

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 7051E
As of February 8, 2024

Subject: Pacific Gas and Electric Company's Request for Fund Shifting for the Residential Smart Thermostat Control Pilot Program, Associated with D.21-12-015, Phase 2, Rulemaking 20-11-003

Division Assigned: Energy

Date Filed: 10-19-2023

Date to Calendar: 10-27-2023

Authorizing Documents: D2112015

Disposition:	Withdrawn
Effective Date:	None

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Michael Finnerty

(279) 789-6216

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

October 19, 2023

Advice 7051-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Pacific Gas and Electric Company's Request for Fund Shifting for the Residential Smart Thermostat Control Pilot Program, Associated with D.21-12-015, Phase 2, Rulemaking 20-11-003

Purpose

Pursuant to California Public Utilities Commission (CPUC) Decisions (D.) 12-04-045 and 17-12-003, Pacific Gas & Electric Company (PG&E) is submitting this Tier 2 Advice Letter to request the authority to shift \$2,898,630 in approved funding within the Category 5 ("Pilots") budget category from the Smart Communicating Thermostat (SCT) Pilot Program to the Residential Smart Thermostat Control Pilot Program. Approving this fund shifting request will allow PG&E to continue recruitment into the Residential Smart Thermostat Control Pilot in 2023.

Background

D.06-03-024 established rules allowing utilities to shift funding within each of the ten budget categories for demand response programs and activities.¹ These rules were later affirmed in D.09-08-027,² D.12-04-045,³ and D.17-12-003.⁴ The Commission also reduced the number of budget categories from 10 to seven.⁵

The primary fund shifting rules allow utilities to shift up to 50 percent of a program's fund to another program within the same budget category without an advice letter, with appropriate monthly reporting. To shift more than 50 percent of a program's funds to a different program within the same budget category, the utility must first submit a Tier 2 advice letter.⁶ In addition to these rules for fund shifting, D.12-04-045 adopted a special

¹ D. 06-03-024, p. 14.

² D. 09-08-027, p. 208.

³ D. 12-04-045, pp. 27-28.

⁴ D. 17-12-003, p 131.

⁵ D. 17-12-003, p. 131.

⁶ D. 17-12-003, pp. 134-135.

rule for Category 5 (pilots): “The Utilities may not shift funds within the ‘Pilots’ or ‘Special Projects’ category without a Tier 2 Advice Letter submission.”⁷ In this advice filing, PG&E is requesting to shift less than 50 percent of a program’s funds within budget Category 5 for pilots.

Regarding the funding sources previously approved by the Commission as relevant to this Advice Letter, D.21-12-015, Ordering Paragraph (OP) 16 authorized the Residential Smart Thermostat Control Pilot Program, and OPs 41-48 authorized the SCT Pilot Program.

Discussion

PG&E requests to fund shift approximately \$2.9 million (\$2,898,630) away from the SCT Pilot stems from the success of the Residential Smart Thermostat Control Pilot Program. While PG&E had estimated the pilot could achieve 100,000 device enrollments by the end of 2023, to date, over 108,000 devices have been enrolled within the authorized budget as of October 16, 2023, providing approximately 50 megawatts of load reduction capacity. In early 2023, PG&E effectively integrated this pilot into the CAISO wholesale market, and the program was available as a Proxy Demand Resource product during the 2023 Demand Response season. PG&E estimates that as many as 27,000 more devices could be recruited through the end of the year, which would provide an additional 15 megawatts of load reduction in subsequent years. Quickly shifting these funds now will ensure more customers, devices and megawatts can be enrolled during the pilot period. Each new enrollment represents just over \$100 in costs between an enrollment incentive and per device vendor fees.

The fall of 2023 provides a prime opportunity to recruit more customers during Black Friday and holiday sales. In October and November of last year, PG&E experienced a 200% increase in enrollments over prior months. Maintaining the enrollment website, online store and in the Energy Action Guide would provide customers with a contiguous experience through the remainder of the year while securing much needed megawatts of load reduction capacity for subsequent years.

PG&E seeks to shift funds between sub-categories within Category 5 of D.21-12-015:

- Shift program funds from “\$75 hot climate zone thermostat incentive program”, also known as the SCT Pilot, to the
- “Residential Smart Thermostat Control Pilot.”

⁷ D.12-04-045, p. 28

The table below illustrates the proposed transfer from and transfer to:

Amount to Transfer	From: Budget Category	From: Budget Sub-category	To: Budget Category	To: Budget Sub-category
\$2,898,630	5 (Pilots)	Smart Communicating Thermostat	5 (Pilots)	Residential smart thermostat control pilot

The table below shows an accounting of the budget spent thus far on both programs:

Funding Categories	2022-2023 Actual	2022-2023 Authorized	Remaining
Category 5: Smart Communicating Thermostat Pilot			
Admin	\$ 136,711	\$ 900,000	\$ 763,289
Incentive	\$ 11,544	\$ 9,000,000	\$ 8,988,456
Total	\$ 148,255	\$ 9,900,000	\$ 9,751,745
Category 5: Residential Smart Thermostat Control Pilot			
Admin	\$ 6,610,806	\$ 7,538,381	\$ 927,575
Incentive	\$ 6,393,480	\$ 9,950,495	\$ 3,557,015
Total	\$ 13,004,286	\$ 17,488,876	\$ 4,484,590
Category 5 Total	\$ 13,152,540	\$ 27,388,876	\$ 14,236,336

Approval of this advice letter will not affect the overall funding amount in Category 5, however, the new authorized budget for SCT will be reduced to \$7,001,370 and the new authorized budget for the Residential Smart Thermostat Control Pilot will be increased to \$20,387,506.

As of September 30, 2023, the Residential Smart Thermostat Control Pilot, had \$4.4 million funding remaining. These funds are forecast to be exhausted in October and through early November. Seventy percent of the \$2.9 million will be allocated to customer incentives and thirty percent to per device vendor fees.

This fund shifting will not negatively impact the SCT program. D.21-12-015 provided third-party Demand Response providers the ability to submit for reimbursement \$75 per smart thermostat in select climate zones. To date, only two companies contracted with PG&E and one submitted just one invoice for less than \$12,000.

Given the operation of the SCT program to date in 2023, PG&E does not forecast that in the remaining two months of 2023 the \$9.7 million remaining authorized budget will be spent down. Further, PG&E does not anticipate an increase in administrative expenses that would create a financial impediment to PG&E's ability to administer this Pilot. PG&E is requesting to fund shift only \$2.9 million of the authorized budget.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than **November 8, 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:

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 (GO) 96-B, Rule 5.2, (and D.12-04-045), this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on regular notice, **November 18, 2023** which is 30 calendar days after the date of 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 and the parties on the service list for R.20-11-003. 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
CPUC Communications

cc: Service List R. 20-11-003



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) #: 7051-E

Tier Designation: 2

Subject of AL: Pacific Gas and Electric Company's Request for Fund Shifting for the Residential Smart Thermostat Control Pilot Program, Associated with D.21-12-015, Phase 2, Rulemaking 20-11-003

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.21-12-015

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: 11/18/23

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: (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 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