

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



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 7064E
As of June 11, 2024

Subject: Request to Continue PG&E's Low Carbon Fuel Standard Holdback Credit Implementation Plan Programs

Division Assigned: Energy

Date Filed: 11-10-2023

Date to Calendar: 11-17-2023

Authorizing Documents: D2012027

Disposition:	Accepted
Effective Date:	12-10-2023

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

November 10, 2023

Advice 7064-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Request to Continue PG&E's Low Carbon Fuel Standard Holdback Credit Implementation Plan Programs

I. Purpose

Pursuant to Ordering Paragraph (OP) 3 of Decision (D.) 20-12-027, the Decision Concerning Low Carbon Fuel Standard Holdback Revenue Utilization (the Decision), Pacific Gas and Electric Company (PG&E) hereby submits this advice letter to request to extend the Pre-Owned EV Rebate Program and Residential Charging Solutions Pilot approved in PG&E's Holdback Implementation Plan (see Advice Letter (AL) 6226-E, as supplemented by AL 6226-E-A) through a non-standard disposition letter dated December 24, 2021, and funded by Low Carbon Fuel Standard (LCFS) holdback residential base charging credit and electric forklift credit proceeds.

II. Background

PG&E's 2021 LCFS Implementation Plan was approved by the CPUC in December 2021¹ with the following four "holdback programs"²:

1. Pre-Owned EV Rebate Program
2. Residential Charging Solutions Pilot
3. Multi-Family and Small Business Direct Install Pilot
4. Resilient Charging Pilot (known publicly as evPulse for PG&E).

¹ Advice Letter (AL) 6226-E, PG&E's 2021 Low Carbon Fuel Standard Implementation Plan, filed June 15, 2021, and AL 6336-E-A, filed October 6, 2021. The public versions with Energy Division's December 24, 2021, disposition letter approving the Implementation Plan can be found at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6226-E.pdf and https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6226-E-A.pdf.

² "Holdback programs" are funded by the 33% of remaining residential base credit proceeds after funding the California Clean Fuel Reward (CCFR) program, plus credits generated by forklift charging. PG&E is not including the Research and Innovation Fund in this list as it was funded with non-holdback credits.

With the exception of the Resilient Charging pilot, each of these programs were intended to begin accepting customer applications in 2022 and close to new customer applications on December 31, 2024.³ However, the launch of the Pre-Owned EV Rebate and Residential Charging Solutions Pilot were delayed until Q1 2023 and Q4 2023, respectfully. This delay in both programs results in a much shorter timeline to reach customers and disburse incentives than originally intended in the 2021 Implementation Plan.

As a result, PG&E requests to extend these programs beyond the December 31, 2024 application close date listed in the 2021 Implementation Plan in order to better serve customers and fully utilize the proposed budgets. Specifically, PG&E requests:

- **Extending the Pre-Owned EV Rebate program**
 - PG&E requests extending the program to be open to applications until the end of 2026, or until this program is superseded by a statewide pre-owned rebate.
- **Extending the Residential Charging Solutions program**
 - PG&E requests extending the program until the program budget has been expended, which is expected to be by the end of 2025.

At this time, PG&E does not propose changes to the Multifamily and Small Business Direct Install program or the Resilient Charging Pilot. The Multifamily and Small Business Direct Install pilot, which also has a close date of December 31, 2024, is currently expected to reach the intended pilot targets. PG&E will monitor progress and determine if an extension is warranted next year. The Resilient Charging Pilot is closing at the end of 2023 after fully utilizing its budget.

III. **Extension of Pre-Owned EV Rebate**

As stated above, PG&E proposes extending the Pre-Owned EV Rebate program to be open to applications until the end of 2026 or the program is superseded by a statewide offering. PG&E is requesting this extension due to delays in implementing the program as well as the need to update assumptions in program participation. The sections below provide more background on the differences between the proposed program and the actual implementation, and how these have contributed to this request.

