

PUBLIC UTILITIES COMMISSION

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December 19, 2023

Advice Letter 4823-G

Sidney Bob Dietz II
Director, Regulatory Relations
Pacific Gas and Electric Company
300 Lakeside Drive
Oakland, CA 94612

Subject: Staff Disposition of PG&E's AL 4823-G on Annual Gas True-Up of Gas Transportation Balancing Accounts for Rates Effective January 1, 2024.

Dear Mr. Dietz:

This letter approves Pacific Gas and Electric Company (PG&E) Advice Letter (AL) 4823-G with an effective date of January 1, 2024. All balances in the accounts authorized for recovery are subject to audit, verification, and adjustment. Items in this Preliminary Annual Gas True-Up (AGT) that are not approved this calendar year shall be removed from the Final AGT Tier 1 Advice Letter filing.

On October 31, 2023, PG&E filed Advice Letter 4823-G, which requests approval for revisions to its revenue requirement and rates effective January 1, 2024. On November 20, 2023, Clean Energy filed a protest. On November 29, 2023, PG&E submitted a response.

Attachment 1 contains a discussion of the background, PG&E's request, Clean Energy's protest, PG&E's response, and staff's determination on AL 4823-G.

Sincerely,

Handwritten signature of Leuwam Tesfai, followed by the word 'FOR'.

Leuwam Tesfai
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division
California Public Utilities Commission

cc: Simon Baker, Energy Division, CPUC (Simon.Baker@cpuc.ca.gov)
Bruce Kaneshiro, Energy Division, CPUC (Bruce.Kaneshiro@cpuc.ca.gov)
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Attachment 1

Background

The preliminary Annual Gas True-Up (AGT) was established in PG&E's 2005 Biennial Cost Allocation Proceeding (BCAP) Decision (D.) 05-06-029, which required PG&E to submit an annual advice letter to change core and noncore end-user gas transportation, unbundled backbone, and storage rates 45 days prior to the end of each calendar year for rates effective January 1.

As described in PG&E's Preliminary Statement C-Gas Accounting Terms and Definitions, Part 12.b, Revision Dates, the AGT updates the customer class charge components of transportation rates to recover all gas transportation-related balancing and memorandum account balances for costs that the Commission has authorized to be recovered in rates.

PG&E determines the change in the customer class charge components of transportation rates as follows:

- 1) Forecasting the December 31, 2023 balance for each gas transportation balancing and memorandum account to be updated in the AGT based on the September 30, 2023 recorded balances plus a forecast of costs and revenues, including interest, through December 31, 2023; and
- 2) Calculating the customer class charge components by dividing the forecasted December 31, 2023 balancing account balance by PG&E's currently adopted Gas Cost Allocation Proceeding (GCAP) throughput forecast (D. 19-10-036).

AL 4823-G

Pursuant to D.05-06-029, PG&E filed AL 4823-G on October 31, 2023. PG&E submits this Annual Gas True-Up (AGT) of gas transportation balancing accounts to amortize account balances in core and noncore gas transportation rates effective January 1, 2024. PG&E also provides a preliminary estimate of projected gas transportation and Public Purpose Program Surcharge revenues authorized by, or currently pending before and expected to be authorized by the Commission for rates effective January 1, 2024.

PG&E's preliminary estimate of its 2024 gas transportation revenue requirements is \$5,304 million, which is a \$949 million increase compared to present rates.

At the time this AL 4823-G was filed, several Commission decisions and advice letters were pending approval. Therefore, PG&E's preliminary estimates are expected to change in PG&E's final AGT filing which consolidates all final authorized revenue requirements and updated forecast end-of-year gas transportation balancing accounts for rates effective January 1, 2024.

Protest

Clean Energy filed a protest on November 20, 2023, opposing the approximately 34%¹ increase to the GNGV-1 uncompressed transportation charge compared to September 2023 rates. Clean Energy requests that the Commission suspend AL 4893-G and conduct a more thorough examination of the reasonableness of PG&E's proposed rate increases. Clean Energy also requests the Commission to require PG&E to provide a more accurate, granular analysis that separates authorized costs and revenues from pending and disapproved costs and revenues included in the AGT.

The protest was submitted on the following grounds:

1) The Relief Requested in the AGT is Unjust and Unreasonable

The proposed 2024 NGV-1 rate, if approved, would reflect an approximately 34% increase over September 2023 rates and would pose a significant financial burden on Clean Energy and other NGV fuel station operators taking service under schedule NGV-1.

2) The Relief Requested in the AGT is Inappropriate for the Advice Letter Process

Although PG&E is authorized to update rates using the AGT, the circumstances and concerns discussed in this protest clearly go beyond those traditionally reserved for the advice letter process. These due process concerns with the advice letter align with the California State Auditor's recent report identifying weaknesses in the Commission's oversight of utility rates.

Even though PG&E is authorized to update rates to recover gas-transportation balancing and memorandum account balances through the AGT, the State Auditor's report strongly suggests that this process fails to provide the necessary ratepayer protections. Given the increasingly unaffordable increases to utility rates, Clean Energy urges the Commission to conduct a more thorough examination of PG&E's proposed rate increases than typically afforded to the AGT.

3) The Analysis, Calculations, or Data in the Advice Letter Contain Material Errors or Omissions

Clean Energy submits that PG&E's inclusion of certain pending items in its analysis constitutes a material error, since it produces inaccurate and uncertain estimated rate impacts. First, PG&E provides no explanation supporting its decision to include or exclude certain of the pending items. Second, although PG&E states that it will remove or add pending items if there is no final decision by December 14, PG&E does not indicate how such adjustments would impact the proposed rates presented in the AGT. Lastly, the AGT includes costs that have been recently disallowed in the CPUC's decision on PG&E's General Rate Case.

PG&E Response to Protest

PG&E responded to Clean Energy's protest on November 29, 2023. PG&E addresses each of Clean Energy's Grounds for Protest.

¹ Clean Energy stated varying percentages of 37%, 34%, and 39% in its protest. The correct figure that is "over September 2023 rates" is 34.7%, specifically. See PG&E AL 4823G Attachment 3, Line 4

1) The Relief Requested in the AGT is Just and Reasonable

The Commission should reject Clean Energy's protest because it fails to provide sufficient grounds to delay implementation of rate changes the Commission has already approved. PG&E cites G.O. 96-B to explain that a protest to an advice letter is not the appropriate forum to raise policy proposals:

G.O. 96-B Section 7.4.2: "a protest may not rely on policy objections to an advice letter where the relief requests in the advice letter follows rules or directions established by status or Commission order applicable to the utility."

2) The Relief Requested in the AGT is Appropriate for the Advice Letter Process

PG&E explains that the preliminary AGT consolidates approved and pending decisions and advice letters and forecasted balancing account balances as authorized in the 2005 BCAP D.05-06-029, Finding of Fact 9. The final Tier 1 AGT filing late December will only include amounts based on final approved decisions and advice letters as well as an updated forecast of balancing account balances. Any amounts that have not been approved by the CPUC by the final Commission Meeting will not be included in the final AGT for inclusion in rates on January 1.

Clean Energy also argues that a State Auditor's report concerning Commission oversight and its general references to affordability warrant a different approach to be employed by the Commission here. However, as explained above, Commission rules are clear that a protest may not rely on policy objections where the relief requested in the advice letter follows rules or directions established by the Commission.

3) The Advice Letter Does Not Contain Material Errors or Omissions

PG&E responds to Clean Energy's three arguments regarding the claim that the AGT contains material errors or omissions.

a. PG&E provides no explanation for including or excluding estimated rate impacts.

PG&E has followed its practice since 2006 of only including in its preliminary AGT those pending proceedings that have a reasonable chance of being approved by the Commission by the end of the calendar year.

b. PG&E does not indicate how adjustments to the AGT would impact the proposed rates presented in the AGT.

The preliminary AGT offers a preview of rates. It is understood that final decisions can change significantly from initial drafts or not be made at all, and this uncertainty is accepted.

c. The AGT wrongly includes costs recently disallowed in the recently issued GRC Phase 1 Decision

PG&E clarifies that this AGT was filed before issuance of the final GRC Phase 1 decision. The final AGT will be revised to conform to the final decision.

