

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



**Pacific Gas & Electric Company**  
**ELC (Corp ID 39)**  
**Status of Advice Letter 7007E**  
**As of September 11, 2023**

Subject: Request for Approval of Re-Allocation of Procurement Obligations of 0.05 Megawatts Assigned to Tiger Natural Gas Pursuant to Decisions 21-06-035, 22-05-015 and 23-02-040

Division Assigned: Energy

Date Filed: 08-09-2023

Date to Calendar: 08-14-2023

Authorizing Documents: D2106035

Authorizing Documents: D2205015

Authorizing Documents: D2302040

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>09-08-2023</b>

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

AL Certificate Contact Information:

Michael Finnerty

[PGETariffs@pge.com](mailto: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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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](mailto:edtariffunit@cpuc.ca.gov)**



August 9, 2023

**Advice 7007-E**

Pacific Gas and Electric Company (U 39 E)

Public Utilities Commission of the State of California

**Subject: Request for Approval of Re-Allocation of Procurement Obligations of 0.05 Megawatts Assigned to Tiger Natural Gas Pursuant to Decisions 21-06-035, 22-05-015 and 23-02-040**

**Purpose**

Pacific Gas and Electric Company (PG&E) hereby requests authorization (1) to receive the procurement obligations of 0.05 megawatts (MW) originally assigned to Tiger Natural Gas (TNG) pursuant to Decision (D.) 21-06-035 and (2) to conduct a voluntary re-allocation of these procurement obligations, as mutually agreed upon, from PG&E to Direct Energy Business, LLC (DEB).

**Background**

On June 24, 2021, the California Public Utilities Commission (CPUC or Commission) issued D.21-06-035, *Decision Requiring Procurement to Address Mid-Term Reliability (2023-2026)* (Decision). The purpose of the Decision is to direct California load-serving entities (LSE) to procure 11,500 MW of Net Qualifying Capacity (NQC) to meet the state's ambitious greenhouse gas (GHG) emissions reduction targets and to support system reliability.

To determine each LSE's share of the 11,500 MW procurement order, the Commission adopted a "hybrid allocation method" that utilized: 1) The 2021 year-ahead resource adequacy (RA) peak load forecasts; and 2) The 2021 energy load forecasts included in the energy load forecasts that were adopted for use in the Integrated Resource Planning (IRP) cycle. Given that this allocation method is based on a specific point in time, the Commission adopted a process to ensure that the collective procurement order of 11,500 MW would remain intact in situations where an LSE ceases operations. Specifically, Ordering Paragraph (OP) 4 of the Decision states that Investor-Owned Utilities (IOU) "may each file a Tier 2 advice letter to adjust the capacity requirements ... in the event of the failure of another load-serving entity (LSE) within its service territory..."

PG&E has been notified by the Commission's Energy Division Staff (Staff) that the procurement obligations of 0.05 MW of incremental additional capacity originally assigned to TNG, pursuant to D.21-06-035, now need to be re-allocated to PG&E. Accordingly,

PG&E is submitting this Tier 2 advice letter to assume the procurement obligation on behalf of TNG as set forth in OP 4 of the Decision.<sup>1</sup>

### **Discussion**

Upon notification by Staff that TNG ceased its operations, PG&E worked with its Customer Care organization and determined that all of TNG's customers were transferred to Direct Energy Business, LLC (DEB) to receive their electric service.

To address a scenario such as this, Conclusion of Law 20 in the Decision states: "It is reasonable to allow any IOU to file a Tier 2 advice letter to change its capacity procurement obligation under this order in the event of an LSE failure within its service territory or when the IOU and another LSE mutually agree to modify their allocations, as long as these allocation changes do not change the total capacity procurement requirements in this decision."

Accordingly, PG&E is submitting this Tier 2 advice letter requesting:

- Commission approval to transfer TNG's mid-term reliability procurement obligations of 0.05 MW of incremental additional capacity to PG&E; and
- PG&E's subsequent transfer of the 0.05 MW of incremental additional capacity procurement obligation, as mutually agreed to pursuant to a separate agreement between PG&E and DEB (Agreement), from PG&E to DEB, with DEB's mid-term reliability procurement obligation adjusted as appropriate and consistent with the approach developed in D.21-06-035.

