

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



Pacific Gas & Electric Company
GAS (Corp ID 39)
Status of Advice Letter 4600G
As of May 18, 2022

Subject: Revisions to Gas Preliminary Statement Part J, Noncore Customer Class Charge Account

Division Assigned: Energy

Date Filed: 04-20-2022

Date to Calendar: 04-27-2022

Authorizing Documents: D1909002

Disposition:	Accepted
Effective Date:	01-01-2021

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Annie Ho

(415) 973-8794

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- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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



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

April 20, 2022

Advice 4600-G

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject: Revisions to Gas Preliminary Statement Part J, Noncore Customer Class Charge Account

Purpose

Pacific Gas and Electric Company (PG&E) hereby submits revisions to its gas Preliminary Statement Part J, Noncore Customer Class Charge Account. The affected tariff sheets are listed on the enclosed Attachment 1.

Background

On November 22, 2019, PG&E submitted Advice Letter 4185-G in compliance with Ordering Paragraph (OP) 82 of PG&E's 2019 Gas Transmission and Storage (GT&S) Decision (D.) 19-09-025. In D.19-09-025, the CPUC found that local transmission costs should not be allocated to Electric Generation Backbone service-level end-use customers and Industrial Backbone service-level end-use customers. OP 82 ordered PG&E to "within 60 days of the date of that this decision is final, Pacific Gas and Electric Company (PG&E) must submit a Tier 2 Advice Letter with a proposal to revise its process for converting its balancing and memorandum accounts into rates so that the process allocates costs in a manner that is consistent with this decision. PG&E may use the process suggested in section 14.4 of this decision or devise its own revisions to the existing process." On July 3, 2020, the California Public Utilities Commission (CPUC) issued a disposition letter approving Advice Letters 4185-G and 4185-G-A. The disposition letter directed PG&E to submit an Advice Letter to implement tariff changes.

On August 5, 2020, PG&E filed Advice Letter 4288-G, *Tariff Changes to Implement Revised Process to Convert Balancing and Memorandum Accounts into Rates for Local Transmission Costs Approved in Advice 4185-G/G-A*. Included in that filing, among other things, were revisions to Preliminary Statement Part J, Noncore Customer Class Charge Account (NCA). PG&E added a new Local Transmission subaccount to the NCA Preliminary Statement. PG&E recently discovered that it inadvertently did not include an entry in the Local Transmission Subaccount of the NCA to record the Local Transmission

portion of the GT&S Pension revenue requirement.¹ PG&E proposes to add a new entry to the NCA, Accounting Procedure 6.c.2) as follows:

A debit entry equal to one-twelfth of the noncore portion of the pension related revenue requirement allocated to the Local Transmission GT&S function;

In addition, PG&E proposes to clarify that the entry in the Noncore Subaccount of the NCA, Accounting Procedure 6.a.12), is for the Backbone and Storage portion of the GT&S pension revenue requirement, as follows:

*A debit entry equal to one-twelfth of the noncore portion of pension related revenue requirement allocated to the **Backbone and Storage** Gas Transmission and Storage (GT&S) functions;*

PG&E is also making minor revisions to the preliminary statement to correct acronyms throughout the Preliminary Statement.

Accounting Correction for Local Transmission Portion of GT&S Pension Revenue Requirements

The new NCA - Local Transmission rate component was established effective January 1, 2021. PG&E correctly allocated the Local Transmission portion of the GT&S pension function to the NCA - Local Transmission rate component in 2021 and 2022. However, the Local Transmission portion of the GT&S pension revenue requirement was recorded in the Noncore Subaccount of the NCA in 2021. The 2021 revenue requirement associated with the Local Transmission portion of the GT&S pension function is \$2.2 million. Upon approval of this advice letter, PG&E will record an adjustment to transfer the 2021 Local Transmission portion of the GT&S pension revenue requirement of \$2.2 million from the Noncore Subaccount of the NCA to the Local Transmission Subaccount of the NCA. The adjustment will be reflected in customer rates in 2023 through the Annual Gas True-up. PG&E will also record an adjustment for the 2022 Local Transmission portion of the GT&S pension function in 2022, precluding an impact on rates.