Proposed vs. Actual Implementation Timeline

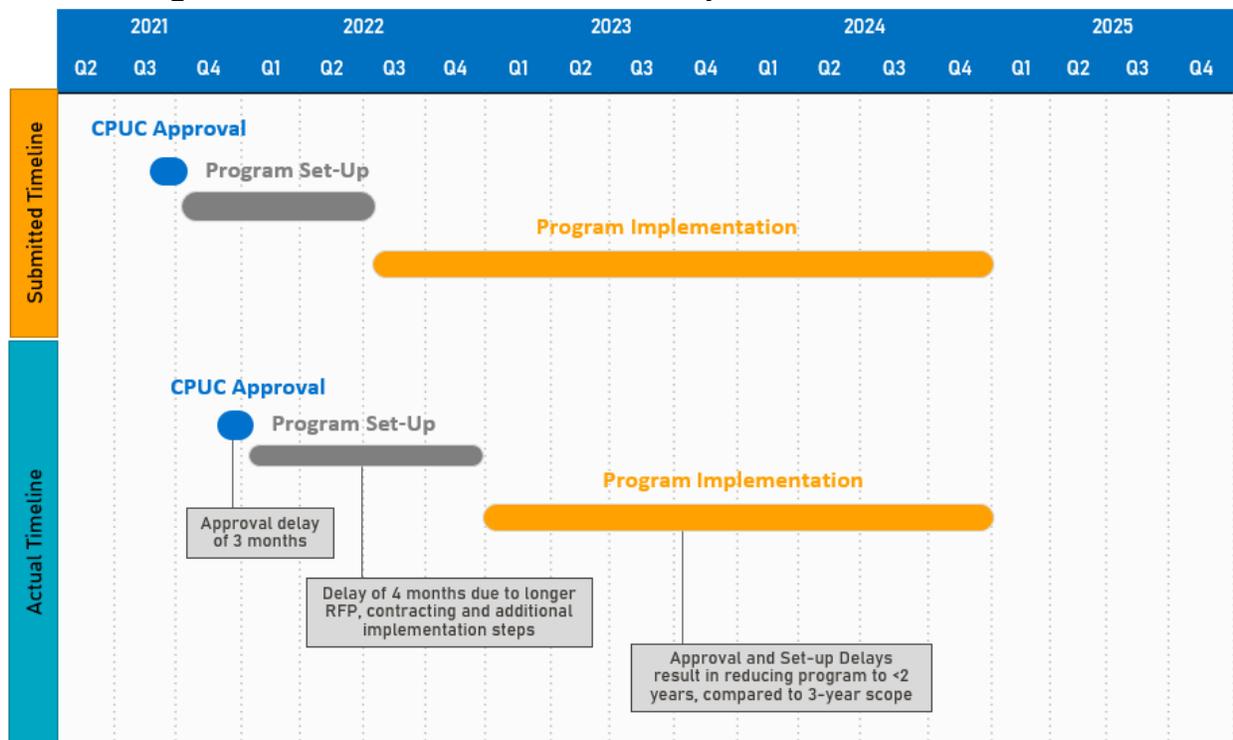
Pre-Owned EV experienced several delays compared to the timeline proposed in the implementation plan that have contributed to a later launch, including:

³ PG&E intended to fund administrative activities related to closing the program (e.g. program evaluation) that would extend to 2025; however, customer applications for these programs would end in Dec 2024.

- **Delays in CPUC Approval:** PG&E received approval from the CPUC at the end of Q4 2021 rather than in Q3 2021, resulting in a three-month delay from what was estimated.
- **Longer Program Implementation:** While the 2021 Implementation Plan assumed nine months from approval to launch, it took thirteen months to run a solicitation for an implementer, contract with the selected vendor, and handle additional implementation steps during program setup.

As a result, Pre-Owned EV will be open to customer applications for less than two years, rather than the two years and six months proposed in the implementation plan. Figure 1 illustrates the difference between the proposed and actual implementation period.

