

February 1, 2022

Advice 6490-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: 2023 Budget Request for the Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT) Programs

Purpose

In conformance with Ordering Paragraphs (OPs) 2 and 4 of Resolution E-4999, Pacific Gas and Electric Company (PG&E) hereby submits this Tier 1 Advice Letter to submit 2023 program budget estimates for the Disadvantaged Community Green Tariff (DAC-GT) and the Community Solar Green Tariff (CS-GT) programs, and an annual Marketing, Education, and Outreach (ME&O) plan.

Background

On June 3, 2019, the California Public Utilities Commission (Commission or CPUC) issued Resolution E-4999, which approved with modification, tariffs to implement the Disadvantaged Communities Green Tariff and Community Solar Green Tariff programs. Resolution E-4999, OP 2 directs PG&E to submit an annual program budget estimate and an annual Marketing, Education, and Outreach (ME&O) plan via tier 1 advice letter by February 1st of every year, starting in 2020, for the next program year.¹

Resolution E-4999, OP 4 directs that any unspent balance from the prior year be applied to the requested program funding, thereby reducing the amount of greenhouse gas (GHG) allowance proceeds or public purpose program funds that need to be set aside in the next Energy Resource Recovery Account (ERRA) Forecast.² PG&E therefore (1) calculates the unspent DAC-GT and CS-GT balances from 2021, and (2) applies the unspent balances to the budget request for 2023.

¹ Resolution E-4999, p. 67, OP 2.

² Resolution E-4999, p.68, OP 4.

2021 Unspent Balance

On July 1, 2020, PG&E filed A. 20-07-002, *Application for 2021 Energy Resource Recovery Account (ERRA) and Generation Non-Bypassable Charges (NBC) Forecast and Greenhouse Gas (GHG) Forecast Revenue and Reconciliation Application (ERRA Forecast)*. On August 14, 2020, PG&E filed Amended Application 20-09-014 to correct an error in the electric load forecast. In decision, D.20-12-038 issued December 22, 2020, PG&E received the following amounts to set aside for the DAC-GT and CS-GT programs indicated in Table 1 for for 2021.³

Table 1: 2021 DAC-GT/CS-GT Set-Aside in 2021 ERRA Proceeding

2021 DAC-GT PROGRAM BUDGET	\$ 740,000
2021 CS-GT PROGRAM BUDGET	\$ 2,890,000

In 2021, PG&E spent less than the requested amounts on the DAC-GT and CS-GT programs. The actual amounts spent are indicated in Table 2.

Table 2: 2021 DAC-GT/CS-GT Actual Expenditures

2021 DAC-GT PROGRAM SPENDING	\$ 7,705,294
2021 CS-GT PROGRAM SPENDING	\$ 1,273,421

The unspent balance for 2021 is the difference between the 2021 ERRA budget set-aside (Table 1) and the 2021 actual expenditures (Table 2). The DAC-GT and CS-GT unspent balances for 2021 are indicated in Table 3.

Table 3: 2021 DAC-GT/CS-GT Unspent Balance

2021 DAC-GT OVERSPENT FUNDS	\$ -6,965,294
2021 CS-GT UNSPENT FUNDS	\$ 1,616,579

The following Table 4 summarizes the calculations to determine unspent funds from 2021 that will be applied against the program budgets for 2023 to generate both program's 2023 budget request.

³ D.20-02-047, p. 23. PG&E filed A.20-07-002 on July 1, 2020, *Application for 2021 Energy Resource Recovery Account (ERRA) and Generation Non-Bypassable Charges (NBC) Forecast and Greenhouse Gas (GHG) Forecast Revenue and Reconciliation Application (ERRA Forecast)*. On November 9, 2020, PG&E filed the November Update to the 2021 ERRA Forecast Application, with updated budget requests for 2021.

Table 4: Summary of 2021 DAC-GT/CS-GT Unspent/Overspent Balance

		DAC-GT	CS-GT	Total
1	2021 Program Budget Filed with the CPUC in AL 5749-E	\$ 9,819,873	\$ 2,380,231	\$ 12,200,104
2	2021 Program Set Asides Program Funds set aside in 2021 ERRRA Decision	\$ 740,000	\$ 2,890,000	\$ 3,630,000
3	2021 Program Expenditures (Actuals) How much was spent on the program in 2021	\$ 7,705,294	\$ 1,273,421	\$ 8,978,715
4	2021 Under/overspent Funds Difference between the Set Asides (2) and Actuals (3) <i>(These leftover funds will be incorporated from the 2023 program budget to create the PG&E 2023 Budget Request)</i>	\$ -6,965,294	\$ 1,616,579	\$ -5,348,715

Community Choice Aggregation (CCA) Integration cost set aside and actuals from 2021

In addition to expense associated with PG&E programs, PG&E incurred costs associated with supporting the implementation of CCA programs. These costs were forecasted and set aside in the CCA 2021 budgets as described below in Table 5, compared to actual expense. PG&E intends to withhold the actual costs from 2022 CCA disbursements consistent with conversations with both the CCAs and Energy Division.

