

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 6515E
As of March 25, 2022

Subject: Modifying Electric Preliminary Statement Part CP and Electric Preliminary Statement Part HS Pursuant to Decisions 22-01-023 and 22-02-002

Division Assigned: Energy

Date Filed: 02-25-2022

Date to Calendar: 03-02-2022

Authorizing Documents: D2201023

Authorizing Documents: D2202002

Disposition:	Accepted
Effective Date:	02-25-2022

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Kimberly Loo

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

February 25, 2022

Advice 6515-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Modifying Electric Preliminary Statement Part CP and Electric Preliminary Statement Part HS Pursuant to Decisions 22-01-023 and 22-02-002

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits this compliance advice letter pursuant to Decision (D.) 22-01-023 in Phase 2 of the Power Charge Indifference Adjustment (PCIA) Rulemaking (R.) 17-06-026 and D.22-02-002 approving PG&E's 2022 Energy Resource Recovery Account (ERRA) forecast generation revenue requirement Application, in CPUC docket Application (A.) 21-06-001.

Background*PCIA Phase 2 Decision*

On January 27, 2022, the California Public Utilities Commission (CPUC or Commission) adopted proposals by the CPUC's Energy Division and interested stakeholders to better align the CPUC approved processes for administering annual PCIA rate changes.¹ In D.22-01-023, the following changes were approved: (1) release by the CPUC Energy Division of the Market Price Benchmarks to occur by October 1 each year, or on the first business day in October as applicable; (2) aligning the three investor-owned utilities' (IOU) annual ERRA Forecast application filing date to May 15 of each year; (3) aligning the IOU tariffs to transfer the year-end ERRA balance to the most-recent Portfolio Allocation Balancing Account (PABA) vintage subaccount prior to disposition in rates; (4) aligning the IOUs' respective ERRA Forecast proceeding data production and disclosure requirements for consistent treatment of D.06-06-066 designations among the IOUs; (5) modifying the ERRA Trigger mechanism calculation to consider balances net of PABA balances; and (6) modifying the presentation of monthly ERRA and PABA balances in the Energy Division Activity Report.

¹ D.22-01-023, Ordering Paragraphs (OP) 1 through 9.

This advice letter focuses on tariff changes to implement the directives in OP 4 and OP 8.

Specifically, OP 4 directs the IOUs to “each modify its respective Electric Preliminary Statements governing [ERRA and PABA] accounts to place year-end ERRA balances in the most-recent vintage subaccount of PABA each year. The modifications shall clarify that disposition of the year-end balance in the ERRA account shall be to the PABA upon submission (where a Tier 1 advice letter is currently required) or approval (where a Tier 2 advice letter is currently required) by the Commission of the applicable compliance advice letter addressing such balance.”

OP 8 modifies the ERRA trigger mechanism “to consider ERRA account balances net of [PABA] balances when calculating whether over-collections or under-collections are above the four percent trigger point and five percent threshold of the utility’s authorized fuel and power purchase revenue requirement approved in the previous year”.²

2023 ERRA Forecast Decision

On February 10, 2022, the Commission approved PG&E’s Application for 2022 Forecast generation revenue requirements and Greenhouse Gas (GHG) Reconciliation and Revenue Return proceeds in D.22-02-002 (ERRA Forecast Decision). The ERRA Forecast Decision adopted the following: (1) PG&E’s 2022 forecast of electric sales; (2) 2022 forecasted energy procurement revenue requirements to be effective in rates on or after March 1, 2022; (3) GHG allowance revenue return forecast and costs; (4) rate design proposals associated with PG&E’s proposed electric-procurement related revenue requirements, including its 2022 Green Tariff Shared Renewables (GTSR) and Enhanced Community Renewables rate proposal; (5) a methodology to transfer certain year-end 2021 ERRA balances to the latest vintage of the PABA; and (6) transfer of public-policy related procurement costs from the nonvintage [PABA] sub-account to the Public Policy Charge Balancing Account (PPCBA), for recovery of such public policy related procurement from all customers through the Public Purpose Program Charge on a going-forward basis.³

