



November 20, 2023

Advice 7074-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: PG&E's Request for the Additional DAHRTP CEV Measurement and Evaluation Budget

Purpose

The purpose of this advice letter is to request the additional budget required to implement the Measurement and Evaluation (M&E) plan for Pacific Gas and Electric (PG&E)'s commercial electric vehicle day-ahead, hourly real-time pricing (DAHRTP CEV) per Ordering Paragraph 12 of the Decision 21-11-017 (Decision)¹. The M&E plan was filed in the Supplemental Advice Letter 6587-E-B on November 20, 2023.

Background

In November of 2021, California Public Utilities Commission (CPUC) issued a Decision that requires Pacific Gas and Electric Company (PG&E) to offer an optional day-ahead, hourly real-time rate to customers that have enrolled, or are eligible to enroll, in its existing Business Electric Vehicle (BEV)² Rate. On May 6, 2022, Pacific Gas and Electric (PG&E) filed Advice Letter 6587-E to describe the M&E plan for PG&E's DAHRTP CEV rate. PG&E met with Energy Division (ED) staff to discuss the M&E plan on September 9, 2022. As a follow up, PG&E was asked to submit a supplemental advice letter to provide details of the updated DHARTP CEV rate budget and the impact of the M&E budget increase to the other activities required by Decision which PG&E provided in the Advice Letter 6587-E-A filed on October 12, 2022. Subsequently, ED staff advised that additional budget request for M&E plan cannot be approved via Advice Letter 6587-E and Advice Letter 6587-E-A. A decision addressing PG&E's Petition for Modification of Decision 21-11-017

¹ California Public Utility Commission. (2021). Decision 21-11-017: DECISION AUTHORIZING PACIFIC GAS AND ELECTRIC COMPANY TO IMPLEMENT AN OPTIONAL DAY-AHEAD REAL TIME RATE FOR COMMERCIAL ELECTRIC VEHICLE CUSTOMERS
<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M424/K557/424557371.PDF>

² Business Electric Vehicle (BEV) rate is a customer facing term, where Commercial Electric Vehicle (CEV) rate is the term used in regulatory proceedings.

issued on July 17, 2023³ points out that the Ordering Paragraph 12 of the original Decision is the appropriate procedural path for seeking additional M&E budget within the approved \$3.6 million via advice letter process. Following ED staff guidance, PG&E removed an explicit request for the additional M&E budget from both Advice Letter 6587-E and Supplemental Advice Letter 6587-E-A. Per OP 12 of the Decision, PG&E requests for the additional M&E budget in this advice letter.

Budget Overview

Supplemental Advice Letter 6587-E-B filed on November 20, 2023 provides a detailed M&E budget in the amount of \$665,000. Decision 21-11-017 authorized PG&E to spend up to \$150,000 on M&E activities, which is insufficient to cover all research activities due to the increased scope of the Decision and feedback collected in the workshop PG&E held on March 24, 2022 as required by OP 13 in the original Decision.

Per OP 12 in the Decision, “PG&E is authorized to recover up to \$6 million to implement its optional DAHRTP rate. If, 24 months after the issuance of this Decision, the \$6 million budget cannot support additional customer enrollment in the DAHRTP rate, PG&E may file a Tier 2 advice letter seeking authorization to recover up to an additional \$3.6 million to continue enrolling and **evaluating** [emphasis added] customers’ responses to the DAHRTP rate.”

The *Table 1* below shows the detailed overall budget for the activities identified in the Decision, including Decision references where budget for the activity was specified, columns (A), (B), and (D). The table also shows the additional budget currently estimated as needed due to scope changes to M&E and Reporting activities, column (C). Currently, aside from M&E and Reporting, PG&E has not identified additional budget needs for other activities, beyond what has already been identified in the Decision.

³ California Public Utility Commission. (2023). Decision 23-07-003. Section 2.1. Measurement and Evaluation Budget (pp.3-4):

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M514/K607/514607263.PDF>

Ln #	(A) Activity	(B) Authorized Budget	(C) Additional Budget Needed (Due to scope change) Requested in Tier 2 Advice Letter	(D) Decision Reference	Notes
1	Customer Enablement and Rate Comparison Tools (Tools)	\$2,400,000		OP 6 OP 12	
2	Billing System Modifications Program Management Pilot Design			Page 30	PG&E estimated up to \$1.041 million for billing system to accommodate the DAHRTP CEV prices and \$670,000 for administrative cost. Pilot design was estimated at \$40,000
3	Marketing, Education & Outreach (ME&O)	\$443,000		OP 5 OP 12	OP 12 If, 24 months after the issuance of this Decision, the \$6 million budget cannot support additional customer enrollment, PG&E may file a Tier 2 advice letter seeking authorization to recover up to an additional \$3.6 million (includes \$1.7M in OP6) to continue enrolling and evaluating customers' responses to the DAHRTP CEV rate.
4	M&E and Reporting	\$150,000	\$515,000 Additional funding requested under OP 12.	Page 47, OP 12	
5	Rebate/Incentives	\$1,295,000		OP 4	
6	Total Budget specified in the Decision	\$4,288,000			The specifically authorized items in the Decision: Tools, ME&O, M&E and Reporting, and the Rebates/Incentives.
7	Total Budget Authorized	\$6,000,000		OP 12	
8	"Headroom"	\$1,712,000			Budget Available to Fund other implementation costs e.g., billing system implementation, rebate program design, program management, ME&O, M&E and reporting.
9	Request for Budget Authorization	\$6,515,000			<i>Once "Headroom" budget is exhausted, request to account for increase for total authorized additional \$515,000 M&E costs as needed.</i>