Table 5: 2021 CCA Integration Cost Summary

Allocation	PY 2021 Actuals PG&E CCA Integration Costs	CCA PY 2021 Integration Cost Set Asides ⁴	Difference
CPSF	\$15,556	\$14,120	\$-1,436
EBCE	\$15,556	\$14,120	\$-1,436
MCE	\$15,556	\$14,120	\$-1,436
PCE	\$15,556	\$15,870	\$314
SJCE	\$15,556	\$14,120	\$-1,436
<i>Total</i>	<i>\$77,780</i>	<i>\$70,600</i>	<i>\$-6,866</i>

2023 Budget Request

In conformance with Resolution E-4999, OP 2, PG&E submits the following DAC-GT and CS-GT budget request for 2023.⁵

⁴ CPSF AL 15-E, EBCE AL 24-E, MCE AL 51-E (filed June 14, 2021) PCE AL 15-E (filed August 31, 2021) and SJCE AL 20-E (filed September 21, 2021).

⁵ Resolution E-4999, p. 67, OP 2 - Beginning with the 2021 program budgets, no more than 10% of each program's budget may be allocated to program administration and no more than 4% allocated to ME&O.

As of January 23, 2021, DAC-GT has been fully enrolled through the auto-enrollment process detailed in Resolution E-4999, OP 1(l) and D.20-07-008. Therefore, PG&E assumes that 2023 will have 12 months of full capacity enrollment (e.g. 52.32 MW⁶) under the DAC-GT program, with associated generation costs, and costs for the 20% discount.

The 2023 DAC-GT budget and budget request, plus overspent 2021 funds is shown below.

Table 6: DAC-GT 2023 Program Budget

<i>Generation Costs</i>	\$ 3,771,794
<i>20% Bill Discount</i>	\$ 4,996,680
<i>Program Management Costs</i>	\$ 196,158
<i>IT Costs</i>	\$ 30,286
2023 DAC-GT Program Budget	\$ 8,994,918
<i>Add 2021 Overspent Funds</i>	\$ -6,965,294
2023 DAC-GT Program Budget Request	\$ 15,960,212

For DAC-GT and CS-GT, PG&E initiated procurement in the Spring of 2020 and submitted Advice Letter 5996-E on November 20, 2020 requesting Commission approval for five projects supporting the DAC-GT and CS-GT programs. The five 20-year purchase power agreements (PPA) result in new solar photovoltaic (PV) projects located in eligible DACs within PG&E's service territory for a total of 10.65 megawatts (MW). Two of the five contracts will support the DAC-GT program and the remaining three contracts will support the CS-GT Program.⁷

On October 15, 2020, PG&E launched its second DAC-GT and CS-GT solicitation (the "Fall Solicitation"). From February 2021 through May 2021, PG&E executed five additional contracts resulting from the Fall Solicitation for an additional 27.11 MWs. PG&E submitted Advice Letter 6229-E on June 18, 2021 seeking approval for these 5 contracts.

In May 2021, PG&E launched its Spring 2021 DAC-GT and CS-GT solicitation⁸ and has been working to submit an Advice Letter seeking approval of executed contracts with selected participants, which will be summarized in the quarterly report subsequent to that filing. In December 2021, PG&E launched its Fall 2021 DAC-GT and CS-GT solicitation and is seeking offers from participants. PG&E anticipates working to submit an Advice Letter seeking approval of any executed contracts with selected participants resulting from the solicitation in approximately Q2 2022, which will be summarized in the quarterly report subsequent to that filing.

⁶Advice Letter 6075-E-A, p. 3 Outlines the transfer of 2.5 MW in May of 2022 to Peninsula Clean Energy DAC-GT program, adjusting the PG&E DAC-GT MW program cap to 52.32.

⁷ https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5996-E.pdf

⁸ Advice Letter 6127-E, seeking approval of solicitation documents to be used in a Spring 2021 DAC-GT and CS-GT solicitation, was approved in April 2021.

