU Percentages

IOU Percentages		
IOU	Percentage per D.16-09-020	Adjusted percentages to total 100%³
PG&E	46.74%	46.7425%
SCE	32.68%	32.6825%
SDG&E	12.43%	12.4325%
SoCalGas	8.14%	8.1425%
Total	99.99%	100%

D.19-01-005 states that the budget for the implementer's contract shall remain at current annual levels and be extended for 27 months. The budget for each month of this extended contract period is to be equivalent to 1/12 of the annual budget. The Statewide ME&O program allocation percentages are to remain those adopted in D. 13-12-038: Marketing (44%), Education (17%), Outreach (21%), Research (4%), Evaluation, Measurement and

³ An additional 0.0025% allocation per IOU is required to ensure that 100% of the authorized statewide ME&O budget is allocated.

Verification (4%), statewide implementer administrative expenses (7%), and investor-owned utility administrative expenses (3%). The ratepayers of PG&E, SCE, SDG&E, and SoCalGas have funded the budget of the Statewide ME&O program according to the following percentage shares contributed by each utility: 46.7425% for PG&E, 32.6825% for SCE, 12.4325% for SDG&E and 8.1425% for SoCalGas.

Total Statewide ME&O Budget

The total Statewide ME&O budget for October 2019 to December 2021 is \$54,988,735 and includes allocations for DDB San Francisco, EM&V, and IOU Statewide ME&O administrative costs. The allocation percentages directed by the Commission in OP 2 of D.19-01-005 are \$1,649,662 (3%) for IOU administrative expenses and \$2,199,549 (4%) for the EM&V evaluation budget⁴. Table 2 below shows the breakdown of the total budget for all IOUs including EM&V and IOU expenses.

Table 2: Statewide ME&O Budget According to D.19-01-005 Across All IOUs

Statewide ME&O Budget Breakdown		
Allocated to	Amount	Allocation of Budget
DDB-San Francisco	\$51,139,524	93%
ED for EM&V	\$2,199,549	4%
IOU Administrative	\$1,649,662	3%
Total	\$54,988,735	100%

Statewide ME&O Total Budget by IOU

Table 3 shows the total possible IOU expenses, including budget amounts for the DDB contract, IOU administrative allowances, and EM&V.

⁴ AL 3783-G/4963-E originally included miscalculated numbers for EM&V (\$2,727,441) and IOU Expenses (\$2,127,404) and an incorrect total budget of \$73,040,877. The calculations have been corrected and are reflected in Table 2 of this Advice Letter to correct the errors in AL 3783-G/4963-E.

Table 3: Total Possible Statewide ME&O Expenses by IOU⁵

Total Statewide ME&O Budget by IOU					
Party	% Contribution	DDB Contract⁶	IOU Admin Allowance (3%)⁷	EM&V for Energy Division (4%)⁸	Total SW ME&O Contribution
PG&E	46.7425%	\$23,903,892	\$771,093	\$1,028,124	\$25,703,109
SCE	32.6825%	\$16,713,675	\$539,151	\$718,868	\$17,971,694
SDG&E	12.4325%	\$6,357,921	\$205,094	\$273,459	\$6,836,474
SoCalGas	8.1425%	\$4,164,036	\$134,324	\$179,098	\$4,477,458
Total	100.00%	\$51,139,524	\$1,649,662	\$2,199,549	\$54,988,735

PG&E's Specific Statewide ME&O Annual Budget

PG&E has allocated the program budget (electric and gas) across the 27 months from October 2019 through December 2021, as shown in Table 4 below. The program budget reflected below does not include the Benefit Burden or Revenue Franchise Fees & Uncollectibles (RF&U). The allocation remains at 90.0439% electric and 9.9561% gas. In particular, electric recovery includes PEERAM (50.4371%), DRAM (38.9578%), and PPPRAM (.6490%). Gas recovery includes PPP-EE (9.6071%) and PPP-LIEE (.3490%).

Cost recovery will include the program budget, Benefit Burden, and RF&U. The Benefit Burden amount for 2019 has been determined through the 2017 General Rate Case (GRC). In addition, the 2019 RF&U factor is .011349 per AL 4020-G/5389-E. The Benefit Burdens and RF&U for 2020 and 2021 have been determined through the 2020 GRC.

Table 4: PG&E's Annual Statewide ME&O Program Budget

PG&E's Program Budget Allocations by Year			
Oct. 2019 – Dec. 2019	Jan. 2020 – Dec. 2020	Jan. 2021 – Dec. 2021	Total
\$2,855,901	\$11,423,604	\$11,423,604	\$25,703,109

⁵ AL 3783-G/4963-E included incorrectly calculated numbers for each IOU given the incorrect total budget that each IOU must collect in rates to ensure full funding of the contract to include DDB expenses, IOU expenses, and EM&V expenses. The calculations have been corrected and are reflected in Table 3 of this advice filing to correct the errors in AL 3783-G/4963-E.

⁶ PG&E is billed by DDB and then invoices SCE, SDG&E and SoCalGas. The IOUs have a co-funding agreement to share DDB's contract costs.

⁷ Each IOU will collect this amount from customers and will spend and account for up to its total allocated administrative funding amount.

⁸ Energy Division will order EM&V studies for statewide ME&O for up to the total amount authorized and bill each IOU for its respective portion.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than **February 16, 2022**, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
E-mail: EDTariffUnit@cpuc.ca.gov

The protest shall also be electronically sent to PG&E via E-mail at the address shown below on the same date it is electronically delivered to the Commission:

Sidney Bob Dietz II
Director, Regulatory Relations
c/o Megan Lawson
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 and 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 OP 6 of D.19-01-005, PG&E requests that this Tier 1 advice letter become effective upon date of submittal, which is **January 27, 2022**.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to parties shown on the attached list **and the parties on the service list for A.12-08-007**. 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.12-08-007



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) #: 4563-G/6483-E

Tier Designation: 1

Subject of AL: Statewide Marketing, Education, and Outreach (Statewide ME&O) 2022 Annual Budget Update

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.19-01-005

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: 1/27/22

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

California Public Utilities Commission
Energy Division Tariff Unit Email:
EDTariffUnit@cpuc.ca.gov

Contact Name: Sidnev Bob Dietz II. c/o Megan Lawson
Title: Director, Regulatory Relations
Utility/Entity Name: Pacific Gas and Electric Company

Telephone (xxx) xxx-xxxx: (415)973-2093
Facsimile (xxx) xxx-xxxx:
Email: PGETariffs@pge.com

Contact Name:
Title:
Utility/Entity Name:

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

CPUC
Energy Division Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Clear Form

**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
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