

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 6583E
As of June 9, 2022

Subject: Notice to Suspend Competitive Solicitations for Distributed Energy Resource (DER)
Procurement for Electric Distribution Deferral Opportunities at Vierra Substation

Division Assigned: Energy

Date Filed: 05-05-2022

Date to Calendar: 05-11-2022

Authorizing Documents: D1802004

| | |
|------------------------|-------------------|
| Disposition: | Accepted |
| Effective Date: | 06-05-2022 |

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



Sidney Bob Dietz II
Director
Regulatory Relations

Pacific Gas and Electric Company
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P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-3582

May 5, 2022

Advice 6583-E

(Pacific Gas and Electric Company U 39 E)

Public Utilities Commission of the State of California

Subject: Notice to Suspend Competitive Solicitations for Distributed Energy Resource (DER) Procurement for Electric Distribution Deferral Opportunities at Vierra Substation

Purpose

Pacific Gas and Electric Company (PG&E) submits this Tier 2 advice letter requesting the California Public Utilities Commission's (Commission or CPUC) approval to terminate the competitive solicitations to procure distributed energy resources (DER) solutions for electric distribution deferral opportunity at Vierra Substation.

Background

On August 14, 2014, the Commission instituted Rulemaking (R.) 14-08-013 to establish policies, procedures, and rules to guide the California investor-owned utilities (IOUs) in developing their Distribution Resources Plan (DRP) proposals. R.14-08-013 also established new policies to evaluate the IOUs' existing and future electric distribution infrastructure and planning procedures with respect to incorporating DERs into the planning and operations of their electric distribution systems.

In July 2015, the California IOUs each submitted their respective DRP proposals to the Commission. The Commission organized the review of the DRP filing content into three tracks: Track 1 – Tools and Methodologies, Track 2 – Field Demonstration Projects, and Track 3 – Policy Issues. Various DRP working group meetings and workshops were held to inform the Commission and stakeholders, which ultimately led to several decisions in R.14-08-013.

In February 2018, the Commission issued Decision (D.) 18-02-004 on Track 3 Policy Issues, sub-track 1 (Growth Scenarios) and sub-track 3 (Distribution Investment and Deferral Process). This decision directed the IOUs to file a Grid Needs Assessment (GNA) by June 1 of each year, and a Distribution Deferral Opportunity Report (DDOR) by September 1 of each year. Subsequently, on May 7, 2019, assigned Administrative Law Judge (ALJ) Mason issued a Ruling modifying the Distribution Investment Deferral Framework.

PG&E jointly filed its fourth GNA and DDOR on August 16, 2021, and provided it to its Distribution Planning Advisory Group (DPAG). Also, as required by D.18-02-004 and the June 21 ALJ Ruling, PG&E initiated DPAG meetings by September 20, 2021 to receive advisory input on candidate distribution deferral opportunities that should be issued for competitive solicitation and retained an Independent Professional Engineer (IPE) to attend the meetings and prepare a DPAG Report.

On September 15, 2021, PG&E launched opened competitive solicitations for electric distribution deferral opportunities in the form of the Standard Offer Contract Pilot. This advice letter is submitted to terminate competitive solicitations for DER procurement for electric distribution deferral opportunities at Vierra Substation due to significant load forecast changes that impact the deferral viability of the wires solution. This is in accordance with the Ruling Revised Reform 42a of the June 21, 2021, ALJ Ruling requiring an advice letter for major changes to load forecast that impact the deferral viability of the wires solution.

Overview of the Distribution Investment Deferral Framework Process

Pursuant to the DIDF as specified in D.18-02-004 and the June 21, 2021, ALJ Ruling, PG&E:

- Submitted PG&E's 2021 Grid Needs Assessment (GNA) Report: August 16, 2021;
- Submitted PG&E's 2021 Distribution Deferral Opportunity Report (DDOR): August 16, 2021;
- Launched PG&E's Tier 1 and Standard Offer Contract (SOC) RFO: September 15, 2021;
- Hosted PG&E's DPAG Meeting #1: September 20, 2021;
- Hosted PG&E's DPAG Meeting #2 via Webinar: October 22, 2021;
- Republished PG&E's 2021 Grid Needs Assessment (GNA) Report: November 15, 2021;
- Republished PG&E's 2021 Distribution Deferral Opportunity Report (DDOR): October 22, 2021; and,
- Launched PG&E's 2021 Partnership Pilot subscription period: January 17, 2022.

This advice letter requests approval to cancel the solicitation of candidate DER distribution deferral project Vierra Bank 3 at Vierra Substation.

Summary of Reasons for Termination

PG&E's decision to request approval to cancel the solicitation for the distribution deferral opportunity Vierra Bank 3 at Vierra Substation is primarily due to an increased load forecast from new customer applications for service. The new loads include residential developments, electric vehicle charging stations, industrial park developments and internet commerce warehouses. The Manteca area is experiencing increased growth due

to its proximity to the Bay Area, its location at the intersection of major highways, and its relative affordability.

The capacity need is now more than 11 MW in total across three substation transformers (Manteca Bank 6, Manteca Bank 8, and Vierra Bank 2) and more than 10 hours in duration (noon to 10 pm). Additionally, there are now significant charging constraints for energy storage. This additional load overload means that the initial RFO can no longer meet the capacity needs created by the added customer loads. Because there are new loads waiting to be served, there is urgency to implement the initially planned substation upgrades. Moreover, there is even greater uncertainty in the forecast due to parties interested in adding EV charging station load, particularly fast charging stations along these major highway corridors.

There was consensus feedback, including feedback from the Independent Evaluator (IE) during a meeting on February 18, 2022, to cancel the solicitation for the Vierra Bank 3 deferral opportunity as the significant load increase makes it infeasible for a DER to defer the investment.

Commission Action Requested

Pursuant to D.18-02-004, PG&E requests the Commission's approval to cancel the competitive solicitations to procure DER solutions for the Vierra Bank 3 project.

Tariff Revisions

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

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than May 25, 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



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 E)

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) #: 6583-E

Tier Designation: 2

Subject of AL: Notice to Suspend Competitive Solicitations for Distributed Energy Resource (DER) Procurement for Electric Distribution Deferral Opportunities at Vierra Substation

Keywords (choose from CPUC listing): Compliance, Procurement

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.18-02-004

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:

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.
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