

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 14, 2019

Advice Letter 4049-G and 4049-G-A

Erik Jacobson
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

SUBJECT: Establish Preliminary Statement Part EG - Dairy Biomethane Pilot Balancing Account (DBPBA) and Preliminary Statement Part EH - Dairy Biomethane Pilot Memorandum Account (DBPMA).

Dear Mr. Jacobson:

Advice Letter 4049-G and 4049-G-A is effective as of January 12, 2019.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division



Erik Jacobson
Director
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B13U
P.O. Box 770000
San Francisco, CA 94177

Fax: 415-973-3582

January 28, 2019

Advice 4049-G-A

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject: Supplemental - Establish Preliminary Statement Part EG - Dairy Biomethane Pilot Balancing Account (DBPBA) and Preliminary Statement Part EH - Dairy Biomethane Pilot Memorandum Account (DBPMA)

Purpose

Pursuant to California Public Utilities Commission (CPUC or Commission) Decision (D.) 17-12-004, effective December 14, 2017, Pacific Gas and Electric Company (PG&E) submits for approval the Senate Bill (SB) 1383 Dairy Pilot Program costs in accordance with the December 3, 2018 CPUC's Selection Committee press release. PG&E also presents the estimated dairy pilot biomethane production and annual revenue requirement for the two PG&E projects selected by the Selection Committee. The costs for recovery, biomethane production and annual revenue requirement are shown on Attachment A. PG&E anticipates both projects will become operational in 2020.

Background

On December 3, 2018, the CPUC's Selection Committee selected two dairy pilot projects - Merced (CEE): Maas Energy Works and Weststeyn, DVO, Inc. within PG&E's service territory and approved as *per se* reasonable the cost estimates provided for each selected project. Operation and Maintenance (O&M) costs for facilities owned and operated by the developers were inadvertently included in the developer's project costs. Those costs, which are not subject to ratepayer recovery, have been subsequently removed. Furthermore, the December 3, 2018 selection for Weststeyn/DVO project did not contain anticipated average biomethane production. Those volumes have been included and are shown on Attachment A.

On December 13, 2018, pursuant to D. 17-12-004, PG&E submitted Advice 4049-G to establish Gas Preliminary Statement DBPMA “Dairy Biomethane Pilots Memorandum Account” and Gas Preliminary Statement DBPBA “Dairy Biomethane Pilots Balancing Account”.¹ These accounts will reflect the dollar amounts approved for recovery under PG&E’s SB 1383 Dairy Pilot program. PG&E proposes to recover the recorded balance in the DPBMA in its next gas transmission and storage rate case or as otherwise directed by the Commission. PG&E proposes to recover the recorded balance in the DBPBA through its Annual Gas True-up advice filing.

This supplemental advice filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

This supplemental advice letter is being submitted at the request of the Energy Division. Since no protest to the original Advice 4049-G was received, PG&E, pursuant to GO 96-B, General Rule 7.5.1, requests to maintain the original protest and comment period designated in Advice 4049-G and not reopen the protest period. The CPUC Selection Committee has approved these costs as *per se* reasonable.

Effective Date

PG&E requests that this Tier 2 advice letter become effective upon in conjunction with original Advice 4049-G, which is January 12, 2019.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list R.17-06-015. 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 filings can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

Erik Jacobson
Director, Regulatory Relations

Attachment

cc: Service List R.17-06-015

¹ Decision 17-12-004, Ordering Paragraph (OP) 5.

Jamie Ormond, Energy Division, jamie.ormond@cpuc.ca.gov
Jean Spencer, Energy Division, jean.spencer@cpuc.ca.gov



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 G)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Annie Ho

Phone #: (415) 973-8794

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: AMHP@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) #: 4049-G-A

Tier Designation: 2

Subject of AL: Supplemental - Establish Preliminary Statement Part EG - Dairy Biomethane Pilot Balancing Account (DBPBA) and Preliminary Statement Part EH - Dairy Biomethane Pilot Memorandum Account (DBPMA)