ED Staff Analysis

1) On the Just and Reasonableness of the Advice Letter

While ED Staff acknowledges the Protestant's concern about rate increases, Staff notes that the AGT provides a summary of revenue requirements that are pending authorization in various proceedings and/or advice letters. The determination of whether a proposed revenue requirement (and its associated rate impacts) is just and reasonable is addressed in its respective proceeding.

In other words, the revenue requirements shown in the AGT follow rules or directions established by the Commission. A protest to the AGT cannot revise a revenue requirement that has been authorized by Commission decision.

2) Whether the Relief Requested is Appropriate for the Advice Letter Process

In compliance with D.05-06-029, PG&E filed its preliminary AGT on an annual basis. Clean Energy concedes that PG&E is authorized to update rates using the AGT. It is also appropriate for PG&E to include, as it has done in the past, pending decisions and advice letters in its estimates. If any pending item is not approved, Energy Division will confirm that PG&E removed such items from PG&E's final Tier 1 AGT filed in late December.

3) Whether the Advice Letter Contains Material Errors or Omissions

Regarding Clean Energy's first argument, it is established that the AGT may include estimates for decisions or advice letters pending Commission approval. In response to protest, PG&E explains that it only includes in its preliminary AGT pending items that have a reasonable chance of being approved by the Commission by the end of the year. Staff review of the preliminary AGT filing and did not find any items that were unreasonable for PG&E to include. Energy Division will review PG&E's final AGT to ensure that all items included in that filing were approved by the Commission.

Regarding Clean Energy's second argument, staff agrees with PG&E's explanation that it would be impractical to have a complete indication of how adjustments would affect rates. Given that a Final Decision may have revised numbers from a Proposed Decision, PG&E may not have the knowledge of what adjustments should be made at the time of filing the preliminary AGT.

Lastly, Clean Energy's final argument is adequately addressed by PG&E. AL 4823-G states that it used base revenue requirements from the GRC Proposed Decision. Because AL 4823-G was filed before a final decision was adopted in the PG&E GRC, it did not use the amounts that were eventually authorized by the adopted Alternate Proposed Decision ([D.23-11-069](#)). The AGT will be modified in the final consolidated AGT advice letter filed in late December to account for disallowed costs as a result of the decision, which will be subject to review and approval.

ED Staff Disposition

Given the above analysis, Staff finds that PG&E has properly filed AL 4823-G in compliance with Commission directive in D.05-06-029. G.O. 96-B, Section 7.6.1 states that the reviewing Industry Division may approve a protested advice letter if the protest may be rejected on a technical basis. The filed Protest has failed to show that AL 4823-G is not in compliance with Commission directive. Therefore, Staff concludes that the protest is rejected, and AL 4823-G is approved.

October 31, 2023

Advice 4823-G

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

Subject Annual Gas True-Up of Gas Transportation Balancing Accounts for Rates Effective January 1, 2024**Purpose**

Pacific Gas and Electric Company (PG&E) submits this Annual Gas True-Up (AGT) of gas transportation balancing accounts to amortize account balances in core and noncore gas transportation rates effective January 1, 2024. This advice letter also provides a *preliminary* estimate of projected gas transportation and Public Purpose Program (PPP) Surcharge revenues (submitted October 31 in a Tier 2 advice letter) authorized by, or currently pending before and expected to be authorized by, the California Public Utilities Commission (Commission or CPUC) for rates effective January 1, 2024.

Consistent with prior years, this AGT advice letter does not include 2024 core gas procurement-related revenue requirement changes, which will be submitted in PG&E's monthly core procurement advice letter in late December 2023.

PG&E requests approval of this Tier 2 advice letter by November 30, 2023, with an effective date of January 1, 2024. PG&E will submit a separate Tier 1 advice letter in late December consolidating all final authorized revenue requirements and updated forecast end-of-year gas transportation balancing accounts for rates effective January 1, 2024.

Overview of Preliminary AGT

PG&E's preliminary estimate of its 2024 gas transportation revenue requirements is \$5,304 million, which is a \$949 million increase compared to present rates. Table 1 summarizes the major components of PG&E's 2024 gas transportation revenue requirements.

Table 1			
Proposed Gas Transportation Revenue Requirements			
Effective January 1, 2024			
(\$ millions)¹			
Description	Currently in Rates	Proposed	Change
End-Use Gas Transportation	\$3,631	\$4,577	\$946
Storage and Backbone Unbundled Costs	342	328	\$(15)
Gas PPP Surcharges ²	381	399	18
Total Gas Transportation Revenue Requirements	\$4,355	\$5,304	\$949

Attachment 1 summarizes the proposed 2024 gas transportation revenue requirements. Attachment 2 summarizes the forecast December 31, 2023 balances for gas transportation balancing accounts using recorded balances through September 30, 2023 and a forecast of activity through December 31, 2023. The total December 31, 2023 gas transportation balancing account balances are projected to be overcollected by \$47 million, as shown in Attachment 1, line 1, and Attachment 2, line 29. This represents a \$455 million decrease in the gas transportation balancing account undercollections from those currently amortized in gas transportation rates. Finally, Attachments 3 through 7 provide illustrative rates and surcharges resulting from the amounts summarized in Attachments 1 and 2.

Background

The AGT is an annual process as established in PG&E's 2005 Biennial Cost Allocation Proceeding (BCAP) Decision (D.) 05-06-029,³ to change core and noncore end-user gas transportation rates and unbundled backbone and storage rates. That decision requires PG&E to submit an advice submittal to change core and noncore transportation rates 45 days prior to the end of each calendar year for rates effective January 1.

As described in PG&E's Preliminary Statement C-*Gas Accounting Terms and Definitions*, Part 12.b, *Revision Dates*, the AGT updates the customer class charge components of transportation rates to recover all gas transportation-related balancing and memorandum account balances for costs that the Commission has authorized to be recovered in rates.

¹ This table does not include 2024 gas procurement-related revenue requirement changes, which will be submitted in PG&E's monthly core procurement advice letter in late December 2023. Totals may not tie due to rounding.

² Submitted for Commission approval in Advice 4822-G, which was submitted on October 31, 2023.

³ D. 05-06-029, p. 10 and Finding of Fact 9.

PG&E determines the change in the customer class charge components of transportation rates as follows:

- 1) Forecasting the December 31, 2023 balance for each gas transportation balancing and memorandum account to be updated in the AGT based on the September 30, 2023 recorded balances plus a forecast of costs and revenues, including interest, through December 31, 2023; and
- 2) Calculating the customer class charge components by dividing the forecasted December 31, 2023 balancing account balance by PG&E's currently adopted Gas Cost Allocation Proceeding (GCAP) throughput forecast (D. 19-10-036).

Transportation Balancing Accounts Already Approved for Amortization in the 2023 AGT

This section describes: (1) the balancing accounts that will be amortized through this AGT advice letter; (2) the recent CPUC decisions impacting the balancing account balances; and (3) PG&E's proposals to recover the forecasted balances in rates, effective January 1, 2024.

Certain account balances are recovered in rates through the Core Fixed Cost Account (CFCA) and/or Noncore Customer Class Charge Account (NCA) rate components, as described below. For these accounts, PG&E will transfer the recorded December 31, 2023 balances to the appropriate subaccount of the CFCA and/or NCA, once the AGT is approved.

Core Fixed Cost Account – (Attachment 2, Lines 1-2)

The CFCA records authorized General Rate Case Phase I (GRC) gas distribution base revenue amounts (with credits and adjustments), certain other core transportation costs, and transportation revenue from core customers. The CFCA has three subaccounts:

- (i) Distribution Cost subaccount recovers the core distribution base revenue requirements adopted in PG&E's GRC, including annual attrition adjustments, adjustments resulting from cost of capital proceedings, and other core distribution-related costs authorized by the Commission. The Distribution Cost subaccount is allocated to core customer classes in proportion to their adopted allocation of distribution base revenues;
- (ii) Core Cost subaccount recovers non-distribution-related costs, such as the Self-Generation Incentive Program (SGIP), dairy biomethane costs, and the local transmission revenue requirements adopted by the Commission. The Core Cost Subaccount is allocated to all core customer classes; and

- (iii) Assembly Bill (AB) 32 Cost of Implementation Fee Core subaccount recovers the gas portion of California Air Resources Board's (ARB) AB 32 Cost of Implementation Fee, allocated to PG&E's applicable core transportation customers on an equal-cents-per-therm basis, as further described below.