Specifically, OP 4 states that PG&E “shall file a Tier 1 Advice Letter within 15 days of the date of this decision including tariff sheets in compliance with this decision.” This advice letter clarifies that PG&E’s submittal of Advice 6509-E on February 18 with a Tier 1 designation, met that directive. Advice 6509-E completed the implementation of the 2022 Annual Electric True-Up (AET), incorporating the revenue requirements and the electric sales forecast adopted by the Commission in the ERRA Forecast Decision.⁴ Tariff

² Ibid., OP 8.

³ D.22-02-002, OP 1, 2, 3, 5, 7, 9.

⁴ A Tier 2 advice letter implementing the tariff modifications to incorporate the changes related to transferring public-policy related procurement costs from PABA to PPCBA ordered in OP 9 will be submitted on March 14, 2022. Additionally, a Tier 2 advice letter implementing OP 8, of D.22-02-002 which will update GTSR rates will be submitted on March 14, 2022.

changes reflecting updated rate schedules for the AET implementation are forthcoming and will be submitted prior to March 1.

Tariff Changes

Electric Preliminary Statement Part CP – Energy Resource Recovery Account

The purpose of the ERRA is to record and recover fuel and power costs associated with PG&E's authorized procurement plan, pursuant to D.02-10-062, D.02-12-074, and Public Utilities Code § 454.5(d)(3).⁵ When PABA was created, the preamble to the ERRA preliminary statement was revised to delineate costs incurred solely on behalf of bundled service customers would be recorded to ERRA and costs incurred on behalf of both bundled and departing load customers would be recorded in PABA, MTCBA, and BNBCBA. The opening paragraph reads as follows:

The purpose of the Energy Resource Recovery Account (ERRA) is to record and recover power costs, associated with PG&E's authorized procurement plan, and California Public Utilities Code § 454.5(d)(3). Power costs recorded in ERRA are applicable solely to PG&E's bundled customers while power costs incurred on behalf of both bundled and departing load customers are recorded in the Portfolio Allocation Balancing Account, the Modified Transition Cost Balancing Account (MTCBA), and the BioMAT Non-bypassable Charge Balancing Account (BNBCBA).

The preamble continues with a history of Commission decisions implementing Assembly Bill 57,⁶ including a description of the ERRA Trigger mechanism under § 454.5(d)(3). In order to incorporate the directives in OP 8 to "consider ERRA account balances net of [PABA] balances when calculating whether over-collections or under-collections are above the four percent trigger point and five percent threshold of the utility's authorized fuel and power purchase revenue requirement approved in the previous year", PG&E proposes the following passage be added to the preamble:

"Decision 22-01-023 modified the ERRA Trigger calculation to consider ERRA balances net of the Portfolio Allocation Balancing Account (PABA) balances when calculating over- or under-collected amounts that are above the 4 percent trigger point and are forecast to exceed the 5 percent threshold.

In Decision 22-01-023, the Commission authorized disposition of the year-end ERRA balance via a transfer to the most recent vintage PABA subaccount."

⁵ All Code references refer to the California Public Utilities Code.

⁶ Assembly Bill 57 was codified in § 454.5 and implemented by the Commission in 2002.

Electric Preliminary Statement Part HS – Portfolio Allocation Balancing Account

The purpose of the PABA is to recover above market costs for PCIA-eligible generation resources from both bundled and departing load customers. This balancing account is comprised of a series of subaccounts referred to as “vintage subaccount” for which PCIA-eligible generation resources are assigned based on the year the resource commitment is made (i.e., contract execution date or construction start date in the case of utility-owned generation (UOG)).