Figure 1. Pre-Owned EV Rebate – Proposed and Actual Timeline



Proposed vs. Actual Program Participation

PG&E forecasted the delivery of up to 45,000 incentives for the Pre-Owned EV Program as part of the 2021 Implementation Plan. This estimation was based on PG&E's Clean Fuel Rebate (CFR) Program, the predecessor to the Pre-Owned EV Rebate Program. The CFR ran from 2017-2020 and was able to reach roughly 48% of EVs registered in PG&E's service territory at the time. However, this program had less robust requirements to qualify for the rebate; most notably, the program lacked a time limit on vehicle purchase, meaning that customers that had purchased their EVs years before could still receive a rebate.

In contrast to the CFR, the Pre-Owned EV Rebate Program is limited to used EVs and requires that an EV is purchased in the last 180 days. This requirement was designed to minimize free ridership and better target incentives. Though justified, requirements like this application window reduce the number of eligible customers overall compared to the CFR and create a time limit in which the customer must become aware of the program before they become ineligible. As a result, an analysis of the program's first six months of rebates and used EV registration data show that the program is currently reaching 5% of the used EVs being registered, far less than what was estimated in the 2021 Implementation Plan based on CFR levels of participation. PG&E is therefore spending substantially less on incentives to date than estimated in the plan, though participation by income-qualified customers at the onset has been higher than expected.

Revised Pre-Owned EV Rebate Timeline and Future Plan

As a result of the delays and initial program participation, PG&E proposes to lengthen its Pre-Owned EV Rebate program beyond the original 2024 program end date to allow more customers the opportunity to participate. PG&E will run the program until the end of 2026 (with program closeout occurring in 2027)⁴ or until used EV rebates are incorporated into a statewide program.

Pre-owned EV incentives for income-qualified customers are being considered as a possible focus of the statewide California Clean Fuel Reward (CCFR) program, which is also funded by utility LCFS credit proceeds. If the CCFR adds an income-qualified pre-owned EV incentive to its offerings, PG&E would support the development of the statewide incentive with lessons learned from this program. Depending on the customer segments supported, PG&E would consider discontinuing the Pre-Owned EV Rebate program after a period of overlap and customer communication which reduces customer uncertainty in the ability to leverage a used EV incentive. This approach was used successfully to smooth the transition between PG&E's CFR program and the statewide CCFR program in 2020.

⁴ There was a six-month closeout period in the 2021 Implementation Plan that will be kept here, shifted to 2027. During closeout, the program will not accept new applications, but will finish processing submitted ones, close the website and application, end the contract with the implementer, complete evaluation, etc.

Figure 2. Proposed Revision to the Pre-Owned EV Rebate Timeline



The Pre-Owned EV budget was purposely built with a buffer to ensure the program had sufficient funding in case of high levels of EV adoption and program participation (i.e., it would be better for customers if the program closed with money remaining in the budget than having it run out of funding early and create uncertainty in the market). PG&E will focus on increasing participation to the program in 2024 (see more details below), but given current and forecasted levels of participation, PG&E may not spend all of the \$86.6M set aside in the 2021 Implementation Plan. Current forecasts indicate that it is more likely the Pre-Owned EV will reach a total spend of ~\$70M by the end of the proposed extension. However, it is important to note that while initial participation data is lower than expected, the program has only been in the market since Feb 2023 (~seven months) and EV sales and consumer awareness continue to be variable and hard to predict. Further, there is also uncertainty with the timing of a possible transition to statewide program (via CCFR). As a result of this uncertainty, PG&E does not wish to make any budget adjustments at this time. If Pre-Owned EV closes with budget remaining, the funding will be used to propose future programs through a new LCFS implementation plan to be filed with the CPUC. Table 1 shows the forecasted spend and maximum spend up to the approved budget with the approved extension.

Table 1. Pre-Owned EV Rebate Budget with Extension (in Millions)

Budget with Extension	2021	2022	2023	2024	2025	2026	2027	Total
Forecasted Spend	\$0.0	\$0.7	\$7.4	\$17.1	\$19.7	\$22.8	\$3.8	\$70.9
Maximum Spend	\$0.0	\$0.7	\$7.4	\$17.1	\$26.9	\$30.7	\$3.8	\$86.6

Note: 2021-2022 show actual spend, 2023 shows actual spend through September with forecasted spend for Q4 2023, and 2024-2027 show forecasted spend.

