

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE



June 30, 2022

Advice Letter 4568-G-B/6492-E-B

Erik Jacobson
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

SUBJECT: Determination of the revenue requirement associated with PG&E's 2022 Pension Trust Contribution.

Dear Mr. Jacobson:

Advice Letter 4568-G-B/6492-E-B is effective as of February 03, 2022.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Skala".

Pete Skala
Interim Deputy Executive Director for Energy & Climate Policy, CPUC
Interim Director, Energy Division, CPUC
Director of Electric Supply, Planning and Costs, Energy Division, CPUC

March 7, 2022

Advice 4568-G-A/6492-E-A

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Supplemental: PG&E's Pension-Related Revenue Requirement for 2022

Purpose

This advice letter submits minor corrections to the Gas Transmission and Storage (GT&S)-related pension revenue requirement assignments as provided in PG&E's original February 3, 2022 submittal. The correction relates specifically to the GT&S Natural Gas Storage Strategy (NGSS) assignments and results in an increase of ~\$58 thousand to the CFCA and a ~\$59 thousand decrease¹ to the NCA as provided in ~~strike through~~ and underline in the table on page 3 below.

The purpose of this Advice Letter is to establish Pacific Gas and Electric Company's (PG&E) authorized pension-related revenue requirement for 2022. By this submittal, PG&E does not propose any change to the pension contribution amount or any change to customers' rates.

Background

On January 8, 2018, the California Public Utility Commission's (Commission or CPUC) Energy Division issued PG&E a Disposition Letter² approving Advice Letter (AL) 3915-G/5195-E, which described required changes to the accounting for pension costs and the revised revenue requirement calculations necessary to conform to the accounting changes. The required change to accounting for pension costs had the effect of increasing the pension cost allocated to capital projects and decreasing the pension cost recorded as a current expense. AL 3915-G/5195-E provided for the submittal of a Tier 1 advice letter to revise the pension-related revenue requirements included in the functional base revenue balancing accounts (e.g., DRAM, PABA, CFCA, and NCA).

¹ The CFCA and NCA amounts are slightly different due to rounding.

² https://www.pge.com/tariffs/assets/pdf/adviceletter/GAS_3915-G.pdf

PG&E has computed the 2022 revenue requirements associated with the 2022 pension contribution. The table below shows the pension related revenue requirements for 2020 through 2022 associated with the 2020, 2021 and 2022 pension contributions.

PACIFIC GAS AND ELECTRIC COMPANY

Retirement Plan Contribution Revenue Requirement

Line No	Year of Plan Contribution	Contribution Amount	Year of Revenue Requirement Calculation		
			2020	2021	2022

Total Revenue Requirements (Millions of Dollars)

1	2020	327.000	103.656	29.508	29.775
2	2021	327.000		79.896	32.665
3	2022	327.000			84.259
4	Total	327.000	103.656	109.404	146.699

O&M Labor Factor Functional Revenue Requirements (Millions of Dollars)

5	Elec Dist.	37.21%	38.570	40.709	54.587
6	Gas Dist.	21.64%	22.431	23.675	31.746
7	Gen	24.24%	25.126	26.520	35.560
8	Total GRC	83.09%	86.128	90.904	121.892
9	GT&S	10.53%	10.915	11.520	15.447
10	TOTAL CPUC Jurisdiction		97.043	102.424	137.340

The 2022 pension-related revenue requirement will be recorded effective January 1, 2022, in the functional base revenue accounts as follows:

Assignment to Base Revenue Accounts (Millions of Dollars)					
Function	Total	DRAM	PABA	CFCA	NCA
Elec Dist.	54.587	54.587			
Gas Dist.	31.746			30.609	1.136
Gen	35.560		35.560		
				<u>9.030</u>	<u>6.417</u>
GT&S	15.477			<u>8.972</u>	<u>6.476</u>
				<u>39.639</u>	<u>7.553</u>
TOTAL	137.340	54.587	35.560	<u>39.581</u>	<u>7.612</u>

Attachment 1 provides the Rolling Revenue Requirement Report for the General Rate Case functions updated for the 2022 pension revenue requirements. Attachment 1 is unchanged from the original submittal and can be found in AL 4568-G/6492-E.

Workpapers showing the computation of the 2022 pension-related revenue requirement are available upon request. This includes segmentation within the subaccounts of the NCA between Local Transmission-related allocation to customers not qualifying for G-NT-BB and G-EG-BB and for non-Local Transmission-related allocation applicable to all noncore customers.

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

Protests

Pursuant to GO 96-B, General Rule 7.5.1, PG&E requests to maintain the original protest and comment period designated in AL 4568-G/6492-E and not reopen the protest period.

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 supplemental advice letter become effective concurrent with original Advice Letter 4568-G/6492-E, which is effective February 3, 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.09-03-003 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/>.

/S/

Sidney Bob Dietz II
Director, Regulatory Relations

cc: Service List A.09-03-003 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 (ID U39 M)

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) #: 4568-G-A/6492-E-A

Tier Designation: 1

Subject of AL: Supplemental: PG&E's Pension-Related Revenue Requirement for 2022

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 #:

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: 2/3/22

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.
Braun Blasing Smith Wynne, P.C.
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
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
McClintock IP
McKenzie & Associates

Modesto Irrigation District
NLine Energy, Inc.
NRG Solar

OnGrid Solar
Pacific Gas and Electric Company
Peninsula Clean Energy

Pioneer Community Energy

Public Advocates Office

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

SPURR
San Francisco Water Power and Sewer
Semptra Utilities

Sierra Telephone Company, Inc.
Southern California Edison Company
Southern California Gas Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

TransCanada
Utility Cost Management
Utility Power Solutions
Uplight
Water and Energy Consulting Wellhead
Electric Company
Western Manufactured Housing
Communities Association (WMA)
Yep Energy