The above market costs for each vintage subaccount are determined by summing the following activity applicable to a vintage. The activity in each subaccount includes the following elements:

1. CAISO related charges and revenues from energy and ancillary services market;
2. purchase power contracts and adopted UOG revenue requirements;
3. fuel and related transportation costs, and direct greenhouse gas costs;
4. Renewable and / or RA sale transaction revenues allocated to the vintaged subaccounts;
5. miscellaneous costs or credits approved to be recovered in base revenue requirement and/or from bundled and departing load customers; and,
6. imputed RPS and RA revenue valued at the benchmark price established for these attributes.

Under the authority in D.22-01-023, PG&E proposes tariff changes for ratemaking purposes to elaborate on the tariff’s structure that includes a line item for balance transfers approved by the Commission. Specifically, the PABA structure allows for “a debit or credit entry, as appropriate, to record the transfer of amounts to and from other accounts, upon approval by the CPUC”.⁷ PG&E’s proposed change to transfer any under- or over-collected ERRA balances to the most recent PABA vintage upon approval by the Commission of PG&E’s ERRA Forecast Application revenue requirements achieves two objectives: (1) it alleviate the need for PG&E to make a specific request annually for disposing of the year-end ERRA balance to the right group of customers; and (2) it standardizes PG&E’s rate design process, making it consistent with SCE’s rate design process. Both objectives were supported by stakeholders while the Commission was developing D.22-01-023.

In Attachment A to this advice letter, PG&E revises Electric Preliminary Statement Part CP – Energy Resource Recovery Account and Electric Preliminary Statement Part HS – Portfolio Allocation Balancing Account in accordance with D.22-01-023 and D.22-02-002. A redline version of these changes is also provided in Attachment B.

⁷ See, PG&E’s Electric Preliminary Statement Part HS, Accounting Procedure line 5an; hyperlink at: https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_PRELIM_HS.pdf.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than March 17, 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 GO 96-B, Rule 5.1, this advice letter is submitted with a Tier 1 designation. PG&E requests that this advice letter become effective upon the date of submittal, which is February 25, 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 R.17-06-026 and A.21-06-001. Address changes to the GO 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/>.



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) #: 6515-E

Tier Designation: 1

Subject of AL: Modifying Electric Preliminary Statement Part CP and Electric Preliminary Statement Part HS Pursuant to Decisions 22-01-023 and 22-02-002

Keywords (choose from CPUC listing): Compliance, Balancing Account

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.22-01-023 and D.22-02-002

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: 2/25/22

No. of tariff sheets: 6

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 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

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
52557-E	ELECTRIC PRELIMINARY STATEMENT PART CP ENERGY RESOURCE RECOVERY ACCOUNT Sheet 2	45240-E
52558-E	ELECTRIC PRELIMINARY STATEMENT PART CP ENERGY RESOURCE RECOVERY ACCOUNT Sheet 3	43452-E
52559-E	ELECTRIC PRELIMINARY STATEMENT PART HS PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA) Sheet 1	47095-E
52560-E	ELECTRIC TABLE OF CONTENTS Sheet 1	52497-E
52561-E	ELECTRIC TABLE OF CONTENTS Sheet 13	51200-E
52562-E	ELECTRIC TABLE OF CONTENTS Sheet 17	52512-E



**ELECTRIC PRELIMINARY STATEMENT PART CP
ENERGY RESOURCE RECOVERY ACCOUNT**

Sheet 2

CP. ENERGY RESOURCE RECOVERY ACCOUNT (ERRA) (Cont'd.)

1. PURPOSE: (Cont'd.)

California Public Utilities Code § 454.5(d)(3) mandates a trigger mechanism to ensure that an undercollection or overcollection in the ERRA does not exceed 5 percent of a utility's recorded generation revenues for the prior year excluding revenues collected for the DWR.

Pursuant to Decision 02-12-074, Conclusion of Law 23 and Ordering Paragraph (OP) 15, PG&E is authorized to file an expedited trigger application at any time that its forecast indicates the undercollection in the ERRA will be in excess of the 5 percent threshold or 5 percent of the prior calendar year generation revenues less revenues collected for DWR during that year.