The AGT includes a forecasted \$234.1 million net overcollection in the CFCA, excluding the AB 32 Cost of Implementation Fee Core subaccount, which is described separately below. The net overcollection in the CFCA results from:

- (i) A forecasted \$178 million overcollection in the Distribution Cost subaccount; and
- (ii) A forecasted \$56.1 million overcollection in the Core Cost subaccount.

Noncore Customer Class Charge Account - (Attachment 2, Lines 3-5)

The NCA records noncore costs and revenues from noncore customers for programs such as SGIP which receive balancing account treatment. The NCA has four subaccounts:

- (i) The Noncore subaccount recovers costs and balances from all noncore customers for non-distribution cost-related items;
- (ii) The Local Transmission (LT) Subaccount recovers 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;
- (iii) The Distribution subaccount recovers the noncore distribution portion of gas revenue requirements adopted in GRC decisions and other noncore distribution-related costs and balances approved by the Commission. It is allocated to noncore classes in proportion to their adopted allocation of distribution base revenues; and
- (iv) The AB 32 Cost of Implementation Fee Noncore subaccount, which recovers the gas cost portion of the AB 32 cost of implementation fee, allocated to PG&E's applicable noncore transportation customers, as further described below.

The AGT includes a forecasted \$14.8 million net undercollection in the NCA, excluding the AB 32 Cost of Implementation Fee Noncore subaccount, which is described separately below. The net undercollection in the NCA results from:

- (i) A forecasted \$3.9 million undercollection in the Noncore subaccount. This includes \$1.6 million related to the 2011-2014 Gas Transmission and

Storage Capital Expenditures allocated to Noncore Storage Customers as authorized in D.22-07-007;⁴

- (ii) A forecasted \$8.3 million undercollection in the LT subaccount; and
- (iii) A forecasted \$2.6 million undercollection in the Distribution subaccount.

AB 32 Cost of Implementation Fee – (Attachment 2, Line 15)

As described above, the AB 32 Cost of Implementation (COI) Fee is recovered in two subaccounts: (1) the core subaccount of the CFCA recovers the gas cost portion of the AB 32 COI Fee allocated to core customers; and (2) the noncore subaccount of the NCA recovers the gas cost portion of the AB 32 COI Fee allocated to noncore customers. In accordance with D. 12-10-044 and Advice 3348-G, the AB 32 COI Fee is allocated to all non-exempt customers on an equal-cents-per-therm basis. As indicated in Advice 3348-G, the ARB provides PG&E with an invoice and a list of PG&E customers who pay the COI fee directly to the ARB. Customers paying the COI Fee directly to the ARB are exempt from paying for COI Fee costs through PG&E's rates. The AGT balance proposed to be amortized in 2024 rates consists of a forecasted \$9.4 million net undercollection in the AB 32 Cost of Implementation Fee subaccounts.

Core Brokerage Fee Balancing Account (CBFBA) - (Attachment 2, Line 7)

The CBFBA ensures that variations between the adopted forecast brokerage fee revenue requirement credits in core transportation rates and actual brokerage fee revenues collected from core procurement customers will flow through core transportation rates. This account was adopted in PG&E's 2005 BCAP decision (D. 05-06-029). The AGT includes a forecasted \$710 thousand overcollection in the CBFBA. The CBFBA balance is included in the rate component of the Core Cost subaccount of the CFCA.

Hazardous Substance Mechanism (HSM) - (Attachment 2, Line 8)

The HSM provides a uniform methodology for allocating costs and related recoveries associated with covered hazardous substance-related activities, including hazardous substance clean-up and litigation, and related insurance recoveries, as set forth in D. 94-05-020 (the original HSM decision) through the Hazardous Substance Cost Recovery Account (HSCRA). The Commission has approved an allocation of Hazardous Substance Mechanism costs on an equal-cents-per-therm basis.⁵ This AGT includes a \$106 million balance for collection in the HSCRA. Once allocated, the

⁴ The remaining \$104 million related to the 2011-2014 Gas Transmission and Storage Capital Expenditures Proceeding D.22-07-007 are recovered through the Gas Transmission and Storage Late Implementation Rate Components.

⁵ See also gas Preliminary Statement Part AN.

HSCRA balance is included in the rate component of the Core Cost subaccount of the CFCA and the Noncore subaccount of the NCA.

Balancing Charge Account (BCA) - (Attachment 2, Line 9)

The BCA records the revenue and costs associated with providing gas balancing service, including charges and credits, as described in gas Schedule G-BAL and Gas Rule 14. PG&E currently forecasts a \$11.7 million overcollection in the BCA. The BCA balance is included in the rate component of the Core Cost subaccount of the CFCA and the Noncore subaccount of the NCA.

Customer Energy Efficiency Incentive Account (CEEIA) - (Attachment 2, Line 11)

The CEEIA records the gas portion of any Efficiency Savings Performance Incentive (ESPI) award authorized by the Commission to be recovered in rates. Interest does not accrue in this subaccount pursuant to D. 07-09-043. On November 6, 2020, the Commission adopted decision D.20-11-013 imposing a moratorium on award payments under the ESPI beginning with 2021 program year advice letter earnings claims. This AGT includes a forecasted \$178 thousand overcollected balance, which will be recovered through the CEE Incentive rate component. The CEEIA is recovered from core and noncore customers based on the Direct Allocation Method adopted for Energy Efficiency Programs per the 2018 GCAP D.19-10-036.⁶

California Solar Initiative Thermal Program Memorandum Account (CSITPMA) - (Attachment 2, Line 12)

Advice 3093-G established the CSITPMA to record expenses incurred by PG&E for implementing the CSI Thermal Program authorized by D. 10-01-022. Customers who participate in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) Programs, customers who are currently exempt from funding the SGIP, and customers exempt pursuant to Public Utilities Code Section 2863(b)(4) are exempt from CSI Thermal Program charges. This AGT includes a forecasted \$6.6 million undercollected balance in the CSITPMA, and will be recovered in the CSITPMA rate component, allocated based on the actual benefits resulting from the disbursement of program incentives over the previous three years in its service territory⁷ (with exceptions noted above).

Adjustment Mechanism for Costs Determined in Other Proceedings (AMCDOP) – (Attachment 2, Line 13)

The AMCDOP was approved by the Commission in D.11-04-031 (approving the Gas Accord V Settlement and continued in PG&E's 2015 and 2019 Gas Transmission and Storage (GT&S) rate cases, D.16-06-056 and D.19-09-025, respectively). The purpose of the AMCDOP is to record the difference in the revenue requirement

⁶ D.19-10-036, p.71.

⁷ Resolution E-4926

associated with costs determined in other proceedings and the revenue requirements based on placeholder costs included in PG&E's GT&S filings. Examples of "other proceedings" are PG&E's GRC, the cost of capital proceedings, and the Pension Recovery Proceeding. The AMCDOP is governed by Gas Preliminary Statement Part CO, which specifies that the AMCDOP shall apply to all customer classes. According to the Preliminary Statement, 50% of the total costs are allocated to core customers and 50% to noncore customers through the customer class charge. PG&E has reflected the revenue requirement adjustments associated with the transmission portion of the following:

- Adjustment to correct for the disallowance of the 2015 Vintage Pipeline Replacement Costs (\$3.8 million adjustment);
- Cost of Capital (\$6.7 million credit);
- Cost of Capital Formula Adjustment Mechanism (\$39 million adjustment) (see discussion in Pending Decisions and Advice Letters section below);
- Risk Transfer Balancing Account (\$15.2 million adjustment) (see further discussion of RTBA below); and
- General Rate Case Balancing Account Adjustment (\$13.6 million credit). This is the estimated gas transmission allocation of the 2024 balancing account adjustment ordered in PG&E's 2023 GRC Pending Decision. Once a final decision is issued the credit adjustment will be included in the local transmission, backbone and storage rate components and not reflected in the AMCDOP. PG&E has included in the AMCDOP in this filing to better estimate the January 1, 2024 rates.

PG&E forecasts that the AMCDOP will have a \$37.7 million undercollected balance on December 31, 2023. This includes a \$23.9 million undercollection in the Local Transmission subaccount of the AMCDOP which have been allocated to all end use customers, except for industrial backbone and electric generation backbone customers.⁸ The remaining balance of \$13.7 million has been allocated to all end use customers.

