

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 6856E
As of March 6, 2023

Subject: Energy Price Updates for February 2023 Eligible to Qualifying Facilities of 20 Megawatts or Less in Compliance with Decision 20-05-006

Division Assigned: Energy

Date Filed: 02-07-2023

Date to Calendar: 02-13-2023

Authorizing Documents: D2005006

Disposition:	Accepted
Effective Date:	02-07-2023

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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 7, 2023

Advice 6856-E

Pacific Gas and Electric Company (U 39 E)

Public Utilities Commission of the State of California

Subject: Energy Price Updates for February 2023 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 February 2023 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 February 2023 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 February 2023

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than February 27, 2023, 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 January 31, 2023.

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 February 7, 2023, 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 February 2023

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 (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) #: 6856-E

Tier Designation: 1

Subject of AL: Energy Price Updates for February 2023 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:

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: 2/7/23

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

Appendix A

Energy Prices for New Pro Forma Under 20 MW PURPA Contract
Executed in February 2023

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

CONTRACT ENERGY PRICES - FEBRUARY 2023¹

Table 1 - The applicable Time of Delivery Periods (TOD Periods) for a contract executed in February 2023 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 February 2023 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	104.02	94.56	85.11	71.62	65.11	58.60	78.37	71.25	64.12
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	84.32	76.65	68.99	56.57	51.43	46.29	59.51	54.10	48.69
Nov	87.62	79.65	71.69	57.99	52.72	47.45	64.88	58.98	53.09
Dec	162.41	147.64	132.88	116.87	106.25	95.62	127.65	116.05	104.44

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 January 31, 2023.

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	102.78	93.44	84.09	62.78	57.07	51.36	75.57	68.70	61.83
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	81.62	74.20	66.78	40.91	37.19	33.47	55.48	50.44	45.39
Nov	86.44	78.58	70.73	47.47	43.16	38.84	60.93	55.39	49.85
Dec	159.49	144.99	130.49	106.03	96.39	86.75	123.18	111.98	100.78

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	104.97	95.43	85.88	63.91	58.10	52.29	77.18	70.16	63.15
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	83.21	75.65	68.08	42.30	38.46	34.61	55.50	50.45	45.41
Nov	87.09	79.17	71.25	47.31	43.01	38.71	60.81	55.28	49.75
Dec	158.92	144.47	130.03	106.04	96.40	86.76	124.44	113.12	101.81

**PG&E Gas and Electric
Advice Submittal List
General Order 96-B, Section IV**

AT&T Albion Power Company	East Bay Community Energy Ellison Schneider & Harris LLP Engineers and Scientists of California	Pioneer Community Energy Public Advocates Office
Alta Power Group, LLC Anderson & Poole	GenOn Energy, Inc. Green Power Institute Hanna & Morton ICF	Redwood Coast Energy Authority Regulatory & Cogeneration Service, Inc.
Atlas ReFuel BART	iCommLaw International Power Technology Intertie	Resource Innovations SCD Energy Solutions San Diego Gas & Electric Company
Barkovich & Yap, Inc. Braun Blasing Smith Wynne, P.C. California Cotton Ginners & Growers Assn California Energy Commission	Intestate Gas Services, Inc.	SPURR San Francisco Water Power and Sewer Sempra Utilities
California Hub for Energy Efficiency Financing	Johnston, Kevin Kelly Group Ken Bohn Consulting Keyes & Fox LLP Leviton Manufacturing Co., Inc.	Sierra Telephone Company, Inc. Southern California Edison Company Southern California Gas Company Spark Energy Sun Light & Power Sunshine Design Stoel Rives LLP
California Alternative Energy and Advanced Transportation Financing Authority California Public Utilities Commission Calpine	Los Angeles County Integrated Waste Management Task Force MRW & Associates Manatt Phelps Phillips Marin Energy Authority McClintock IP McKenzie & Associates	Tecogen, Inc. TerraVerde Renewable Partners Tiger Natural Gas, Inc.
Cameron-Daniel, P.C. Casner, Steve Center for Biological Diversity	Modesto Irrigation District NLine Energy, Inc. NRG Solar	TransCanada Utility Cost Management Utility Power Solutions Water and Energy Consulting Wellhead Electric Company Western Manufactured Housing Communities Association (WMA) Yep Energy
Chevron Pipeline and Power City of Palo Alto	OnGrid Solar Pacific Gas and Electric Company Peninsula Clean Energy	
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 Downey Brand LLP Dish Wireless L.L.C.		