Pursuant to Decision 04-01-050, the ERRA trigger mechanism for 2004 and subsequent years would be established annually through an Advice Letter on or before April of each year.

Decision 04-12-048 extended the ERRA Trigger to be in effect during the term of the long-term procurement contracts, or 10 years, whichever is longer.

Decision 22-01-023 modified the ERRA Trigger calculation to consider ERRA balances net of the Portfolio Allocation Balancing Account (PABA) balances when calculating over- or under-collected amounts that are above the 4 percent trigger and are forecast to exceed the 5 percent threshold.

In Decision 22-01-023, the Commission authorized disposition of the year-end ERRA balance via a transfer to the most recent vintage PABA subaccount.

The ERRA also contains a separate subaccount, the PCIA Financing Subaccount, that tracks the amount financed by bundled customers related to the revenue shortfall associated with capped PCIA rates for departing load customers.

(N)
|
(N)

(Continued)

<i>Advice Decision</i>	6515-E D.22-01-023 and D.22-02-002	<i>Issued by</i> Robert S. Kenney <i>Vice President, Regulatory Affairs</i>	<i>Submitted Effective Resolution</i>	<u>February 25, 2022</u> <u>February 25, 2022</u>
------------------------	--	--	---------------------------------------	--



ELECTRIC PRELIMINARY STATEMENT PART HS
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

Sheet 1

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

- 1. PURPOSE: The purpose of the PABA is to record the "above-market" costs of all generation resources that are eligible for recovery through Power Charge Indifference Adjustment (PCIA) rates.

The PABA is comprised of subaccounts for non-vintaged portfolio resources and each year's vintage portfolio resources, that records the costs, market revenues, and imputed revenues of all generation resources executed or approved by the Commission for cost recovery that year. Amounts will include costs related to contracts executed with third parties and utility-owned generation.

Pursuant to Decision (D.) 20-06-002 issued in the Generation Resource Adequacy Rulemaking, (R.) 17-09-020, on Central Procurement, the Commission determined that PG&E contracts and utility-owned generation (UOG) resources can be procured by the Central Procurement Entity (CPE) and be reclassified to be recovered through the New System Generation Charge (NSGC) and recorded to the Centralized Local Procurement Subaccount (CLPSA) of the New System Generation Balancing Account (NSGBA) for the term of the CPE contract. At the end of the CPE contract term, the resource would be reclassified back to its original cost recovery mechanism, which in the case of a PCIA-eligible resource would be a PABA vintage subaccount. Pursuant to D.20-06-002, PCIA-eligible resources that are reclassified from NSGC back to PCIA will be exempt from the PCIA rate cap authorized in D.18-10-019.

Decision 22-01-023 modified the ERRA Trigger calculation to consider ERRA balances net of the PABA balances when calculating over- or under-collected amounts that are above the 4 percent trigger and are forecast to exceed the 5 percent threshold.

In D.22-01-023, the Commission authorized disposition of the year-end ERRA balances via a transfer to the most recent vintage PABA subaccount.

(N)
|
|
(N)

- 2. APPLICABILITY: The PABA shall apply to all customer classes, except for those specifically excluded by the Commission.

- 3. REVISION DATES: Disposition of the balance in the account shall be through the Annual Electric True-Up advice letter process, as authorized by the CPUC in the annual ERRA forecast proceeding or an ERRA Trigger Application, including the provision that disposition of the year-end balance in the ERRA shall be to the PABA upon submission (where a Tier 1 advice letter is currently required) or approval (where a Tier 2 advice letter is currently required) by the Commission of the applicable compliance advice letter addressing such balance.

(T)
|
|
(T)

- 4. RATES: PABA rates are included in the effective rates set forth in each rate schedule.

- 5. ACCOUNTING PROCEDURES: The PABA consists of three types of subaccounts:

"Non-vintaged Subaccount" records and recovers the above market costs associated with New Qualifying Facility (QF) Standard Offer Contracts (SOC) approved pursuant to D.20-05-006 and any new or existing Standard Contract for QFs 20 MW or Less pursuant to D.10-12-035 (QF Settlement) that the Commission authorizes be recovered on a non-vintaged basis.