PG&E will focus on expanding awareness of the Pre-Owned EV Rebate program in 2024 to increase participation and return the LCFS revenue to customers. This will include the following tactics:

- **Digital Outreach:**
 - PG&E intends to launch digital outreach campaigns targeted in disadvantaged communities and other priority communities.
- **Dealership Outreach:**
 - PG&E plans to implement targeted dealership outreach and education which will include providing program collateral and support to dealerships.
- **Community-based Organization (CBO) Collaboration:**
 - PG&E currently partners with CBOs to increase awareness of Pre-Owned EV and plans expanding this approach in 2024. This will include increasing the number of CBOs and expanding the representation of CBOs across the service territory.

IV. Extension to Residential Charging Solutions

As stated above, PG&E requests to extend the Residential Charging Solutions program until the budget is fully expended, expected to be in late 2025. PG&E is requesting this extension due to delays in implementing the program. The sections below provide more background on the differences between the proposed program and the actual implementation, and how these have contributed to this request.

Proposed vs. Actual Implementation Timeline

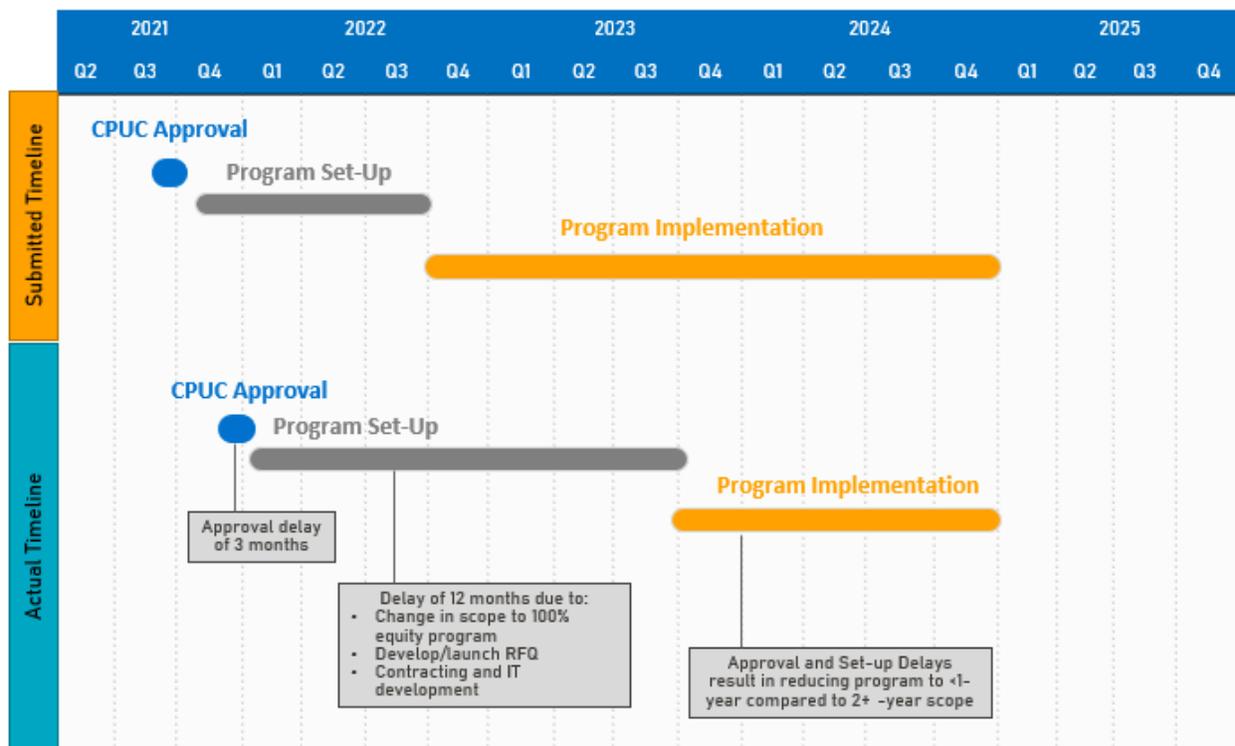
Residential Charging Solutions experienced several delays compared to the timeline proposed in the implementation plan that have contributed to a later launch, including:

