

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



**Pacific Gas & Electric Company**  
**ELC (Corp ID 39)**  
**Status of Advice Letter 4236G/5805E**  
**As of May 4, 2020**

Subject: Modifications to Pacific Gas and Electric Company's On-Bill Financing (OBF) Program

Division Assigned: Energy

Date Filed: 04-09-2020

Date to Calendar: 04-13-2020

Authorizing Documents: D1903001

|                        |                   |
|------------------------|-------------------|
| <b>Disposition:</b>    | <b>Accepted</b>   |
| <b>Effective Date:</b> | <b>05-09-2020</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:

Kimberly Loo

415-973-4587

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

April 9, 2020

**Advice 4236-G/5805-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject: Modifications to Pacific Gas and Electric Company's On-Bill Financing (OBF) Program****Purpose**

Pacific Gas and Electric Company (PG&E) submits this Tier 2 Advice Letter, pursuant to Decision (D.) 19-03-001,<sup>1</sup> to allow all customers with On-Bill Financing (OBF) loans to temporarily defer OBF loan repayments to mitigate the economic impacts of the novel coronavirus (COVID-19) pandemic. PG&E understands that its customers may be experiencing a financial hardship and have difficult paying bills at this time. PG&E seeks authority to defer customer payments on OBF loans for a six-month period for those customers experiencing economic hardship.

**Background**

Decision 09-09-047 adopted statewide terms for OBF loans to be offered by PG&E and the investor-owned utilities (IOUs). PG&E's OBF program was approved in Advice Letter 3118-G-A. The OBF program provides zero percent (0%) interest financing to qualified customers for the purchase and installation of new energy efficient measures or equipment at the customer's premises. Qualified customers are those customers who meet specified credit criteria and comply with OBF Program requirements.

On March 14, 2019, the Commission issued D.19-03-001 approving changes to PG&E's OBF program and allowing the IOUs to seek further modifications to their OBF programs going forward through Tier 2 advice letters. PG&E is submitting this Tier 2 Advice Letter to address customer economic hardships due to the coronavirus pandemic, which may be limiting customers' ability to repay active OBF loans at this time.

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<sup>1</sup> D.19-03-001, Findings of Fact (FoF) 7 and D.09-09-047, Ordering Paragraph (OP) 61

**Summary of Request**

PG&E requests authorization to defer OBF loan repayments for six months on the request of customers to help manage financial hardship due to the coronavirus pandemic. PG&E will extend this deferral option for 6 months from the effective date of this advice letter or as otherwise directed by the Commission.

OBF loan repayments are made monthly by participating customers. The charges are integrated into the customer's PG&E bill and carry equal priority to the energy charge. When issued, OBF loans are calculated to be "bill neutral," where the projected monthly energy savings offset the fixed monthly loan installment. The coronavirus pandemic and associated State actions to mitigate the spread of the virus are likely to result in many OBF customers experiencing economic hardships due to temporary business closures or reduced operations. Both the impacted revenue of those customers, and the fact that the OBF charge is a fixed charge that does not reduce as operations are curtailed, create a potential financial hardship for customers in repaying their OBF loans.

PG&E seeks authorization to offer customers the ability to request a loan repayment deferral of 6 months. PG&E would only defer loan payments for those customers who request. Due to billing system constraints, PG&E would manage the deferrals by: 1) reducing the customer's OBF loan repayment to \$0.01 during the 6-month deferral period; and 2) extending the loan repayment schedule by 6 months so that the full amount of the loan is repaid. As an example, if the customer had 12 months remaining on its loan and is currently paying \$100/month, the customer would pay \$0.01 for 6 months following the deferment, \$100 for the next 11 months, and would pay \$99.94 in the final month to complete the repayment of the loan principal. To be eligible PG&E will require the customer represent that they are experiencing negative financial impacts from the coronavirus pandemic and that deferment of the OBF loan payments will help them avoid or manage financial hardship.

PG&E is projecting minimal ratepayer impacts or costs to implement this proposal. The proposal would result in a manageable impact to cashflow regardless of the customer participation level. While it is challenging to predict the participation level in this repayment deferral option, the table below illustrates the financial impact across various scenarios. These calculations take into consideration that available OBF funds in the OBF Revolving Loan Fund (RLF) currently earn interest of approximately 2% per annum.<sup>2</sup> The table also calculates the cashflow impact to the RLF and costs to ratepayers of the deferment in consideration of this lost interest.

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<sup>2</sup> Per (EEFBA-G/EEFBA-E) Energy Efficiency Financing Balancing Account Preliminary Statement 5.b.7; funds in the OBF balancing account earn interest on the average of the balance in the account at the beginning of the month and the balance in the account after above entries are made, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. On April 1, 2020, the annual rate for the three-month Commercial Paper was 2.04 percent.

**Table 1. Projected Financial Impacts of Loan Deferral Participation Rates**

| <b>Participation Rate</b>          | <b>100%</b>   | <b>80%</b>    | <b>50%</b>   | <b>20%</b>   |
|------------------------------------|---------------|---------------|--------------|--------------|
| <b>Participating Customers</b>     | 2,348         | 1,878         | 1,174        | 470          |
| <b>6 Months Repayment Deferral</b> | \$ 16,416,021 | \$ 13,132,817 | \$ 8,208,010 | \$ 3,283,204 |
| <b>Lost Interest in RLF</b>        | \$ 164,160    | \$ 131,328    | \$ 82,080    | \$ 32,832    |

PG&E will provide to Energy Division data regarding customer participation in the deferral option.

### **Conclusion**

PG&E understands that many customers may face economic hardship as a result of the coronavirus pandemic. PG&E seeks to minimize that financial hardship by authorizing OBF repayment deferrals, using the criteria and methodology described above.

### **Protests**

**\*\*\*Due to the COVID-19 pandemic and the shelter at home orders, PG&E is currently unable to receive protests or comments to this advice letter via U.S. mail or fax. Please submit protests or comments to this advice letter to EDTariffUnit@cpuc.ca.gov and PGETariffs@pge.com\*\*\***

Anyone wishing to protest this filing may do so by E-mail, no later than April 29, 2020, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division  
ED Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to via both E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson  
Director, Regulatory Relations  
c/o Megan Lawson  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-3582  
E-mail: [PGETariffs@pge.com](mailto: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, telephone number, postal address, and (where appropriate) 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 D.19-03-001 and General Order (GO) 96-B, Rule 5.2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on regular notice, May 9, 2020 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 and via U.S. mail to parties shown on the attached list and the parties on the service list for R-13-11-005. Address changes to the General Order 96-B service list should be directed to PG&E at email address [PGETariffs@pge.com](mailto: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](mailto:Process_Office@cpuc.ca.gov). Send all electronic approvals to [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

Erik Jacobson  
Director, Regulatory Relations

cc: Service List R.13-11-005



# 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 U39M)

Utility type:

☒ ELC ☒ GAS ☐ WATER  
☐ PLC ☐ HEAT

Contact Person: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@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) #: 4236-G/5805-E

Tier Designation: 2

Subject of AL: Modifications to Pacific Gas and Electric Company's On-Bill Financing (OBF) Program

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.19-03-001

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: 5/9/20

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 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](mailto: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](mailto:PGETariffs@pge.com)

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

Clear Form

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

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