"Legacy Utility Owned Generation Subaccount" records and recovers the above market costs associated with adopted revenue requirements related to PG&E-owned generation installed before 2002 ("Legacy UOG"), including capital and related non-fuel operating and maintenance expenses. Legacy UOG includes PG&E's hydroelectric and nuclear generation facilities.

"Vintage Subaccounts" record and recover the above market power costs associated with PG&E's authorized procurement plan by vintage. Power costs recorded in each vintage subaccount include, but are not limited to, fuel and greenhouse gas (GHG) costs, third party power purchase contracts, and utility owned generation revenue requirements. These costs are offset by CAISO generation revenues, forward sales revenues, and PCIA revenues from customers assigned to the vintage subaccount. Note that each year beginning with 2009 has its own vintage subaccount. Resources are assigned to a vintage portfolio based on the year the generation resource commitment is made (i.e., contract execution date or Commission approval of UOG construction) and customers are assigned to a vintage based on their departure date. Customers who depart before July 1 of a given year are assigned to the prior year's vintage.

(Continued)

Advice	6515-E	Issued by	Submitted	February 25, 2022
Decision	D.22-01-023 and D.22-02-002	Robert S. Kenney Vice President, Regulatory Affairs	Effective Resolution	February 25, 2022



ELECTRIC TABLE OF CONTENTS

Sheet 17

PART	TITLE OF SHEET	CAL P.U.C. SHEET NO.
Preliminary Statements (Cont'd)		
Part GA	Greenhouse Gas Expense Memorandum Account.....	32419,32420-E
Part GB	Greenhouse Gas Revenue Balancing Account.....	35256,40560-E
Part GD	Smart Grid Pilot Deployment Project Balancing Account.....	32540,32541, 32542-E
Part GE	Statewide Marketing, Education and Outreach Expenditure Balancing Account .	49677,49678-E
Part GF	Customer Data Access Balancing Account – Electric.....	33136-E
Part GH	Mobile Home Park Balancing Account - Electric.....	47077,47078-E
Part GI	Energy Data Center Memorandum Account – Electric.....	33940-E
Part GJ	Major Emergency Balancing Account (MEBA).....	40563-E
Part GK	SmartMeter™ Opt-Out Program Balancing Account - Electric (SOPBA-E).....	35625,35626,35627-E
Part GL	Hydro Licensing Balancing Account (HLBA).....	40564-E
Part GM	Nuclear Regulatory Commission Rulemaking Balancing Account (NRCRBA).....	40565-E
Part GN	San Francisco Incandescent Streetlight Replacement Account.....	34364-E
Part GO	Disconnection Memorandum Account - Electric (DMA-E).....	34604-E
Part GP	Green Tariff Shared Renewables Memorandum Account (GTSRMA).....	40566,40567, 40567-E
Part GQ	Energy Efficiency Financing Balancing Account – Electric (EEFMA-E).....	35292,35293,35294-E
Part GR	Green Tariff Shared Renewables Balancing Account (GTSRBA).....	40569,40570,35377-E
Part GS	Residential Rate Reform Memorandum Account (RRRMA).....	40571,40572-E
Part GT	Assembly Bill 802 Memorandum Account - Electric.....	40573-E
Part GU	Z-Factor Memorandum Account (ZFMA-E).....	40574-E
Part GV	Distribution Interconnection Memorandum Account (DIMA).....	40575-E
Part GY	Electric Vehicle Program Balancing Account (EVPBA).....	40576-E
Part GZ	Distributed Energy Resources Distribution Deferral Account.....	43656,43657,43658-E
Part HA	Avoided Cost Calculator Memorandum Account.....	40000-E
Part HB	Distribution Resources Plan Demonstration Balancing Account.....	40577-E
Part HC	Rule 20A Balancing Account.....	41736-E
Part HD	Tax Memorandum Account (TMA-E).....	41088-E
Part HE	Executive Compensation Memorandum Account (ECMA-E).....	40699,40700-E
Part HF	Distribution Resources Plan Tools Memorandum Account (DRPTMA).....	42139,42140-E
Part HG	Emergency Consumer Protections Memorandum Account - Electric (WCPMA-E).....	43007,52512,50549-E
Part HH	Transportation Electrification Balancing Account (TEBA).....	44688,44689,44690,44691, 42579,42580,42581,44692-E
Part HI	Solar On Multifamily Affordable Housing Balancing Account (SOMAHBA).....	41781-E
Part HK	Diablo Canyon Retirement Balancing Account.....	42161, 43668-E
Part HL	Wildfire Expense Memorandum Account (WEMA-E).....	42604, 42605-E
Part HM	Public Policy Charge Balancing Account (PPCBA).....	44715,46124,46125,46126-E
Part HO	Statewide Energy Efficiency Balancing Account – E (SWEEBA-E).....	47069,47070,47071-E
Part HQ	Fire Risk Mitigation Memorandum Account (FRMMA).....	43314-E
Part HR	Net Energy Metering (NEM) Balancing Account (NEMBA).....	43317-E
Part HS	Portfolio Allocation Balancing Account (PABA).....	52559,46730,45744,46731,51197, 51198-E (T)
Part HT	Officer Compensation Memorandum Account (OCMA-E).....	43629,43630-E
Part HU	San Joaquin Valley Disadvantaged Communities Pilot Balancing Account.....	44053-E
Part HX	Wildfire Plan Memorandum Account (WPMA).....	44450-E

