STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE

June 30, 2022

Advice Letter 4568-G-B/6492-E-B

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: Determination of the revenue requirement associated with PG&E's 2022 Pension Trust Contribution.

Dear Mr. Jacobson:

Advice Letter 4568-G-B/6492-E-B is effective as of February 03, 2022.

Sincerely,

Pete Skala
Interim Deputy Executive Director for Energy & Climate Policy, CPUC
Interim Director, Energy Division, CPUC
Director of Electric Supply, Planning and Costs, Energy Division, CPUC

Pacific Gas and Electric Company

Sidney Bob Dietz II
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

February 3, 2022

Advice 4568-G/6492-E
(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: PG&E's Pension-Related Revenue Requirement for 2022

Purpose

The purpose of this Advice Letter is to establish Pacific Gas and Electric Company's (PG&E) authorized pension-related revenue requirement for 2022. By this submittal, PG&E does not propose any change to the pension contribution amount or any change to customers' rates.

Background

On January 8, 2018, the California Public Utility Commission's (Commission or CPUC) Energy Division issued PG&E a Disposition Letter[1] approving Advice Letter (AL) 3915-G/5195-E, which described required changes to the accounting for pension costs and the revised revenue requirement calculations necessary to conform to the accounting changes. The required change to accounting for pension costs had the effect of increasing the pension cost allocated to capital projects and decreasing the pension cost recorded as a current expense. AL 3915-G/5195-E provided for the submittal of a Tier 1 advice letter to revise the pension-related revenue requirements included in the functional base revenue balancing accounts (e.g., DRAM, PABA, CFCA, and NCA).

PG&E has computed the 2022 revenue requirements associated with the 2022 pension contribution. The table below shows the pension related revenue requirements for 2020 through 2022 associated with the 2020, 2021 and 2022 pension contributions.

[1] https://www.pge.com/tariffs/assets/pdf/adviceletter/GAS_3915-G.pdf

PACIFIC GAS AND ELECTRIC COMPANY

Retirement Plan Contribution
Revenue Requirement

Line No	Year of Plan Contribution	Contribution Amount	Year of Revenue Requirement Calculation 2020	2021	2022
			Total Revenue Requirements (Millions of Dollars)		
1	2020	327.000	103.656	29.508	29.775
2	2021	327.000		79.896	32.665
3	2022	327.000			84.259
4	Total	327.000	103.656	109.404	146.699
		O&M Labor Factor	**Functional Revenue Requirements (Millions of Dollars)**		
5	Elec Dist.	37.21%	38.570	40.709	54.587
6	Gas Dist.	21.64%	22.431	23.675	31.746
7	Gen	24.24%	25.126	26.520	35.560
8	Total GRC	83.09%	86.128	90.904	121.892
9	GT&S	10.53%	10.915	11.520	15.447
10	TOTAL CPUC Jurisdiction		97.043	102.424	137.340

The 2022 pension-related revenue requirement will be recorded effective January 1, 2022, in the functional base revenue accounts as follows:

Assignment to Base Revenue Accounts
(Millions of Dollars)

Function	Total	DRAM	PABA	CFCA	NCA
Elec Dist.	54.587	54.587			
Gas Dist.	31.746			30.609	1.136
Gen	35.560		35.560		
GT&S	15.477			8.972	6.476
TOTAL	137.340	54.587	35.560	39.581	7.612

Attachment 1 provides the Rolling Revenue Requirement Report for the General Rate Case functions updated for the 2022 pension revenue requirements.

Workpapers showing the computation of the 2022 pension-related revenue requirement are available upon request. This includes segmentation within the subaccounts of the NCA between Local Transmission-related allocation to customers not qualifying for G-NT-BB and G-EG-BB and for non-Local Transmission-related allocation applicable to all noncore customers.

The submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than February 23, 2022, 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 5.1, this advice letter is submitted with a Tier 1 designation. PG&E requests that this Tier 1 advice submittal become effective upon date of submittal, which is February 3, 2022.

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 A.09-03-003 and A.21-06-021. 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

Attachments

cc: Service List A.09-03-003 and A.21-06-021

California Public Utilities Commission

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 M)

Utility type:
- [x] ELC
- [x] 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) #: 4568-G/6492-E

Tier Designation: 1

Subject of AL: PG&E's Pension-Related Revenue Requirement for 2022

Keywords (choose from CPUC listing): Compliance

AL Type: [ ] Monthly [ ] Quarterly [x] Annual [ ] One-Time [ ] Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

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 [x] 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 [x] No

Requested effective date: 2/3/22

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[1]: N/A

Pending advice letters that revise the same tariff sheets: N/A

[1] Discuss in AL if more space is needed.

Clear Form

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: Sidney 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