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.17-12-004

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: 1/12/19

No. of tariff sheets: N/A

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 all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Erik Jacobson, c/o Megan Lawson
Title: Director, Regulatory Relations
Utility Name: Pacific Gas and Electric Company
Address: 77 Beale Street, Mail Code B13U
City: San Francisco, CA 94177
State: California Zip: 94177
Telephone (xxx) xxx-xxxx: (415)973-2093
Facsimile (xxx) xxx-xxxx: (415)973-3582
Email: PGETariffs@pge.com

Name:
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Attachment A: PG&E’s SB 1383 DAIRY PILOT PROGRAM: COSTS FOR RECOVERY AND BIOMETHANE PRODUCTION

Merced (CEE): Costs and Annual Revenue Requirement

	Installed Cost	Annual O&M	Revenue Requirement Forecast 2020 – 2023 (Nominal Dollars)				
			2020	2021	2022	2023	TOTAL
Costs Receiving Balancing Account Treatment	\$10,183,855						
Costs Receiving Memorandum Account Treatment	\$2,260,969	\$18,000	\$150,519	\$292,487	\$297,818	\$289,454	\$1,030,278
TOTAL:	\$12,444,824	\$18,000	\$150,519	\$292,487	\$297,818	\$289,454	\$1,030,278

Weststeyn Dairy: Costs and Annual Revenue Requirement

	Installed Cost	Annual O&M	Revenue Requirement Forecast 2020 – 2023 (Nominal Dollars)				
			2020	2021	2022	2023	TOTAL
Costs Receiving Balancing Account Treatment	\$925,000						
Costs Receiving Memorandum Account Treatment	\$6,246,399	\$271,696	\$635,883	\$1,023,725	\$1,039,361	\$1,017,052	\$3,716,021
TOTAL:	\$7,171,399	\$271,696	\$635,883	\$1,023,725	\$1,039,361	\$1,017,052	\$3,716,021

Biomethane Production

	Anticipated Average Biomethane Production
Merced (CEE)	867 MMBtu/Day
Weststeyn Dairy	475 MMBtu/Day

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

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Praxair
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
	Energy Management Service	SCD Energy Solutions
Alta Power Group, LLC	Evaluation + Strategy for Social	
Anderson & Poole	Innovation	SCE
	GenOn Energy, Inc.	SDG&E and SoCalGas
Atlas ReFuel	Goodin, MacBride, Squeri, Schlotz &	
BART	Ritchie	SPURR
	Green Charge Networks	San Francisco Water Power and Sewer
Barkovich & Yap, Inc.	Green Power Institute	Seattle City Light
Braun Blaising Smith Wynne	Hanna & Morton	Sempra Utilities
P.C. CalCom Solar	ICF	Southern California Edison Company
California Cotton Ginners & Growers Assn	International Power Technology	Southern California Gas Company
California Energy Commission	Intestate Gas Services, Inc.	Spark Energy
California Public Utilities Commission	Kelly Group	Sun Light & Power
California State Association of Counties	Ken Bohn Consulting	Sunshine Design
Calpine	Keyes & Fox LLP	Tecogen, Inc.
Casner, Steve	Leviton Manufacturing Co., Inc.	TerraVerde Renewable Partners
Cenergy Power	Linde	Tiger Natural Gas, Inc.
Center for Biological Diversity	Los Angeles County Integrated Waste	
City of Palo Alto	Management Task Force	TransCanada
	Los Angeles Dept of Water & Power	Troutman Sanders LLP
City of San Jose	MRW & Associates	Utility Cost Management
Clean Power Research	Manatt Phelps Phillips	Utility Power Solutions
Coast Economic Consulting	Marin Energy Authority	Utility Specialists
Commercial Energy	McKenzie & Associates	
County of Tehama - Department of Public		Verizon
Works	Modesto Irrigation District	Water and Energy Consulting
Crossborder Energy	Morgan Stanley	Wellhead Electric Company
Crown Road Energy, LLC	NLine Energy, Inc.	Western Manufactured Housing
Davis Wright Tremaine LLP	NRG Solar	Communities Association (WMA)
Day Carter Murphy		Yep Energy
	Office of Ratepayer Advocates	
Dept of General Services	OnGrid Solar	
Don Pickett & Associates, Inc.	Pacific Gas and Electric Company	
Douglass & Liddell		