(Continued)

Advice 6515-E
February 25, 2022

Attachment B

Redline Tariff Revisions



**ELECTRIC PRELIMINARY STATEMENT PART CP
ENERGY RESOURCE RECOVERY ACCOUNT**

Sheet 2

CP. ENERGY RESOURCE RECOVERY ACCOUNT (ERRA) (Cont'd.)

1. PURPOSE: (Cont'd.)

California Public Utilities Code § 454.5(d)(3) mandates a trigger mechanism to ensure that an undercollection or overcollection in the ERRA does not exceed 5 percent of a utility's recorded generation revenues for the prior year excluding revenues collected for the DWR.

Pursuant to Decision 02-12-074, Conclusion of Law 23 and Ordering Paragraph (OP) 15, PG&E is authorized to file an expedited trigger application at any time that its forecast indicates the undercollection in the ERRA will be in excess of the 5 percent threshold or 5 percent of the prior calendar year generation revenues less revenues collected for DWR during that year.

Pursuant to Decision 04-01-050, the ERRA trigger mechanism for 2004 and subsequent years would be established annually through an Advice Letter on or before April of each year.

Decision 04-12-048 extended the ERRA Trigger to be in effect during the term of the long-term procurement contracts, or 10 years, whichever is longer.

Decision 22-01-023 modified the ERRA Trigger calculation to consider ERRA balances net of the Portfolio Allocation Balancing Account (PABA) balances when calculating over- or under-collected amounts that are above the 4 percent trigger and are forecast to exceed the 5 percent threshold.

In Decision 22-01-023, the Commission authorized disposition of the year-end ERRA balance via a transfer to the most recent vintage PABA subaccount.

The ERRA also contains a separate subaccount, the PCIA Financing Subaccount, that tracks the amount financed by bundled customers related to the revenue shortfall associated with capped PCIA rates for departing load customers.

(Continued)



ELECTRIC PRELIMINARY STATEMENT PART HS
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

Sheet 1

HS. PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

1. PURPOSE: The purpose of the PABA is to record the “above-market” costs of all generation resources that are eligible for recovery through Power Charge Indifference Adjustment (PCIA) rates.

The PABA is comprised of subaccounts for non-vintaged portfolio resources and each year’s vintage portfolio resources, that records the costs, market revenues, and imputed revenues of all generation resources executed or approved by the Commission for cost recovery that year. Amounts will include costs related to contracts executed with third parties and utility-owned generation.