Non-Tariffed Products and Services Balancing Account (NTBA-G) - (Attachment 2, Line 14)

The NTBA-G is used to record the core customer share of revenues net of costs and income taxes associated with new Non-Tariffed Products and Services (NTP&S), pursuant to CPUC Affiliate Transaction Rule VII. Costs and revenues are tracked for appropriate disbursement of revenues, net of expense, to customers and shareholders via the 50/50 sharing mechanism as approved by D. 99-04-021. The NTBA-G does not apply to NTP&S in PG&E's existing NTP&S catalogue, which remains subject to other operating revenue treatment, consistent with D. 99-04-021. In Resolution G-3417, the Commission approved PG&E's proposal to offer the Mover Services Program; to recover costs and disburse net revenues through the NTBA-G;

⁸ In compliance with D.19-09-025 and Advice Letters 4185-G/G-A and 4288-G.

to transfer the balance at the end of the year from the NTBA-G to the CFCA; and to include it in the AGT submittal, in order to credit customer revenues pursuant to D. 99-04-021. If the balance at the end of the year for any product or service category is undercollected, no transfer will be made for that product or service category, and the balance for that product or service category will be reset to zero at the beginning of the year. PG&E forecasts a \$313 thousand overcollected balance for this account, which will be transferred to the Core Cost subaccount of the CFCA.

Percentage of Income Payment Plan (PIPP) – (Attachment 2, Line 16)

The purpose of the gas PIPP Balancing Account is to record and track the gas portion of the revenue shortfall, or discount, from the PIPP bill cap pursuant to Decision (D.) 21-10-012. The PIPP bill discounts should be either (a) the difference between the bill cap and the actual bill, or (b) zero, if the actual bill is lower than the bill cap, and are net of California Alternate Rates for Energy (CARE) discounts, i.e. the discounted amount in excess of the CARE discount. PG&E forecasts a \$257 thousand balance in the gas PIPP balancing account. The balance in this account will be recovered through the Core Cost subaccount of the CFCA and the Noncore subaccount of the NCA on an equal-cents-per-therm basis.

Santa Nella Balancing Account (SNBA-G) – (Attachment 2, Line 17)

The purpose of the Santa Nella Balancing Account-G (SNBA-G) is to track and record the costs to install a new direct-metered gas system to convert the gas master-meter to direct service in the Santa Nella community pursuant to Decision (D.) 23-04-057. These costs will include both “to-the-meter” and “behind-the-meter” costs. PG&E does not expect that the SNBA-G will have a balance at year end. Should there be a balance, it will be recovered through the Distribution subaccounts of the CFCA and NCA.

New Environmental Regulations Balancing Account (NERBA) - (Attachment 2, Line 19)

The NERBA records and tracks actual expenses and capital revenue requirements compared to the adopted budget for incremental best practice activities related to Grade 3 leak repairs in accordance with Commission Resolution G-3538. The NERBA is a two-way balancing account. As part of PG&E’s 2020 GRC Phase I Application (A. 18-12-009), PG&E proposed,⁹ “to continue to use the Distribution subaccount of the NERBA through 2022, i.e., the subaccount would be kept open beyond 2019 for the sole purpose of tracking BP 21 costs. The costs to be recorded in the balancing account would include all leak repair costs for below ground Grade 3 leak repairs required to comply with the Commission’s direction following review of the 2018-2019 Grade 3 leak repair program pursuant to Res. G 3538.” On December 3, the Commission issued a Final Decision (D.20-12-005) in PG&E’s 2020 GRC. The Decision approved the continuation of the NERBA.

⁹ See 2020 GRC A. 18-12-009, Exhibit 3, Chapter 8, page 8-20.

PG&E forecasts a \$1.6 million overcollected balance in this account. The balance in this account is recovered through the Distribution subaccounts of the CFCA and NCA.

Pension Contribution Balancing Account (PCBA) - (Attachment 2, Line 20)

The PCBA includes the gas distribution-related revenue requirement associated with the difference, if any, between adopted pension contributions and (i) lower contributions for any reason or (ii) federally mandated higher contributions, with the difference to be refunded to or recovered from customers. PG&E's contribution to the pension plan have matched the amounts adopted in D. 06-06-014 and D. 07-03-044. As a result, PG&E does not expect that the PCBA will have a balance on December 31, 2023. Should it have a balance, it would be recovered through the Distribution Subaccounts of the CFCA and NCA.

Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM) – (Attachment 2, Line 22)

Originally adopted as part of the Gas Accord V Settlement Agreement and continued in the 2015 GT&S and 2019 GT&S Rate Case decisions, with modifications, the GTSRSM records the customer portion of the difference between adopted noncore and unbundled revenue requirements and recorded noncore and unbundled revenues to be shared between customers and shareholders, as further described below. The GTSRSM consists of the following two subaccounts:

- (i) The Backbone subaccount records the customer portion (50%) of the difference between A) the adopted unbundled backbone revenue requirement and the portion of backbone revenues allocated to core customers that are collected volumetrically and B) recorded backbone revenues. Whether the difference is an over-collection or an under-collection, the difference is to be shared 50% to customers (net recorded to the subaccount) and 50% to shareholders (not recorded to the subaccount). PG&E forecasts a \$91.1 million overcollection¹⁰ in the Backbone subaccount of the GTSRSM which will be returned to all end use customers.
- (ii) The Local Transmission subaccount records the customer portion (75%) of the difference between A) the adopted noncore local transmission revenue requirement and B) recorded local transmission revenues. Whether the difference is an over-collection or an under-collection, the difference is to be shared 75% to customers (net recorded to the subaccount) and 25% to shareholders (not recorded to the subaccount).

¹⁰ Balance as of September 30, 2023. PG&E will update for the November recorded balance in the Supplemental AGT filed in December 2023.

PG&E forecasts a \$7.2 million overcollection¹¹ in the Local Transmission subaccount of the GTSRSM which will be returned to all end use customers, except for industrial backbone and electric generation backbone customers.

In accordance with the proposed changes to Preliminary Statement Part CP approved in Advice 4166-G, the balances in the two subaccounts as of December 31 of each year will be transferred to the Core and Noncore subaccounts of the CFCA and NCA, respectively. The distribution of the balances will each be 50% to core and 50% to noncore customers.¹²

Risk Transfer Balancing Account – Gas (RTBA) – (Attachment 2, Line 23)

Updates to the RTBA, per the 2023 GRC A&G Stipulation Agreement,¹³ are proposed to be adopted without modification in PG&E's 2023 GRC pending Proposed Decision (PD) and Alternate Proposed Decision (APD).¹⁴ Per the PD/APD, the RTBA is a two-way balancing account that authorizes PG&E to do the following in the 2023 GRC period (2023-2026):

- 1) Record and recover the GRC portion of actual insurance costs for non-wildfire general liability insurance coverage up to the imputed adopted forecast total, inclusive of all risk transfer instruments (reinsurance, collateralized reinsurance, catastrophe bonds, insurance-linked securities, etc.) and related costs (such as broker fees and excise taxes), purchased, to protect against liability claims or losses that may arise from PG&E's business operations, assets, and risk of loss from the supply of electric and natural gas to customers, and;
- 2) Tracks PG&E's Wildfire Liability Self-Insurance program costs, as approved in D.23-01-005. (Electric Only)

In the RTBA PG&E will track costs incurred to procure non-wildfire general liability coverage up to the \$700 million coverage target.¹⁵ If annual incurred costs are less than PG&E's imputed adopted forecast, PG&E will return any balance to ratepayers in the next annual RTBA true-up. If annual incurred costs are above the imputed

¹¹ Balance as of September 30, 2022. PG&E will update for the November recorded balance in the Supplemental AGT filed in December 2022.

¹² Decision 19-09-025, OP 93, approved PG&E's proposal to change the timing for the annual transfer in the Revenue Sharing subaccount to coincide with its other balancing accounts.

¹³ 2023 GRC PG&E's Opening Brief, Appendix G, p.G-2.

¹⁴ PG&E's 2023 GRC Proposed Decision p.639-640; PG&E's 2023 GRC Alternate Proposed Decision p.664-665.

¹⁵ This coverage target excludes Directors & Officers, Other Liability, Nuclear Property, Non-Nuclear Property, Other Property, and the PG&E Corporate Allocation.

adopted forecast, PG&E is permitted to seek recovery of such costs by a separate application.

