

October 5, 2022

Advice 6726-E

Pacific Gas and Electric Company (U 39 E)

Public Utilities Commission of the State of California

Subject: Energy Price Updates for October 2022 Eligible to Qualifying Facilities of 20 Megawatts or Less in Compliance with Decision 20-05-006

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits the October 2022 energy prices eligible to Qualifying Facilities (QF) of 20 megawatts (MW) or less seeking to sell electricity to PG&E under the Public Utility Regulatory Policies Act of 1978 (PURPA). This advice letter is submitted in compliance with Ordering Paragraph (OP) 7 of Decision (D.) 20-05-006 (the Decision).

Background

On May 7, 2020, the California Public Utilities Commission (CPUC or Commission) adopted a new standard offer contract pursuant to PURPA (New PURPA SOC) available to QF generators seeking to sell electricity to a Commission-jurisdictional utility.¹ This New PURPA SOC includes four avoided cost rates: (1) a rate determined at the time of contract execution for both capacity and energy, and (2) a rate determined at the time of product delivery for both capacity and energy. OP 1 and OP 2 of D.20-05-006 states as follows:

1. The energy price identified at the time of contract execution (18 C.F.R. § 292.304(d)(2)(ii)) is calculated by use of a three-year average of publicly available [California Independent System Operator (CAISO)] locational marginal prices for the PNode specific to a qualifying facility, calculated on a monthly basis with periods based on the Commission's most recently approved time-of-use periods specific to a utility, and a collar based on prices at the relevant Energy Trading Hub.

¹ The Commission issued the Decision on May 15, 2020.

2. The capacity price identified at the time of contract execution (18 C.F.R. § 292.304(d)(2)(ii)) is calculated by use of a five-year weighted average of publicly available resource adequacy prices, shaped to time periods based on generation capacity allocation factors adopted by the Commission and applied to updated time-of-use periods, with a 2.5% escalation factor for each year of the contract term after the last year included in the average. A capacity price is based on the provision of Resource Adequacy.

For energy prices at the time of product delivery, OP 3 determined that the energy prices are to be calculated using locational marginal prices from the CAISO's day-ahead market for the node specific to a QF. The Decision also established the regulatory requirements for updating the energy prices, with OP 7 requiring the investor-owned utilities (IOU) to: (1) calculate revised energy prices on a monthly basis on the fifth business day of each month and (2) present them to the Commission via a Tier 1 advice letter.

This advice letter is submitted in compliance with the requirements of OP 1 and OP 7 for energy price updates.² The energy prices applied to time of product delivery and time of execution pricing under the New PURPA SOC for contracts executed in October 2022 are provided in Appendix A of this advice letter.³

Exhibits Accompanying this Advice Letter

In support of this advice letter, PG&E provides the following additional information:

Appendix A: Energy Prices for New Pro Forma Under 20 MW PURPA Contract Executed in October 2022

Protests

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

² The capacity prices set forth in OP 2 are included in PG&E's Advice 6592-E (hyperlink at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6592-E.pdf), submitted on May 13, 2022; see also, Section 3 of Exhibit D of the pro forma PURPA SOC (hyperlink at: www.pge.com/qf).

³ In order to allow the CAISO adequate time to update energy prices for the settlement month, the data provided in Appendix A is gathered after September 30, 2022.

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 letter become effective on October 5, 2022, which is the date this advice letter was submitted with the Commission.

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 Rulemaking (R.) 18-07-017. 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

Attachment:

Appendix A: Energy Prices for New Pro Forma Under 20 MW PURPA Contract Executed in October 2022

cc: Service List for R.18-07-017



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) #: 6726-E

Tier Designation: 1

Subject of AL: Energy Price Updates for October 2022 Eligible to Qualifying Facilities of 20 Megawatts or Less in Compliance with Decision 20-05-006

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.20-05-006

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: 10/5/22

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

Advice 6726-E
October 5, 2022

Appendix A

Energy Prices for New Pro Forma Under 20 MW PURPA Contract
Executed in October 2022

APPENDIX A
NEW STANDARD OFFER CONTRACT
FOR QUALIFYING FACILITIES OF 20 MEGAWATTS (MW) OR LESS
(DECISION 20-05-006)

CONTRACT ENERGY PRICES - OCTOBER 2022¹

Table 1 - The applicable Time of Delivery Periods (TOD Periods) for a contract executed in October 2022 under the New Qualifying Facility (QF) Standard Offer Contract (New QF SOC) as served in PG&E's Advice 5853-E are provided below. These values correspond to the table in Section 2(a) of Exhibit D for the As-Executed Option contract. The reference source of these TOD Periods apply only to the New QF SOC, are subject to change pursuant to Decision 20-05-006, and will not modify the time periods used in legacy QF contracts.

TOD Periods – Hour Ending (HE)	
1 = Peak	HE07 - HE08 & HE17 - HE22 (Monday - Saturday)
2 = Partial-Peak	HE09 - HE16 (Monday - Saturday)
3 = Off-Peak	All other hours (Monday - Saturday) and all hours on Sunday and North American Electric Reliability Corporation Holidays

Table 2 - The Contract TOD Energy Price (\$/MWh) for a contract executed in October 2022 using the As-Executed Option under the New QF SOC will be calculated using the three-year average of the CAISO locational marginal prices for the pricing node specific to the qualifying facility. The monthly energy prices, for each TOD Period, will be limited by a 10 percent collar based on the three-year average prices at the applicable Energy Trading Hub as shown below.² If applicable, these calculated values will be inserted into Section 2(b) of Exhibit D for the As-Executed Option contract.