This submittal will 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 May 10, 2022, which is 20 days after the date of this submittal. Protests must be submitted to:

¹ The entry for the total noncore portion (including Local Transmission) of the pension related revenue requirement allocated to the GT&S function remained in the Noncore Subaccount of the NCA.

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 January 1, 2021.

Note, the modification to the transfer language described above in Accounting Procedure e.2) could have an effective date of January 1, 2019, consistent with the Administrative Law Judge's December 11, 2018 Ruling making GT&S revenue requirements effective January 1, 2019. However, because PG&E did not have any entries to the Local Transmission subaccount until 2021, PG&E is requesting a January 1, 2021 effective date for all modifications proposed in this advice letter.

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.17-11-009. 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/>.



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) #: 4600-G

Tier Designation: 1

Subject of AL: Revisions to Gas Preliminary Statement Part J, Noncore Customer Class Charge Account

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.19-09-02

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

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: 1/1/21

No. of tariff sheets: 7

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: Preliminary Statement Part J

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: (415)973-3582
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

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
37826-G	GAS PRELIMINARY STATEMENT PART J NONCORE CUSTOMER CLASS CHARGE ACCOUNT Sheet 1	36096-G
37827-G	GAS PRELIMINARY STATEMENT PART J NONCORE CUSTOMER CLASS CHARGE ACCOUNT Sheet 2	35340-G
37828-G	GAS PRELIMINARY STATEMENT PART J NONCORE CUSTOMER CLASS CHARGE ACCOUNT Sheet 3	37744-G
37829-G	GAS PRELIMINARY STATEMENT PART J NONCORE CUSTOMER CLASS CHARGE ACCOUNT Sheet 4	36660-G
37830-G	GAS PRELIMINARY STATEMENT PART J NONCORE CUSTOMER CLASS CHARGE ACCOUNT Sheet 5	36098-G
37831-G	GAS TABLE OF CONTENTS Sheet 1	37813-G
37832-G	GAS TABLE OF CONTENTS Sheet 4	37811-G



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 1

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA)

- 1. **PURPOSE:** The purpose of the NCA is to record certain noncore costs and revenues from noncore customers. The balance in this account will be incorporated into noncore transportation rates in the next Annual Gas True-up of Balancing Accounts, or as otherwise authorized by the Commission.

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1. Refer to Section C.3 for the cost allocation factors used to determine the noncore portion of distribution costs recovered in this account.

- 2. **APPLICABILITY:** The NCA balance applies to noncore transportation rate schedules and contracts subject to the jurisdiction of the Commission, except for those schedules and contracts specifically excluded by the Commission. (T)

- 3. **REVISION:** Disposition of the balance in this account shall be determined in the Annual Gas True-up of Balancing Accounts advice filing, or as otherwise authorized by the Commission.

- 4. **FORECAST PERIOD:** The forecast test period will be as specified in the current Cost Allocation Proceeding.

- 5. **RATES:** NCA rates are included in the effective rates set forth in each rate schedule (see Preliminary Statement, Part B), as applicable.

- 6. **ACCOUNTING PROCEDURE:** The NCA consists of the following subaccounts:

The "Noncore Subaccount" recovers costs and balances allocated on an equal cents per therm basis to all noncore customers.

The "Distribution Subaccount" recovers the noncore distribution portion of the authorized General Rate Case (GRC) base revenue requirement and other costs and balances approved by the Commission. The balance in this subaccount will be allocated to noncore classes in proportion to their allocation of distribution base revenue as adopted in Cost Allocation Proceedings.

The "Local Transmission Subaccount" recover local transmission costs transferred from other balancing and memorandum accounts approved by the Commission allocated to all noncore customers except Backbone service-level end-use customers.

The "AB 32 Cost of Implementation Fee Noncore Subaccount" recovers the gas cost portion of the California Air Resources Board's (ARB) AB 32 Cost of Implementation Fee allocated to PG&E's noncore transportation customers.