D.23-01-005 approved PG&E's 2023 GRC Wildfire Liability Self-Insurance Settlement Agreement, applicable to years 2023 through 2026, that establishes PG&E's Wildfire Liability Self-Insurance Program. Per D.23-01-005, the Wildfire Liability Self-Insurance costs are 100% allocated to electric distribution customers, therefore none of these costs are allocated to gas customers.

This AGT includes a \$25.8 million balance for collection of the gas distribution portion of the 2023 costs associated with the purchase of financial risk transfer coverage. This balance assumes the adoption of the GRC PD or APD. The GRC PD/APD includes a reduction compared to the RTBA contribution amount currently in rates, which necessitates a true-up to 2023 recorded costs. The distribution portion of the RTBA balance is included in the rate component of the Distribution subaccounts of the CFCA and the NCA.

Adopted amounts and actual costs allocated to PG&E's GT&S function are recorded to the Adjustment Mechanism for Costs Determined in Other Proceedings (See AMCDOP discussion above).

Residential Uncollectible Balancing Account – Gas (RUBA) – (Attachment 2, Line 24)

On June 11, 2020, the CPUC adopted Decision (D.) 20-06-003, which authorized PG&E to establish new two-way balancing accounts to record uncollectibles recovered from residential electric and gas customers compared to actual uncollectibles. On April 13, 2021, the Commission approved PG&E's Gas Preliminary Statement Part FJ, Residential Uncollectibles Balancing Account – Gas, effective June 11, 2020. The purpose of the RUBA is to record uncollectibles recovered from residential gas customers compared to actual uncollectibles to create more transparency and accurately reflect the actual costs of uncollectible charges in rates and to record the Arrearage Management Program (AMP) debt forgiveness of charges for PG&E provided services, services provided by eligible third-party service providers participating in AMP, and third-party taxes, charges, and fees.

This AGT includes a forecasted balance of \$149.4 million in the Transportation and AMP Debt Forgiveness Subaccount of the RUBA. The Transportation and AMP Debt Forgiveness subaccount balance of RUBA is included in the rate component of the Core Cost Subaccount of the CFCA and the Noncore Subaccount of the NCA. Note that the balance in the Procurement Subaccount of the RUBA will be recovered through the Purchased Gas Account and addressed in PG&E's Monthly Pricing Advice Submittal once the transfer has been recorded.

GT&S Balancing Accounts– (Attachment 2, Line 26)

As authorized by Decision 19-09-025, 2019 Gas Transmission & Storage (GT&S) Rate Case Decision, PG&E is trueing up the balances in the eight accounts shown in the table below. These accounts track actual expenses or capital-related revenue requirements incurred up to amounts authorized in the 2019 GT&S rate case cycle (2019 through 2022). The true-up of the balances is in compliance with D.19-09-025, Ordering Paragraph 82, and as further detailed and approved in AL 4185-G-A. Below are the accounts and their forecasted balances through December 31, 2023:

Account	Non-LT	LT
Transmission Integrity Management Program Balancing Account (TIMPBA)	(126,695,122)	94,025,947
Hydrostatic Testing Balancing Account (HTBA)	3,154,805	(48,782,161)
Atmospheric Corrosion Balancing Account (ACBA)	(1,933,453)	1,935,043
Engineering Critical Assessment Balancing Account (ECABA)	(11,702,492)	11,106,454
Internal Corrosion Balancing Account (ICBA)	(3,152,966)	-
Physical Security Balancing Account (PSBA)	(1,927,838)	525,872
Alternating Current Interference Balancing Account (ACIBA)	(183,615)	(2,069,525)
Casings Program Balancing Account (CPBA)	(373,958)	(3,806,172)
Total	(142,814,641)	52,935,458

As noted in PG&E's 2023 AGT, due to the size of the overcollection in the Non-Local Transmission subaccounts, PG&E amortized the balances over twenty-four months (January 1, 2023 through December 31, 2024) in order to avoid a negative rate for EG Backbone covered-entity customers. This AGT includes the remaining balances in the accounts amortized over twelve months. This includes a forecast \$142.8 million overcollected balance in the Non-Local Transmission (LT) subaccounts. The balances are recovered through the Core Cost Subaccount of the CFCA and the Noncore subaccount of the NCA. The AGT also includes a forecast \$52.9 million undercollected balance in the LT Subaccounts. The balances are recovered through the Core Cost Subaccount of the CFCA and the LT subaccount of the NCA.

Mobile Home Park Balancing Account – Gas (MHPBA) – (Attachment 2, Line 27)

The MHPBA records and recovers actual incurred costs of implementing the voluntary program to convert the gas master-meter/submeter service at mobile home parks and manufactured housing communities to direct service by PG&E, pursuant to D.14-03-021. Advice 3473-G provided that the disposition of the balance in the account shall be through the AGT, via the CFCA and NCA, or other venues as approved by the Commission. This AGT includes a forecast \$28.8 million undercollected balance in the MHPBA. The balance is recovered through the Distribution Subaccounts of the CFCA and NCA.

Discussion of Recent, Pending and Anticipated CPUC Proceedings and Advice Letters

The following section highlights recent and pending decisions and advice letter submittals that may impact PG&E's gas transportation revenue requirements and rates submitted in the AGT:

Pending Decisions and Advice Letters

2023 General Rate Case, Track 1 and 2

On June 30, 2021, PG&E filed its 2023 General Rate Case Phase 1 Application (A.21-06-021) requesting authorization to, among other things, recover revenue requirements for the period 2023 to 2026 beginning January 1, 2023. On October 1, 2021, the assigned Commissioner issued a Scoping Memo and Ruling dividing the schedule into two tracks. (1) Track 1 would address PG&E's proposed revenue requirement for base GRC activities; and (2) Track 2 would address PG&E's proposed cost recovery for amounts recorded in the identified 14 balancing and memorandum accounts. On January 6, 2023, a joint motion was filed by PG&E and Cal Advocates for approval of a Settlement Agreement on Track 2 issues. On September 13, 2023 the CPUC issued a proposed decision (PD) and alternate proposed decision (APD) addressing PG&E's 2023 GRC Track 1 and adopting the Settlement Agreement in Track 2. If a final approval is issued by the CPUC by December 14, PG&E will include the 2024 revenue requirement in the final AGT advice letter.

In this advice letter, PG&E has included the 2024 base revenue requirements for its Gas Distribution (GD) and Gas Transmission & Storage (GT&S) functions from the PD which is higher than the APD. In addition, this filing includes the true-up of the GD and GT&S functional revenue requirements for 2023 over thirty-six months (January 1, 2024 through December 31, 2026), as well as the GRC Track 2 revenue requirements, amortized over two years (January 1, 2024 through December 31, 2025).

Revenue Fees and Uncollectible (RF&U)

Decision 20-12-005 adopted PG&E's methodology to forecast the uncollectible factor to be revised annually by advice letter submittal using a 10-year rolling average based on updated historical data. On October 21, 2021, PG&E filed Advice Letter 4512-G/6373-E, updating its 2022 Uncollectibles factor, using historical recorded data. PG&E will update its RF&U factor upon the issuance of the 2023 GRC Decision. Until such time PG&E will reflect the approved 2022 RF&U factor in rates.

Wildfire Gas Safety Costs (WGSC) - Interim Rate Relief

On June 15, 2023, PG&E filed Application 23-06-008 for recovery of recorded costs in memorandum and balancing accounts related to wildfire and gas safety. PG&E requested that the Commission determine that approximately \$726 million in expense and \$1.534 billion in capital expenditures related to wildfire mitigation in High Fire-Threat Districts and High Fire Risk Areas that have not been recovered in PG&E's revenue requirements through other cost recovery proceedings were reasonable. PG&E also requested that the Commission determine that approximately \$120 million in expense and \$118 million in capital expenditures related to certain Gas Safety and Electric Modernization costs were reasonable. Overall, the WGSC application seeks recovery of a total revenue requirement of \$688 million (excluding interest). Concurrent with the application, PG&E filed a Motion for Interim Rate Relief, requesting 85% of the WGSC revenue requirement, or \$583 million (excluding interest), be collected over a 12-month period. In this AGT, PG&E has reflected its filed request for Interim Rate Relief of \$123.8 million revenue requirement, including interest, recovered through gas distribution and gas transmission rates. If a final decision regarding PG&E's Interim Rate Relief request is approved by the CPUC by December 14, PG&E will include the 2024 revenue requirement in the final AET advice letter.