North of Path 15 (NP15):

Month	1 Peak (\$/MWh)			2 Partial-Peak (\$/MWh)			3 Off-Peak (\$/MWh)		
	+10%	NP15	-10%	+10%	NP15	-10%	+10%	NP15	-10%
Jan	55.87	50.79	45.71	34.34	31.22	28.09	40.67	36.97	33.28
Feb	75.85	68.95	62.06	29.05	26.41	23.77	43.69	39.72	35.75
Mar	52.65	47.87	43.08	27.26	24.78	22.31	37.85	34.40	30.96
Apr	57.30	52.09	46.88	30.79	27.99	25.19	44.46	40.42	36.38
May	59.40	54.00	48.60	31.18	28.34	25.51	43.25	39.32	35.39
Jun	74.08	67.34	60.61	42.49	38.63	34.77	48.31	43.92	39.53
Jul	83.54	75.95	68.35	51.90	47.18	42.46	53.55	48.68	43.81
Aug	109.14	99.22	89.29	62.39	56.72	51.05	63.40	57.64	51.88
Sep	117.58	106.89	96.20	61.57	55.97	50.37	72.36	65.78	59.20
Oct	71.28	64.80	58.32	44.60	40.55	36.49	47.19	42.90	38.61
Nov	67.17	61.06	54.95	42.01	38.19	34.37	46.52	42.30	38.07
Dec	67.39	61.27	55.14	44.36	40.32	36.29	47.18	42.89	38.61

¹ All contract prices herein are only applicable to contracts executed under the form of contract specified under Decision 20-05-006 and approved by the California Public Utilities Commission.

² The Energy Trading Hub prices and applicable collar are based on California Independent System Operator Corporation (CAISO) OASIS data as of September 30, 2022.

Zone Between Path 15 and Path 26 (ZP26):

Month	1 Peak (\$/MWh)			2 Partial-Peak (\$/MWh)			3 Off-Peak (\$/MWh)		
	+10%	ZP26	-10%	+10%	ZP26	-10%	+10%	ZP26	-10%
Jan	54.85	49.86	44.88	31.32	28.47	25.63	38.93	35.39	31.85
Feb	75.80	68.91	62.02	23.22	21.11	19.00	42.61	38.73	34.86
Mar	50.81	46.19	41.57	21.11	19.19	17.27	36.35	33.04	29.74
Apr	54.75	49.77	44.79	17.92	16.29	14.66	42.41	38.55	34.70
May	54.34	49.40	44.46	14.98	13.62	12.25	39.77	36.16	32.54
Jun	69.69	63.36	57.02	35.03	31.84	28.66	45.46	41.33	37.19
Jul	81.34	73.95	66.55	47.99	43.62	39.26	51.09	46.45	41.80
Aug	104.14	94.67	85.20	57.83	52.58	47.32	61.09	55.54	49.99
Sep	114.65	104.23	93.81	55.66	50.60	45.54	69.81	63.47	57.12
Oct	69.44	63.12	56.81	33.36	30.32	27.29	44.76	40.69	36.62
Nov	67.24	61.13	55.01	38.39	34.90	31.41	45.03	40.94	36.85
Dec	67.72	61.57	55.41	42.26	38.42	34.58	46.15	41.95	37.76

South of Path 15 (SP15):

Month	1 Peak (\$/MWh)			2 Partial-Peak (\$/MWh)			3 Off-Peak (\$/MWh)		
	+10%	SP15	-10%	+10%	SP15	-10%	+10%	SP15	-10%
Jan	55.62	50.56	45.50	31.70	28.82	25.94	39.28	35.71	32.14
Feb	78.97	71.79	64.61	23.17	21.06	18.96	45.62	41.47	37.33
Mar	50.35	45.77	41.20	20.48	18.62	16.76	35.81	32.56	29.30
Apr	54.34	49.40	44.46	17.65	16.05	14.44	41.85	38.04	34.24
May	54.87	49.89	44.90	18.83	17.12	15.41	39.97	36.34	32.71
Jun	72.57	65.97	59.38	37.92	34.47	31.02	46.10	41.91	37.72
Jul	89.30	81.18	73.07	51.59	46.90	42.21	52.58	47.80	43.02
Aug	140.55	127.77	115.00	70.44	64.03	57.63	64.25	58.41	52.57
Sep	124.27	112.97	101.67	60.62	55.11	49.60	72.62	66.02	59.41
Oct	70.83	64.39	57.95	33.45	30.41	27.37	44.65	40.59	36.53
Nov	68.96	62.69	56.42	37.36	33.96	30.57	45.18	41.08	36.97
Dec	66.97	60.88	54.79	41.25	37.50	33.75	46.35	42.14	37.93

**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.

Resource Innovations

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
Stoel Rives LLP

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