(Continued)

Advice 4600-G
Decision 19-09-02

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted Effective Resolution
April 20, 2022



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 2

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (FF&U) account expense:

- 1) a debit entry equal to one-twelfth of the noncore portion of the procurement-related G-10 employee discount allocation shown on Preliminary Statement Part C.2;
- 2) a debit entry equal to the noncore portion of intervenor compensation and any other expense adopted by the Commission as a cost to be included in this subaccount; (T)
- 3) a credit entry equal to the NCA-Noncore revenue;
- 4) a credit entry equal to the incidental negotiated storage revenues allocated to noncore customers;
- 5) an debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the Commission; (T)
- 6) an entry equal to 34.093 percent of the local transmission revenue shortfall or over-recovery resulting from a change in customers qualifying for backbone-level end-use service, and associated throughput reduction or increase, as applicable;
- 7) a debit entry equal to one-twelfth of the noncore portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the Commission; (T)
- 8) an entry equal to the noncore portion of the gain or loss on the sale of a gas transmission non-depreciable asset, as approved by the Commission;
- 9) a debit entry equal to the noncore gas portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065;
- 10) an entry equal to the noncore portion of the transportation revenue for deliveries during the month under gas rate schedule G-LNG. The distribution between core and noncore is the "equal distribution based on all transportation volumes" allocator as specified in Preliminary Statement Part C.3;
- 11) a debit or credit entry equal to the noncore customers' portion of the difference between one-twelfth of the noncore portion of the authorized annual electricity costs revenue requirement, and the noncore portion of the actual electricity expenses incurred to provide gas transmission and storage services to PG&E's customers (The noncore portion of actual electricity costs is based on the cost allocation factor shown in Gas Preliminary Statement Part C.3.a. for "Other – Equal Distribution Based on All Transportation Volumes.);
- 12) a debit entry equal to one-twelfth of the noncore portion of pension related revenue requirement allocated to the Backbone and Storage Gas Transmission and Storage (GT&S) function; (T)
(T)

(Continued)

Advice 4600-G
Decision 19-09-02

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted
Effective
Resolution

April 20, 2022



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 3

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount (Cont'd.)

13) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to noncore customers for best practices related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5b. The noncore portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors.

14) a debit entry equal to one-twelfth of the noncore portion of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case;

15) a debit entry equal to the noncore portion of payments to the Commission or its designee associated with a study regarding health-based concentration limits for constituents of concern, namely trace toxic substances including carbon monoxide. The total amount paid may not exceed \$423,400 (both core and noncore). The noncore portion is based on the "Other – Equal Distribution Based on All Transportation Volumes" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; and, (T)

16) an entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from above, at a rate equal to one twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (T)

b. Distribution Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for RF&U:

1) a one-time entry equal to the noncore distribution portion of the authorized GRC base revenue requirement;

2) a debit entry equal to one-twelfth of the gas noncore portion of the ClimateSmart Administrative and Marketing revenue requirement, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account)

3) an entry equal to any other amounts adopted by the CPUC to be included in this subaccount;

(D)
|
(D)

4) a credit equal to the NCA Distribution revenue; (T)

(Continued)

Advice 4600-G
Decision 19-09-02

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted
Effective
Resolution April 20, 2022



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 4

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

b. Distribution Subaccount (Cont'd)

- 5) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the Commission; (T)
- 6) an entry equal to the noncore portion of the gain or loss on the sale of a gas distribution non-depreciable asset, as approved by the Commission; (T)
- 7) a debit entry equal to the noncore portion of biomethane incentive and study payments. The noncore portion is based on the "Other – Equal Distribution Based on All Transportation Volumes" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; (T)
- 8) a credit entry equal to the amount of employee transfer fees allocated to PG&E's noncore gas ratepayers. The noncore portion is based on the "Distribution Base Revenue Requirements" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; and (T)
- 9) an entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from above, at a rate equal to one twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (T)

c. Local Transmission Subaccount

The following entries will be made to this subaccount each month or as applicable, excluding an allowance for RF&U:

- 1) a credit entry equal to the NCA local transmission revenues allocated to this account;
- 2) a debit entry equal to one-twelfth of the noncore portion of the pension related revenue requirement allocated to the Local Transmission GT&S function; (N)
- 3) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the Commission; and (T)
- 4) an entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from J.6.c.1 through J.6.c.2 above, are made, at a rate equal to one twelfth of the interest rate on three month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (T)

(Continued)



GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT

Sheet 5

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

d. AB 32 Cost of Implementation Fee Noncore Subaccount

The following entries will be made to this subaccount each month or as applicable, excluding an allowance for RF&U:

- 1) a credit entry equal to the revenue from the AB 32 Cost of Implementation Fee rate component;
- 2) a debit or credit entry equal to the gas portion of PG&E's costs to the ARB for the AB32 Cost of Implementation Fee;
- 3) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the Commission; (T)
- 4) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after entries F.6.d.1 through F.6.d.2 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.