- **Delays in CPUC approval:** PG&E received approval from the CPUC at the end of Q4 2021 rather than in Q3 2021, resulting in a three-month delay from what was estimated.
- **Change in program scope:** The original program provided incentives to equity and non-equity customers; however, while developing the program, PG&E decided to turn Residential Charging Solutions into a 100% equity program to better support its customers. The transition required additional time to define requirements, contract dedicated resources to support application processing and income verification and increase the rebate amount to fully cover the cost of multiple technologies.
- **Delayed solicitation:** The program's change in scope delayed other crucial activities required for launch by twelve months which included conducting a Request for Qualification (RFQ) to qualify technologies and designing the website and application.

- Impacts from other programs:** In addition to the modifications and challenges mentioned, PG&E staggered program development and launch to minimize resource constraints, such as program staff, sourcing, and IT; therefore, the delays experienced by Pre-Owned EV and other programs directly impacted Residential Charging Solutions.

As a result, the Residential Charging Solutions program will launch in Q4 2023, rather than Q4 2022 as proposed in the Implementation Plan. This leaves the program with a substantially shorter window to reach customers than was anticipated. Figure 3 illustrates the difference between the proposed and actual implementation period.

Figure 3. Residential Charging Solutions – Proposed and Actual Timeline



Revised Residential Charging Solutions Timeline and Future Plan

Given that the launch timeline shortened the number of months the program could reach customers, PG&E proposes to lengthen its Residential Charging Solutions program beyond the original 2024 program end date to allow more customers the opportunity to participate. PG&E will run the program until the budget is fully expended (expected to be at the end of 2025).

Figure 4. Proposed Revision to the Pre-Owned EV Rebate Timeline



Table 2. shows the forecasted spend with the approved extension. Note that PG&E is not requesting any change to the overall budget.

Table 2. Residential Charging Solutions Budget with Extension (in Millions)

Budget with Extension	2022	2023	2024	2025	2026	Total
Forecasted Spend	\$0.1	\$0.6	\$2.6	\$3.1	\$0.9	\$7.2

Because of the shift to fully supporting equity customers, PG&E increased the incentive amount from what was originally estimated in the Implementation Plan. As a result, the program will fund fewer incentives than proposed in the plan (estimated at 6,000 rebates rather than 10,000). While the total number of rebates has reduced, the impact of these incentives has increased as they are now larger and completely focused on income-qualified customers. The shift also ensured that the incentive dollars are fully reserved for the target populations.

PG&E will also be proposing an expansion to the program in its upcoming 2023 LCFS Implementation Plan, to be filed later this year. Assuming the CPUC approves the 2023 LCFS Implementation Plan in 2024, extending the Residential Charging Solutions program timeline will allow PG&E the ability to continue implementing Residential Charging Solutions without a disruption in program implementation.

V. Request

Pursuant to OP 3 of D.20-12-027, PG&E is submitting this advice letter request to seek Commission approval to extend the Pre-Owned EV Rebate Program and Residential Charging Solutions Pilot authorized in its 2021-2024 LCFS Holdback Implementation Plan and to continue the exemption to the requirements of Public Utilities Code Section 851 in the expenditure of these LCFS funds.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than **November 30, 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).

Tier Designation

Pursuant to D. 20-12-027, this advice filing is submitted with a Tier 2 designation.

Effective Date

PG&E requests that this Tier 2 advice submittal become effective upon **December 10, 2023**, which is 30 calendar days from the submittal date.

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.18-12-006. 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.18-12-006



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) #: 7064-E

Tier Designation: 2

Subject of AL: Request to Continue PG&E's Low Carbon Fuel Standard Holdback Credit Implementation Plan Programs

Keywords (choose from CPUC listing): Compliance, Credit

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.20-12-027

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: 12/10/23

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
Buchalter
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