Cost of Capital Formula Adjustment Mechanism

On April 20, 2022 PG&E filed its 2023 Cost of Capital Application (A.22-04-008), including the proposed rate of return on equity (ROE) and rate of return on rate base (ROR) for its electric generation, electric distribution, natural gas distribution, and natural gas transmission and storage rate base beginning January 1, 2023. Decision 22-12-031, as corrected by D.23-01-002, authorized PG&E's ROE and ROR for test year 2023 and continued the Cost of Capital Mechanism (CCM). On October 13, 2023, PG&E submitted Advice Letter 4813-G/7046-E to implement the Formula Adjustment Mechanism pursuant to the CCM to adjust the ROE and ROR effective January 1, 2024. In this advice letter, PG&E has included its filed request of \$58.9 million for its gas distribution Cost of Capital adjustment and \$39 million for gas transmission. If a final approval is issued by the CPUC by December 14, PG&E will include the 2024 revenue requirement in rates in the final AGT advice letter. If approval is not received, PG&E will remove the revenue requirement associated with the Cost of Capital Formula Adjustment Mechanism.

2023 Gas Transmission & Storage Cost Allocation & Rate Design (CARD)

On June 30, 2023, PG&E, on behalf of itself and Settling Parties, served and filed its Motion for Adoption of All Party Settlement and Stipulation (the Settlement) in the GT&S CARD proceeding (A.21-09-018). The settlement agreement resolved all open issues in the CARD proceeding which includes the following items: Market-Responsive Electric Generation (EG) throughput forecast, Local Transmission (LT)

Cost Allocation, Market Responsive EG LT Rate Design, Inventory Management, Functional Storage Cost Allocation, and Core Storage. The Baja-Redwood settlement resolves the appropriate Baja-Redwood rate differentials. The 2023 CARD settlement also adopts the 2023-2026 sales forecast which is the basis for PG&E's allocation of adopted costs and end-use rate calculations. Since the Commission has not issued a decision on the CARD settlement, implementation will not occur until sometime in the first quarter of 2024 at the earliest. Therefore, the rates included in this AGT filing do not reflect the updated sales or cost allocations from the CARD settlement.

Self-Generation Incentive Program (SGIP)

In Resolution E-4926, the Commission ordered that SGIP costs be allocated based on the actual benefits resulting from the disbursement of program incentives over the previous three years in its service territory. The updated allocation factors, based on the current three-year rolling average, are provided in the table below:

**SELF-GENERATION INCENTIVE PROGRAM
ROLLING 3-YEAR GAS ALLOCATION FACTORS**

	2020	2021	2022	Avg.
Res (G1/GM/HG1)	92.1%	98.3%	84.3%	91.56%
SC (GNR1)	7.9%	1.7%	15.7%	8.44%
LC (GNR2)	0.0%	0.0%	0.0%	0.00%
NGV (GNGV1)	0.0%	0.0%	0.0%	0.00%
Ind - D (GNTD)	0.0%	0.0%	0.0%	0.00%
Ind - T (GNTT)	0.0%	0.0%	0.0%	0.00%
Total	100%	100%	100%	100%

Greenhouse Gas (GHG) Natural Gas Costs and Revenue Return – (Attachment 1, Lines 8-10)

On March 22, 2018, the Commission approved final decision D. 18-03-017 modifying D. 15-10-032 under Rulemaking 14-03-003. By this decision the Commission distributed GHG allowance proceeds solely to residential customers of the natural gas utilities. In addition, the Commission ordered that the residential natural gas California Climate Credit must be distributed in April of each year. GHG compliance costs were included in rates beginning July of 2018.

PG&E's 2023 forecasted greenhouse gas compliance and operational costs total \$619.2 million, including RF&U.¹⁶ The forecasted 2023 GHG proceeds of \$434.1

¹⁶ Includes \$53.9 million overcollection from 2023.

million, including RF&U,¹⁷ will be distributed to residential customers¹⁸ on their April 2024 bills. PG&E has included Tables A-E as required by D.15-10-032 and D.18-03-017, in Attachment 7 of this advice letter. These tables detail the forecasted and recorded GHG costs, including the Outreach and Administrative expenses, allowance proceeds, and Compliance Obligation over time.

Additionally, in accordance with the 2020 GRC Settlement Agreement,¹⁹ as adopted in Decision 20-12-005, PG&E requests approval to recover \$7.4 million for the forecasted 2024 gas greenhouse gas compliance instrument inventory costs. These costs are included in the forecasted 2024 gas greenhouse gas costs noted above.

Gas Public Purpose Program Authorized Funding

This AGT incorporates gas PPP surcharge changes that were submitted in Advice 4822-G on October 31, 2023. The gas PPP surcharge rate impacts on customers are shown in Attachment 1.

Public Utilities Code Sections 890-900 and D. 04-08-010 authorize a gas surcharge rate to fund public purpose programs. The gas PPP Surcharge advice letter updates the natural gas PPP surcharge rates to fund authorized energy efficiency (EE), energy savings assistance program (ESA), CARE, public-interest research, development and demonstration (RD&D) programs and Board of Equalization (BOE) administrative costs.

The gas PPP surcharges proposed include:

- 1) Total gas PPP authorized program funding of \$197 million for EE, ESA, CARE administrative expenses, RD&D, and BOE administrative costs. This represents an \$18.8 million increase from 2023;
- 2) Amortization over 12 months of forecasted December 31, 2023 balances in the PPP surcharge balancing accounts totaling a \$23.2 million undercollection. This represents an \$4.5 million decrease from 2023; and
- 3) A projected 2024 CARE revenue shortfall of \$179.4 million, which represents a \$4 million increase from the forecasted 2023 CARE customer discount. This shortfall is included in the PPP-CARE portion of the gas PPP surcharge rates for 2024 and accounted for as a reduction of net transportation revenue requirement in rates for a zero-sum impact on the total gas revenue requirement.

¹⁷ Includes \$31.4 million overcollection from 2023.

¹⁸ Owners of units under PG&E's gas master-metered residential tariffs shall receive a pro-rata share based on the number of units served and will, in turn, return these credits to their tenants.

¹⁹ See Settlement Agreement Section 2.9.4.1, Working Cash.

Gas Cost Allocation Proceeding

On October 24, 2019, the Commission issued D.19-10-036, PG&E's 2018 Gas Cost Allocation Proceeding (GCAP) Decision. The purpose of the GCAP is to allocate authorized transportation costs (excluding those authorized in the Gas Transmission & Storage Rate Case (GTS)) among core and noncore customers, adopt gas demand forecasts to allocate procurement costs via monthly pricing as well as public purpose program surcharge revenues in the annual Public Purpose Program Surcharge Submittal, and propose changes in rate design methodology.

Marginal Cost Using the Rental Method for the Customer Function

In Compliance with D.19-10-036, PG&E has applied the percentage of total gas base revenue requirement allocation to the Small Commercial customer class under its embedded cost-based method (17.717%)²⁰ and applied that percentage to the current adopted gas base revenue requirement effective January 1, 2023. PG&E then applied the resulting \$93.9 million shortfall to be re-allocated to the residential customer class under Cal Advocates method.²¹ PG&E will update the calculation of the shortfall in the December supplemental AGT submittal.

Confidentiality

Per GO 66-C, Section 583 of the Public Utilities Code, and D. 15-10-032, specific values in Attachment 7 are confidential as described in the attached confidentiality declaration.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than November 20, 2023, 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

²⁰ Exhibit PG&E-1, Revised for Errata, February 15, 2018, Line 7, Small Commercial column.

²¹ See Advice Letter 4197-G, p.4 for additional details.

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 submittal be approved within 30 days of submittal (by November 30, 2023), with an effective date of January 1, 2024.

As noted above, illustrative average rates are shown on Attachments 3 through 5 of this submittal. PG&E will submit final rates and preliminary statement changes in a separate December 2023 advice letter that will consolidate all year-end gas transportation rate changes authorized to be effective on January 1, 2024.²² Changes to core gas transportation rates will be incorporated into the monthly core procurement advice submittal for rates effective January 1, 2024.

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 A.17-09-006, R.02-10-001, A.21-06-021, A. 20-09-018, A.19-04-015, A.21-08-015, A.22-04-008, A.20-09-019, A.21-09-008, R.14-03-003 and R.12-11-005. 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
CPUC Communications

²² The advice letter for monthly core gas procurement rates will be submitted in a separate advice letter in December 2023.