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Advice 4600-G
Decision 19-09-02

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted April 20, 2022
Effective _____
Resolution _____



GAS TABLE OF CONTENTS

Sheet 4

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(T)

(Continued)

Advice 4600-G
Decision 19-09-02

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted
Effective
Resolution

April 20, 2022

Attachment 2

Redline Tariff Revisions



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 1

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA)

- 1. **PURPOSE:** The purpose of the NCA is to record certain noncore costs and revenues from noncore customers. The balance in this account will be incorporated into noncore transportation rates in the next Annual Gas True-up of Balancing Accounts, or as otherwise authorized by the Commission.

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1. Refer to Section C.3 for the cost allocation factors used to determine the noncore portion of distribution costs recovered in this account.

- 2. **APPLICABILITY:** The NCA balance applies to noncore transportation rate schedules and contracts subject to the jurisdiction of the CPUC Commission, except for those schedules and contracts specifically excluded by the Commission CPUC.
- 3. **REVISION:** Disposition of the balance in this account shall be determined in the Annual Gas True-up of Balancing Accounts advice filing, or as otherwise authorized by the Commission.
- 4. **FORECAST PERIOD:** The forecast test period will be as specified in the current Cost Allocation Proceeding.
- 5. **RATES:** NCA rates are included in the effective rates set forth in each rate schedule (see Preliminary Statement, Part B), as applicable.
- 6. **ACCOUNTING PROCEDURE:** The NCA consists of the following subaccounts:

The "Noncore Subaccount" recovers costs and balances allocated on an equal cents per therm basis to all noncore customers.

The "Distribution Subaccount" recovers the noncore distribution portion of the authorized General Rate Case (GRC) base revenue requirement and other costs and balances approved by the Commission. The balance in this subaccount will be allocated to noncore classes in proportion to their allocation of distribution base revenue as adopted in Cost Allocation Proceedings.

The "Local Transmission Subaccount" recover local transmission costs transferred from other balancing and memorandum accounts approved by the Commission allocated to all noncore customers except Backbone service-level end-use customers.

(N)
|
(N)

The "AB 32 Cost of Implementation Fee Noncore Subaccount" recovers the gas cost portion of the California Air Resources Board's (ARB) AB 32 Cost of Implementation Fee allocated to PG&E's noncore transportation customers.

(Continued)



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 2

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (FF&U) account expense:

- 1) a debit entry equal to one-twelfth of the noncore portion of the procurement-related G-10 employee discount allocation shown on Preliminary Statement Part C.2;
- 2) a debit entry equal to the noncore portion of intervenor compensation and any other expense adopted by the CommissionCPUC as a cost to be included in this subaccount;
- 3) a credit entry equal to the NCA-Noncore revenue;
- 4) a credit entry equal to the incidental negotiated storage revenues allocated to noncore customers; (N)
(N)
- 5) an debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CommissionCPUC; (T)
- 6) an entry equal to 34.093 percent of the local transmission revenue shortfall or over-recovery resulting from a change in customers qualifying for backbone-level end-use service, and associated throughput reduction or increase, as applicable; (T)
- 7) a debit entry equal to one-twelfth of the noncore portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the CommissionCPUC; (T)
- 8) an entry equal to the noncore portion of the gain or loss on the sale of a gas transmission non-depreciable asset, as approved by the Commission; (T)
- 9) a debit entry equal to the noncore gas portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065; (T)
- 10) an entry equal to the noncore portion of the transportation revenue for deliveries during the month under gas rate schedule G-LNG. The distribution between core and noncore is the "equal distribution based on all transportation volumes" allocator as specified in Preliminary Statement Part C.3; (T)
- 11) a debit or credit entry equal to the noncore customers' portion of the difference between one-twelfth of the noncore portion of the authorized annual electricity costs revenue requirement, and the noncore portion of the actual electricity expenses incurred to provide gas transmission and storage services to PG&E's customers (The noncore portion of actual electricity costs is based on the cost allocation factor shown in Gas Preliminary Statement Part C.3.a. for "Other – Equal Distribution Based on All Transportation Volumes.); (T)
(T)
- 12) a debit entry equal to one-twelfth of the noncore portion of pension related revenue requirement allocated to the Backbone and Storage Gas Transmission and Storage (GT&S) functions; (T)

(Continued)



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 3

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount (Cont'd.)

13) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to noncore customers for best practices related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5b. The noncore portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors.

14) a debit entry equal to one-twelfth of the noncore portion of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case;

(T)

15) a debit entry equal to the noncore portion of payments to the CPUC-Commission or its designee associated with a study regarding health-based concentration limits for constituents of concern, namely trace toxic substances including carbon monoxide. The total amount paid may not exceed \$423,400 (both core and noncore). The noncore portion is based on the "Other - Equal Distribution Based on All Transportation Volumes" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; and,

(N)

(N)

16) an entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from above, at a rate equal to one twelfth of the interest rate on ~~three~~ ~~three~~-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(T)

b. Distribution Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for RF&U:

1) a one-time entry equal to the noncore distribution portion of the authorized GRC base revenue requirement;

2) a debit entry equal to one-twelfth of the gas noncore portion of the ClimateSmart Administrative and Marketing revenue requirement, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account)

3) an entry equal to any other amounts adopted by the CPUC-Commission to be included in this subaccount;

~~4) a credit equal to the NCA Interim Relief and Distribution revenue;~~

~~5) a credit entry equal to the Noncore Distribution Fixed Cost Account (NDFCA) revenue;~~

~~6) a credit equal to the NCA Distribution revenue;~~

(Continued)

Advice 4583-G-A
Decision 22-02-025

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted
Effective
Resolution

March 23, 2022
March 23, 2022



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 4

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

b. Distribution Subaccount (Cont'd)

- ~~75~~) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CommissionCPUC;
- ~~86~~) an entry equal to the noncore portion of the gain or loss on the sale of a gas distribution non-depreciable asset, as approved by the Commission;
- ~~97~~) a debit entry equal to the noncore portion of biomethane incentive and study payments. The noncore portion is based on the "Other – Equal Distribution Based on All Transportation Volumes" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; (T)
- ~~108~~) a credit entry equal to the amount of employee transfer fees allocated to PG&E's noncore gas ratepayers. The noncore portion is based on the "Distribution Base Revenue Requirements" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; and (N)
- ~~149~~) an entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from above, at a rate equal to one twelfth of the interest rate on ~~three-three~~-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor. (N)

(T)
|
(N)
|
(D)
|
(D)

c. Local Transmission Subaccount

The following entries will be made to this subaccount each month or as applicable, excluding an allowance for RF&U:

- ~~1)~~ ~~1)~~—a credit entry equal to the NCA local transmission revenues allocated to this account;
- ~~2)~~ a debit entry equal to one-twelfth of the noncore portion of the pension related revenue requirement allocated to the Local Transmission GT&S function;
- ~~23)~~ a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CommissionCPUC; and
- ~~34)~~ an -entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from J.6.c.1 through J.6.c.2 above, are made, at a rate equal to one twelfth of the interest rate on ~~three-three~~-month

(Continued)



**GAS PRELIMINARY STATEMENT PART J
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 5

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

(L)

d. AB 32 Cost of Implementation Fee Noncore Subaccount

The following entries will be made to this subaccount each month or as applicable, excluding an allowance for RF&U:

- 1) a credit entry equal to the revenue from the AB 32 Cost of Implementation Fee rate component;
- 2) a debit or credit entry equal to the gas portion of PG&E's costs to the ARB for the AB32 Cost of Implementation Fee;
- 3) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CommissionCPUC;
- 4) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after entries F.6.d.1 through F.6.d.2 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.

(L)

**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.
Braun Blasing Smith Wynne, P.C.
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
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
McClintock IP
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
Uplight
Water and Energy Consulting Wellhead
Electric Company
Western Manufactured Housing
Communities Association (WMA)
Yep Energy