As of the date of this letter, there are no CS-GT projects online. PG&E estimates that the CS-GT projects could begin delivery sometime during the first half of 2022. In the 2023 CS-GT forecast budget, PG&E applies unspent funds from 2021 to the 2023 CS-GT budget and budget request as shown below in Table 7.

Table 7: CS-GT 2023 Program Budget

<i>Generation Costs</i>	\$ 507,981 ⁹
<i>20% Bill Discount</i>	\$ 1,342,619
<i>Program Management Costs</i>	\$ 218,434
<i>IT Costs</i>	\$ 119,625
2023 CS-GT Program Budget	\$ 2,188,659
<i>Subtract 2021 Unspent Funds</i>	\$ 1,616,579
2023 CS-GT Program Budget Request	\$ 572,080

The 2023 DAC-GT and CS-GT Combined budget and budget request, for 2023 is shown below in Table 8.

Table 8: DAC-GT and CS-GT 2023 Budget Request

	DAC-GT	CS-GT	Total
DAC-GT and CS-GT 2023 Budget Forecast Request	\$ 15,960,212	\$ 572,080	\$ 16,532,292

Marketing, Education, and Outreach (ME&O) Plan

Because the DAC-GT program is fully enrolled through the automatic process from Resolution E-4999 and D.20-07-008, there is no active marketing for the DAC-GT program.

2023 CS-GT “Local Green Saver” ME&O Plan

Due to the expected timeline for program implementation, PG&E has shifted portions of the previously submitted CS-GT marketing budget forwardsuch that the 2021 CS-GT marketing budget submitted in AL 5749-E serves as the basis for the 2023 budget and ME&O plan.

PG&E plans to support CS-GT program enrollment by developing educational materials, resources, and supporting Community Based Organizations (CBO) and CS-GT project sponsors to fill the program. PG&E CBO and sponsor support includes:

1. PG&E marketing labor to create marketing collateral and support CBO outreach education efforts.

⁹ Three CS-GT projects may come online as early as mid-2022. This generation budget assumes (conservatively) that these projects will come online and that there will be enrollees in the program who will receive the 20% discount.

2. PG&E's website will provide potential sponsors and customers with CS-GT program information and direct sponsors to resources to get started.
3. Marketing collateral for sponsors and potential enrollees highlighting program eligibility, benefits, and steps to becoming a sponsor.

PG&E must approve CBO and sponsor outreach plans with the budget for approved plans to be allocated on a first come, first served basis. To allow fair access to marketing budgets and fair compensation for CBO and sponsor time, we have established an estimate of \$20k per project for marketing (details below in Table 9).

PG&E expects to review sponsor marketing materials before they are used to market to customers. All marketing materials must:

- Comply with the CPUC CCA Code of Conduct, including marketing and outreach requirements relative to community choice aggregation,
- Be truthful, accurate and not false or misleading,
- Conform with PG&E's brand and logo usage guidelines, and
- Conform to Green-e guidelines.

Cost estimates for CS-GT budgets are preliminary until more details are available regarding the exact timing of projects to come online, and until the outreach efforts of (and the impacts of COVID-19 on) CBOs and sponsors can be more clearly defined.

Table 9: CS-GT ME&O Breakdown

LABOR	\$ 18,000
CS-GT WEBSITE	\$ 5,000
COLLATERAL UPDATES (FACT SHEET)	\$ 1,500
CBO and SPONSOR MARKETING FUNDING ¹⁰	\$ 60,000
BILL, PRINT, MAIL COST	\$ 522
TOTAL 2023 CS-GT ESTIMATED MARKETING SPEND	\$ 85,022

PG&E's CS-GT marketing budget conforms to the 4 percent ME&O budget cap required by Resolution E-4999.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than February 22, 2022, which is 21 days¹¹ after the date of this submittal. Protests must be submitted to:

¹⁰ PG&E assumes that up to 6 CS-GT projects in total may come online, with 3 projects anticipated in 2022 and the remaining 3 projects anticipated in 2023.

¹¹ The 20-day protest period concludes on a holiday; therefore, PG&E is moving this date to the following business day.

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

PG&E requests that this Tier 1 advice submittal become effective upon date of submittal, which is February 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 R.14-07-002. 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

cc: Service List R.14-07-002



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39 E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: 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) #: 6490-E

Tier Designation: 1

Subject of AL: 2023 Budget Request for the Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT) Programs

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 #: Resolution E-4999

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 2/1/22

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 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:
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