PG&E is including the Agreement between PG&E and DEB as Appendix A.

### **Protests**

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than **August 29, 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

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<sup>1</sup> Pursuant to OP 10 of D.22-05-015, when a non-IOU LSE declares bankruptcy or ceases to provide retail service in California, the obligation reverts to the IOU. This is based on the presumption that when a non-IOU LSE fails, that load returns to the incumbent IOU.

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 General Order 96-B, Rule 5.2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this **Tier 2** advice letter submittal become effective on regular notice, **September 8, 2023**, which is 30 calendar days after the date of its submittal.

### **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. 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/

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Sidney Bob Dietz II  
Director, Regulatory Relations  
CPUC Communications

cc: Service List Rulemaking 20-05-003



# 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: Michael Finnerty  
 Phone #: (279) 789-6216  
 E-mail: PGETariffs@pge.com  
 E-mail Disposition Notice to: michael.finnerty@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) #: 7007-E

Tier Designation: 2

Subject of AL: Request for Approval of Re-Allocation of Procurement Obligations of 0.05 Megawatts Assigned to Tiger Natural Gas Pursuant to Decisions 21-06-035, 22-05-015 and 23-02-040

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. 21-06-035, D. 22-05-015, D. 23-02-040

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: 9/8/23

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 proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss 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](mailto: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

# **Appendix A**

Letter Agreement Between Pacific Gas and Electric  
Company and Direct Energy Business



August 7, 2023

**Re: Letter Agreement Between PG&E and Direct Energy Business to Transfer 0.05 MW of Mid-Term Reliability Procurement Obligations from PG&E to Direct Energy Business**

Pacific Gas and Electric Company (PG&E) and Direct Energy Business, LLC (DEB), henceforth known each a “Party” and together as the “Parties”, hereby agree to transfer 0.05 megawatts (MW) of mid-term reliability procurement obligations from PG&E to DEB. The procurement obligations of 0.05 MW under this Agreement were originally assigned to Tiger Natural Gas (TNG) pursuant to Decision 21-06-035.

The California Public Utilities Commission (Commission) ordered load serving entities (LSE) under its jurisdiction to collectively procure 11,500 MW of certain electric capacity resources, among other things, pursuant to Decision 21-06-035. PG&E, DEB, and TNG were among the LSEs assigned procurement obligations. Specifically, TNG was directed to procure 0.05 MW of new resources to come online in accordance with the timelines established under Decision 21-06-035. TNG has since ceased operations in California and its electric customers have transferred to DEB to receive their electric service.

In accordance with Decision 21-06-035, when a non-investor-owned utility (IOU) LSE declares bankruptcy or ceases to provide retail electric service in California, its mid-term reliability procurement obligations revert to the IOU. This is based on the presumption that when a non-IOU LSE fails, that load returns to the incumbent IOU. Accordingly, the Commission has requested PG&E to submit an advice letter to acknowledge assumption of TNG’s mid-term reliability procurement obligations and to subsequently transfer such obligation to DEB pursuant to a mutual agreement between PG&E and DEB.

Accordingly, in consideration of the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree that upon PG&E’s assumption of TNG’s mid-term reliability procurement obligations of 0.05 MW, by this Agreement, PG&E subsequently transfers the 0.05 MW obligations to DEB. DEB hereby accepts such transfer from PG&E.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed and effective as of the date last signed below.

Pacific Gas and Electric Company

 /S/ \_\_\_\_\_

Gillian Clegg  
Vice President, Energy Policy and Procurement

Direct Energy Business, LLC

 /S/ \_\_\_\_\_

Jay Robertson  
Director, West Power

**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 Blaising Smith Wynne, P.C.  
California Community Choice Association  
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  
Downey Brand LLP  
Dish Wireless L.L.C.

East Bay Community Energy Ellison  
Schneider & Harris LLP

Electrical Power Systems, Inc.  
Fresno  
Engineers and Scientists of California

GenOn Energy, Inc.  
Green Power Institute  
Hanna & Morton  
ICF

iCommLaw  
International Power Technology  
Intertie

Intestate Gas Services, Inc.

Johnston, Kevin  
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  
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