Attachments

- Attachment 1: 2024 Revenue Requirements
- Attachment 1A: 2024 Revenue Requirements Allocation to Core/Noncore/Unbundled
- Attachment 2: Balancing Account Forecast Summary
- Attachment 3: Average End-User Gas Transportation Rates and Public Purpose Program Surcharges
- Attachment 4: Summary of Rates by Class by Major Elements
- Attachment 5: Allocation of Gas End-Use Transportation Revenue Requirements and Public Purpose Program Surcharge Revenues across Classes
- Attachment 6: Gas Rate Impacts
- Attachment 7: Natural Gas GHG Tables
 - Public Tables:**
 - Table A: Forecast Revenue Requirement
 - Table C: GHG Allowance Proceeds
 - Table D: GHG Outreach and Administrative Expense
 - Table E: Compliance Obligation Over Time
 - Confidential Table:**
 - Table B: Recorded GHG Costs
 - PG&E's 2024 Natural Gas GHG Limit
- Attachment 8: Confidentiality Declaration

cc:

- 2018 Gas Cost Allocation Proceeding (GCAP) (A.17-09-006) (Public Version)
- Gas PPP Surcharge (R.02-10-001) (Public Version)
- 2023 GRC Phase I (A.21-06-021) (Public Version)
- San Francisco General Office Sale (A. 20-09-018) (Public Version)
- 2020 Cost of Capital (A.19-04-015) (Public Version)
- 2022 Cost of Capital (A.21-08-015) (Public Version)
- 2023 Cost of Capital (A.22-04-008) (Public Version)
- 2020 Wildfire Mitigation and Catastrophic Event Memorandum Account (A.20-09-019) (Public Version)
- 2021 Wildfire Mitigation and Catastrophic Event Memorandum Account (A.21-09-008) (Public Version)
- Wildfire Gas Safety Costs (A.23-06-008) (Public Version)
- Greenhouse Gas Natural Gas OIR (R.14-03-003) (Public Version)
- Self Generation Incentive Program (R.12-11-005) (Public Version)
- Carlos Velasquez, Energy Division (Public and Confidential Versions)
- Andrew Ngo, Energy Division (Public and Confidential Versions)
- Elizabeth La Cour, Energy Division (Public and Confidential Versions)
- Adam Banasiak, Energy Division (Public and Confidential Versions)



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 G)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Stuart Rubio

Phone #: 279-789-6210

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: stuart.rubio@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) #: 4823-G

Tier Designation: 2

Subject of AL: Annual Gas True-Up of Gas Transportation Balancing Accounts for Rates Effective January 1, 2024

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 #:

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: see confidential declaration and matrix
 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: Robert Gomez, Robert.gomez@pge.com

Resolution required? Yes No

Requested effective date: 1/1/24

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: (415)973-2093
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

2024 Revenue Requirements

ATTACHMENT 1

PACIFIC GAS AND ELECTRIC COMPANY
January 1, 2024 RATE CHANGE

**2024 ANNUAL END-USE TRANSPORTATION, GAS TRANSMISSION AND STORAGE REVENUE REQUIREMENTS,
AND PUBLIC PURPOSE PROGRAMS AUTHORIZED FUNDING**
(\$ THOUSANDS)

Line No.		A	B	C	D	E	Line No.
		Present in Rates as of 9/1/23	Proposed as of 1/1/2024	Total Change	Core	Noncore / Unbundled	
END-USE GAS TRANSPORTATION							
1	Gas Transportation Balancing Accounts	407,735	(46,938)	(454,673)	(479,731)	25,058	1
2	GRC Distribution Base Revenues (includes distribution portion of Cost of Capital)	2,179,615	2,793,846	614,231	591,963	22,268	2
3	Pension - Distribution	31,710	31,710	-	(1)	1	3
4	Pension - Gas Transmission & Storage	15,430	15,430	-	-	-	4
5	Self Generation Incentive Program Revenue Requirement	12,990	12,990	-	693	(693)	5
6	CPUC Fee	15,130	15,130	-	-	-	6
7	Core Brokerage Fee Credit	(5,332)	(5,332)	-	-	-	7
8	Greenhouse Compliance Operational Cost (excluding RF&U)	11,012	49,877	38,865	15,844	23,021	8
9	Greenhouse Compliance Cost (excluding RF&U)	382,063	561,184	179,121	148,093	31,029	9
10	Greenhouse Compliance Revenue Return (excluding RF&U)	(270,505)	(434,077)	(163,572)	(163,572)	-	10
	Less CARE discount recovered in PPP surcharge from non-CARE customers	(175,364)	(179,356)	(3,992)	(3,992)	-	11
12	RF&U	10,553	8,364	(2,189)	(3,482)	1,293	12
13	Total Transportation RRQ with Adjustments and Credits	2,615,037	2,822,828	207,791	105,814	101,977	13
14							14
15	Procurement-Related G-10 Total	(1,164)	(923)	241	241	-	15
16	Procurement-Related G-10 Total Allocated	1,164	923	(241)	(98)	(143)	16
17	Total Transportation Revenue Requirements Reallocated	2,615,037	2,822,828	207,791	105,956	101,834	17
	Gas Transmission & Storage (GT&S) Transportation Revenue Requirements (RRQ)						
18	Local Transmission	952,788	1,382,681	429,893	293,700	136,194	18
19	Customer Access	2,331	4,660	2,329	-	2,329	19
20	Total GT&S Transportation RRQ	955,119	1,387,341	432,222	293,700	138,523	20
21	GT&S Late Implementation						21
22	Local Transmission	28,354	347,481	319,127	218,357	100,770	22
23	Backbone	22,370	1,433	(20,937)	(3,831)	(17,106)	23
24	Storage	10,359	17,615	7,256	7,256	-	24
25	Total GT&S Late Implementation	61,083	366,529	305,446	221,782	83,664	25
26	Total End-Use Gas Transportation RRQ	3,631,239	4,576,698	945,459	621,438	324,021	26
PUBLIC PURPOSE PROGRAMS (PPP) FUNDING							
27	Energy Efficiency	83,629	102,551	18,922	12,988	5,934	27
28	Energy Savings Assistance	80,949	80,726	(223)	(223)	-	28
29	Research and Development and BOE/CPUC Admin Fees	10,836	10,912	76	158	(82)	29
30	CARE Administrative Expense	2,792	2,814	22	46	(24)	30
31	Statewide Marketing, Education & Outreach	-	-	-	-	-	31
32	Total Authorized PPP Funding	178,206	197,003	18,797	12,969	5,828	32
33	PPP Surcharge Balancing Accounts	27,689	23,177	(4,512)	(8,036)	3,525	33
34	CARE discount recovered from non-CARE customers	175,364	179,356	3,992	4,295	(303)	34
35	Total PPP Required Funding	381,259	399,536	18,277	9,229	9,050	35
GT&S UNBUNDLED COSTS							
36	Backbone Transmission	342,450	327,607	(14,843)	-	(14,843)	36
37	Storage	-	-	-	-	-	37
38	Total GT&S Unbundled	342,450	327,607	(14,843)	-	(14,843)	38
39	TOTAL REVENUE REQUIREMENTS	4,354,948	5,303,841	948,893	630,667	318,228	39

Notes:

A positive balance represents an under-collection. A negative balance represents an over-collection.
Some numbers may not add precisely due to rounding.