Table 1 - Authorized and Additional Budget Breakdown

The total authorized budget in the Decision for the optional DAHRTP CEV rate is \$6 million (Ln# 7). The specifically authorized items in the Decision for Tools, ME&O, M&E and Reporting, and the rebates/incentives total approximately \$4.3 million (LN# 6). The difference between the authorized total budget of \$6 million and the cumulative \$4.3 million for explicitly authorized amounts for Tools, ME&O, M&E and Reporting, and rebates/incentives is approximately \$1.7 million ("Headroom"), which is authorized budget

available to support activities necessary for the DAHRTP CEV rate, including billing system implementation, rebate program design and program management, as well as items such as M&E and reporting. PG&E estimated⁴ up to \$1.041 million for the billing system to accommodate the DAHRTP CEV prices, as well as program and administrative costs that span over the period of three years in the amount of \$670,000⁵, which add up to approximately \$1.7 million, covered under the "Headroom" (Ln#8). PG&E has spent approximately \$800,000 YTD on the billing system and estimates spending an additional \$180,000 in Q1 2024 to finalize the updates. PG&E estimates ~\$156,000 annual cost of program management for 3 years⁶.

	2023 (Actuals and Estimates)	2024	2025	2026	Total
Billing System Upgrades	\$801,623	\$180,000			\$981,623
Program Management	\$55,000	\$156,000	\$156,000	\$156,000	\$523,000
Total					\$1,504,623

Table 2 "Headroom" Items Actuals and Estimates

Based on the estimates in *Table 2*, PG&E anticipates that the "Headroom" will cover the billing system and program management activities, but not be sufficient to cover an additional cost associated with M&E. PG&E is requesting an additional budget necessary to cover M&E costs before the authorized budget has been depleted to align with the OP 12 due date, as OP 12 is the only regulatory pathway available to accomplish the task.

Request

- 1) PG&E is requesting the Energy Division to authorize the additional \$515,000 budget for M&E.
- 2) PG&E is requesting Energy Division to authorize recording the additional \$515,000 M&E related costs in PG&E's Electric Preliminary Statement Part JI – Dynamic and Real-Time Pricing Memorandum Account in addition to any other costs within authorized \$6 million budget.
- 3) In case that the authorized \$6 million budget is exhausted for all other authorized activities, PG&E requests Energy Division to authorize recording additional M&E costs of \$515,000 above the total authorized budget of \$6 million, with the maximum total approved budget of \$6,515,000 (Ln#9).

⁴ PACIFIC GAS AND ELECTRIC COMPANY COMMERCIAL ELECTRIC VEHICLE DAY-AHEAD HOURLY REAL TIME PRICING PILOT PREPARED TESTIMONY. October 23, 2020. (p.3-19): <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M349/K267/349267730.PDF>

⁵ PACIFIC GAS AND ELECTRIC COMPANY COMMERCIAL ELECTRIC VEHICLE DAY-AHEAD HOURLY REAL TIME PRICING PILOT PREPARED TESTIMONY. October 23, 2020. (p.3-10): <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M349/K267/349267730.PDF>

⁶ The range of costs is based on the half-time hourly rate at \$150 for three years.

Contingencies

Unless additional M&E budget is approved in this Advice Letter, PG&E is unable to implement the M&E plan as presented in the Supplemental Advice Letter 6587-E-B, filed on November 20, 2023.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than **December 11, 2023**, which is 21⁷ 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

PG&E requests that this Tier 2 advice submittal become effective on regular notice, **December 20, 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 A.20-10-011. 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

⁷ Pursuant to Rule 1.5 of General Order 96-B, PG&E requests to extend the protest period by one additional day because twenty days following submission of this advice letter is Sunday, December 10, 2023.



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) #: 7074-E

Tier Designation: 2

Subject of AL: PG&E's Request for the Additional DAHRTP CEV Measurement and Evaluation Budget

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.23-07-003, D.21-11-017

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: 12/20/23

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

**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