Attachment 1

Rolling Revenue Requirement Report

ATTACHMENT I

Adopted Rolling Revenue Requirements Report
From 2020 GRC
in thousands

	Electric Distribution	Electric Generation	Gas Distribution	Total	Decision(s)
2020 Adopted GRC RRQ	4,799,849	2,289,345	2,013,276	9,102,470	D.20-12-005, 2020 GRC Decision
2020 Revenue, Fees & Uncollectibles Expense Adjustment	49	23	19	92	AL 4352-G/6038-E
DOE Litigation Funds *		20,500		20,500	D.20-12-005, 2020 GRC Decision
Ex Parte Penaly	(1,729)	(881)	(724)	(3,333)	D.18-04-014
Ex Parte Penalty Phase II	(176)	(84)	(74)	(333)	D. 19-12-013
2020 Pension	38,570	25,126	22,431	86,128	D.09-09-020/ AL 4357-G/6048-E
2020 Accumulated Deferred Tax Adjustment	(24,975)	(2,818)	2,836	(24,957)	D.20-12-005/AL 4367-G/6062-E
Cost of Capital/Cost of Debt					
2020 Cost of Capital Adjustment	18,798	5,863	7,876	32,538	D.19-12-056, CoC Decision
2020 Cost of Debt Adjustment	(40,091)	(12,559)	(16,871)	(69,520)	D.19-12-056, CoC Decision/AL 4275-G/5887-E
Hydroelectric Sale					
Narrows Sale - 2020 Reduction		(634)		(634)	D. 19-10-010/AL 5825-E-B
2020 Base Revenue Amount including Pension Adjustment (Eff.	4,790,297	2,323,883	2,028,770	9,142,950	
2021 Attrition	210,781	(15,531)	120,719	315,969	D.20-12-005, 2020 GRC Decision
2021 Revenue, Fees & Uncollectibles Expense Adjustment	(4)	27	(10)	13	AL 4353-G/6039-E
Pension					
Reverse 2020 Pension	(38,570)	(25,126)	(22,431)	(86,128)	D.09-09-020/ AL 4357-G/6048-E
2021 Pension	40,709	26,520	23,675	90,904	D.09-09-020/ AL 4411-G/6139-E
Accumulated Deferred Tax Adjustment					
Reverse 2020 Accumulated Deferred Tax Adjustment	24,975	2,818	(2,836)	24,957	D.20-12-005/AL 4367-G/6062-E
2021 Accumulated Deferred Tax Adjustment	(25,635)	(3,039)	2,507	(26,167)	D.20-12-005/AL 4367-G/6062-E
Cost of Capital					
Reverse 2020 Cost of Capital	(18,798)	(5,863)	(7,876)	(32,538)	D.19-12-056, CoC Decision
2021 Cost of Capital	21,216	5,690	8,665	35,571	D.19-12-056, CoC Decision/AL 4275-G/5887-E
Cost of Debt					
Reverse 2020 Cost of Debt Adjustment	40,091	12,559	16,871	69,520	D.19-12-056, CoC Decision/AL 4275-G/5887-E
2021 Cost of Debt Adjustment	(91,040)	(24,636)	(37,577)	(153,253)	D.19-12-056, CoC Decision/AL 4275-G/5887-E
Hydroelectric Sales					
Reverse Narrows Sale - 2020 Reduction		634		634	D. 19-10-010/AL 5825-E-B
Narrows Sale - 2021 Reduction		(818)		(818)	D. 19-10-010/AL 5825-E-B
Kern Sale - 2021		(1,204)		(1,204)	AL 6083-E
2021 Base Revenue Amount including Pension Adjustment (Eff.	4,954,021	2,295,912	2,130,477	9,380,411	
2022 Attrition	276,605	(7,760)	94,828	363,673	D.20-12-005, 2020 GRC Decision
2022 Revenue, Fees & Uncollectibles Expense Adjustment	(91)	29	(39)	(100)	AL 4512-G/6373-E
Other Adjustments (2020 to 2022)	33	(41)	15	8	Cumulative impact of adjustments made to Cost of Capital, excess ADIT and RF&U
Pension					
Reverse 2021 Pension	(40,709)	(26,520)	(23,675)	(90,904)	D.09-09-020/ AL 4411-G/6139-E
2022 Pension	54,587	35,560	31,746	121,892	D.09-09-020/ AL 4568-G/6492-E
Accumulated Deferred Tax Adjustment					
Reverse 2021 Accumulated Deferred Tax Adjustment	25,635	3,039	(2,507)	26,167	D.20-12-005/AL 4367-G/6062-E
2022 Accumulated Deferred Tax Adjustment	(26,913)	(3,201)	2,221	(27,893)	D.20-12-005/AL 4367-G/6062-E
Cost of Capital					
Reverse 2021 Cost of Capital	(21,216)	(5,690)	(8,665)	(35,571)	D.19-12-056, CoC Decision
2022 Cost of Capital	24,132	5,398	9,493	39,023	D.19-12-056, CoC Decision/AL 4275-G/5887-E
Cost of Debt					
Reverse 2021 Cost of Debt Adjustment	91,040	24,636	37,577	153,253	D.19-12-056, CoC Decision/AL 4275-G/5887-E
2021 Cost of Debt Adjustment	(102,810)	(23,374)	(41,180)	(167,364)	D.19-12-056, CoC Decision/AL 4275-G/5887-E
Hydroelectric Sales					
Reverse Narrows Sale - 2021 Reduction		818		818	D. 19-10-010/AL 5825-E-B
Narrows Sale - 2022 Reduction		(775)		(775)	D. 19-10-010/AL 5825-E-B
Reverse Kern Sale - 2021 Reduction		1,204		1,204	A. 20-02-005 , AL 6083-E
Kern Sale - 2022		(1,160)		(1,160)	A. 20-02-005 , AL 6083-E
2022 Base Revenue	**5,234,314**	**2,298,076**	**2,230,290**	**9,762,681**	

Note: Some totals may not add precisely due to rounding.
*Actual savings credits will be transferred to the Utility Generation Balancing Account and refunded to customers as part of the Annual Electric True-up advice filing process.

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.
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

East Bay Community Energy Ellison Schneider & Harris LLP Energy Management Service
Engineers and Scientists of California

GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
ICF
International Power Technology

Intertie

Intestate Gas Services, Inc.
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
McKenzie & Associates

Modesto Irrigation District
NLine Energy, Inc.
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.
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
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