Pursuant to Decision (D.) 20-06-002 issued in the Generation Resource Adequacy Rulemaking, (R.) 17-09-020, on Central Procurement, the Commission determined that PG&E contracts and utility-owned generation (UOG) resources can be procured by the Central Procurement Entity (CPE) and be reclassified to be recovered through the New System Generation Charge (NSGC) and recorded to the Centralized Local Procurement Subaccount (CLPSA) of the New System Generation Balancing Account (NSGBA) for the term of the CPE contract. At the end of the CPE contract term, the resource would be reclassified back to its original cost recovery mechanism, which in the case of a PCIA-eligible resource would be a PABA vintage subaccount. Pursuant to D.20-06-002, PCIA-eligible resources that are reclassified from NSGC back to PCIA will be exempt from the PCIA rate cap authorized in D.18-10-019.

Decision 22-01-023 modified the ERRA Trigger calculation to consider ERRA balances net of the PABA balances when calculating over- or under-collected amounts that are above the 4 percent trigger and are forecast to exceed the 5 percent threshold.

In D.22-01-023, the Commission authorized disposition of the year-end ERRA balances via a transfer to the most recent vintage PABA subaccount.

2. APPLICABILITY: The PABA shall apply to all customer classes, except for those specifically excluded by the Commission.
3. REVISION DATES: Disposition of the balance in the account shall be through the Annual Electric True-Up advice letter process, as authorized by the CPUC ~~through-in~~ the annual ERRA forecast proceeding or an ERRA Trigger Application, including the provision that, disposition of the year-end balance in the ERRA shall be to the PABA upon submission (where a Tier 1 advice letter is currently required) or approval (where a Tier 2 advice letter is currently required) by the Commission of the applicable compliance advice letter addressing such balance.
4. RATES: PABA rates are included in the effective rates set forth in each rate schedule.
5. ACCOUNTING PROCEDURES: The PABA consists of three types of subaccounts:

“Non-vintaged Subaccount” records and recovers the above market costs associated with New Qualifying Facility (QF) Standard Offer Contracts (SOC) approved pursuant to D.20-05-006 and any new or existing Standard Contract for QFs 20 MW or Less pursuant to D.10-12-035 (QF Settlement) that the Commission authorizes be recovered on a non-vintaged basis.

“Legacy Utility Owned Generation Subaccount” records and recovers the above market costs associated with adopted revenue requirements related to PG&E-owned generation installed before 2002 (“Legacy UOG”), including capital and related non-fuel operating and maintenance expenses. Legacy UOG includes PG&E’s hydroelectric and nuclear generation facilities.

“Vintage Subaccounts” record and recover the above market power costs associated with PG&E’s authorized procurement plan by vintage. Power costs recorded in each vintage subaccount include, but are not limited to, fuel and greenhouse gas (GHG) costs, third party power purchase contracts, and utility owned generation revenue requirements. These costs are offset by CAISO generation revenues, forward sales revenues, and PCIA revenues from customers assigned to the vintage subaccount. Note that each year beginning with 2009 has its own vintage subaccount. Resources are assigned to a vintage portfolio based on the year the generation

(Continued)

Advice	5919-E	Issued by	Submitted	August 17, 2020
Decision	D.20-069-002	Robert S. Kenney	Effective	September 16, 2020
		Vice President, Regulatory Affairs	Resolution	



ELECTRIC PRELIMINARY STATEMENT PART HS
PORTFOLIO ALLOCATION BALANCING ACCOUNT (PABA)

Sheet 1

resource commitment is made (i.e., contract execution date or Commission approval of UOG construction) and customers are assigned to a vintage based on their departure date. Customers who depart before July 1 of a given year are assigned to the prior year's vintage.

(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.
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
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
Uplight
Water and Energy Consulting Wellhead
Electric Company
Western Manufactured Housing
Communities Association (WMA)
Yep Energy