Attachment 1A

2024 Revenue Requirements Allocation to Core/Noncore/Unbundled

ATTACHMENT 1A

PACIFIC GAS AND ELECTRIC COMPANY
January 1, 2024 RATE CHANGE2024 ANNUAL END-USE TRANSPORTATION, GAS TRANSMISSION AND STORAGE REVENUE REQUIREMENTS,
AND PUBLIC PURPOSE PROGRAMS AUTHORIZED FUNDING ALLOCATION TO CORE/NONCORE/UNBUNDLED
(\$ THOUSANDS)

Line No.		Proposed as of 1/1/2024	Core	Noncore / Unbundled	Line No.
END-USE GAS TRANSPORTATION					
1	Gas Transportation Balancing Accounts	(46,938)	(118,711)	71,774	1
2	GRC Distribution Base Revenues	2,793,846	2,692,736	101,110	2
3	Pension - Distribution	31,710	30,562	1,148	3
4	Pension - Gas Transmission & Storage	15,430	9,020	6,410	4
5	Self Generation Incentive Program Revenue Requirement	12,990	12,990	-	5
6	CPUC Fee	15,130	8,103	7,027	6
7	Core Brokerage Fee Credit	(5,332)	(5,332)	-	7
8	Greenhouse Compliance Operational Cost (excluding RF&U)	49,877	20,333	29,544	8
9	Greenhouse Compliance Cost (excluding RF&U)	561,184	463,972	97,212	9
10	Greenhouse Compliance Revenue Return (excluding RF&U)	(434,077)	(434,077)	-	10
	Less CARE discount recovered in PPP surcharge from non-CARE customers	(179,356)	(179,356)	-	
11	RF&U	8,364	5,497	2,867	11
12	Total Transportation RRQ with Adjustments and Credits	2,822,828	2,505,737	317,092	12
13					13
14	Procurement-Related G-10 Total	(923)	(923)	-	14
15	Procurement-Related G-10 Total Allocated	923	376	547	15
16	Total Transportation Revenue Requirements Reallocated	2,822,828	2,505,190	317,639	16
	Gas Transmission & Storage (GT&S) Transportation Revenue Requirements (RRQ)				
17	Local Transmission	1,382,681	944,637	438,044	17
18	Customer Access	4,660	-	4,660	18
19	Total GT&S Transportation RRQ	1,387,341	944,637	442,705	19
20	GT&S Late Implementation				20
21	Local Transmission	347,481	237,606	109,875	21
22	Backbone	1,433	4,408	(2,975)	22
23	Storage	17,615	17,615	-	23
24	Total GT&S Late Implementation	366,529	259,629	106,900	24
25	Total End-Use Gas Transportation RRQ	4,576,698	3,709,456	867,244	25
PUBLIC PURPOSE PROGRAMS (PPP) FUNDING					
26	Energy Efficiency	102,551	70,391	32,160	26
27	Energy Savings Assistance	80,726	80,726	-	27
28	Research and Development and BOE/CPUC Admin Fees	10,912	6,281	4,630	28
29	CARE Administrative Expense	2,814	1,511	1,303	29
30	Statewide Marketing, Education & Outreach	-	-	-	30
31	Total Authorized PPP Funding	197,003	158,909	38,094	31
32	PPP Surcharge Balancing Accounts	23,177	8,108	15,071	32
33	CARE discount recovered from non-CARE customers	179,356	96,298	83,058	33
34	Total PPP Required Funding	399,536	263,315	136,223	34
GT&S UNBUNDLED COSTS					
35	Backbone Transmission	327,607	-	327,607	35
36	Storage	-	-	-	36
37	Total GT&S Unbundled	327,607	-	327,607	37
38	TOTAL REVENUE REQUIREMENTS	5,303,841	3,972,771	1,331,074	38

Notes:

A positive balance represents an under-collection. A negative balance represents an over-collection. Some numbers may not add precisely due to rounding.

Attachment 2

Balancing Account Forecast Summary

ATTACHMENT 2

PACIFIC GAS AND ELECTRIC COMPANY
January 1, 2024 RATE CHANGE
BALANCING ACCOUNT FORECAST SUMMARY

(\$ THOUSANDS)

Line No.	Sep. 2023 Recorded Dec. 2023 Forecast	Allocation		Nov. 2022 Recorded ¹ Dec. 2022 Forecast	Allocation		Line No.	
		Core	Noncore		Core	Noncore		
	A	B	C	D	E	F		
GAS TRANSPORTATION BALANCING ACCOUNTS								
1	Core Fixed Cost Account (CFCA) - Distribution Cost Subaccount	(\$177,957)	(\$177,957)	\$0	\$31,181	\$31,181	\$0	1
2	CFCA - Core Cost Subaccount	(\$56,113)	(\$56,113)	\$0	\$32,015	\$32,015	\$0	2
3	Noncore Customer Class Charge Account (NCA) - Noncore Subaccount	\$2,352	\$0	\$2,352	(\$10,301)	\$0	(\$10,301)	3
4	NCA - Distribution Subaccount	\$2,644	\$0	\$2,644	\$3,864	\$0	\$3,864	4
5	NCA - Local Transmission Subaccount	\$8,262	\$0	\$8,262	\$286	\$0	\$286	5
6	NCA - GT&S Audit - Noncore Storage	\$1,559	\$0	\$1,559	\$1,559	\$0	\$1,559	6
7	Core Brokerage Fee Balancing Account	(\$710)	(\$710)	\$0	(\$220)	(\$220)	\$0	7
8	Hazardous Substance Mechanism	\$106,046	\$43,231	\$62,815	\$77,816	\$31,723	\$46,093	8
9	Balancing Charge Account	(\$11,696)	(\$4,768)	(\$6,928)	(\$1,661)	(\$677)	(\$984)	9
10	Property Sales	(\$8,085)	(\$6,321)	(\$1,764)	(\$48,263)	(\$37,731)	(\$10,532)	10
11	Customer Energy Efficiency Incentive Recovery Account - Gas	(\$178)	(\$122)	(\$56)	\$217	\$149	\$68	11
12	California Solar Initiative Thermal Program Memorandum Account	\$6,588	\$6,588	\$0	\$5,592	\$2,938	\$2,654	12
13	Adjustment Mechanism of Costs Determined in Other Proceedings	\$37,676	\$18,838	\$18,838	\$150,922	\$75,461	\$75,461	13
14	Non-Tariffed Products and Services Balancing Account	(\$313)	(\$313)	\$0	(\$340)	(\$340)	\$0	14
15	AB 32 Cost of Implementation Fee (2)	\$9,406	\$4,924	\$4,482	\$10,863	\$5,687	\$5,176	15
16	Percentage of Income Payment Plan Balancing Account	\$257	\$105	\$152	\$0	\$0	\$0	16
17	Santa Nella Balancing Account	\$0	\$0	\$0	\$0	\$0	\$0	17
18	Wildfire Mitigation and Catastrophic Event Memorandum Account (WMCE) and Wildfire Gas and Safety Costs (Distribution)	\$54,279	\$50,506	\$3,773	\$37,403	\$34,242	\$3,161	18
19	New Environmental Regulations Balancing Account	(\$1,551)	(\$1,495)	(\$56)	\$2,861	\$2,757	\$103	19
20	Pension Contribution Balancing Account	\$0	\$0	\$0	\$0	\$0	\$0	20
21	NGSS Enduser Depreciation/Decommissioning	(\$35,322)	(\$26,144)	(\$9,178)	\$37,313	\$27,618	\$9,695	21
22	GT&S Revenue Sharing Mechanism (3)	(\$98,281)	(\$49,140)	(\$49,140)	(\$59,150)	(\$29,575)	(\$29,575)	22
23	Risk Transfer Balancing Account	\$25,829	\$24,894	\$935	\$202,848	\$195,511	\$7,338	23
24	Residential Uncollectibles Balancing Account	\$149,407	\$60,908	\$88,499	\$2,771	\$1,129	\$1,641	24
25	Wildfire Mitigation Balancing Account - Distribution	\$0	\$0	\$0	\$1,835	\$1,769	\$66	25
26	GT&S Balancing Accounts	(\$89,879)	(\$33,421)	(\$56,458)	(\$97,157)	(\$37,178)	(\$59,979)	26
27	Mobile Home Park Balancing Account	\$28,843	\$27,799	\$1,044	\$25,482	\$24,561	\$922	27
28	CSU Monterey	\$0	\$0	\$0	\$0	\$0	\$0	28
29	Subtotal Transportation Balancing Accounts	(\$46,938)	(\$118,711)	\$71,774	\$407,735	\$361,020	\$46,716	29
PUBLIC PURPOSE PROGRAM (PPP) SURCHARGE BALANCING ACCOUNTS (4)								
30	PPP-Energy Efficiency	\$2,097	\$1,440	\$658	\$976	\$670	\$306	30
31	PPP-Low Income Energy Efficiency	(\$10,057)	(\$10,057)	\$0	\$2,983	\$2,983	\$0	31
32	PPP-Research Development and Demonstration	\$164	\$95	\$70	\$1,012	\$572	\$440	32
33	California Alternate Rates for Energy Account	\$30,973	\$16,630	\$14,343	\$22,719	\$11,919	\$10,800	33
34	Subtotal Public Purpose Program Balancing Accounts	\$23,177	\$8,108	\$15,071	\$27,690	\$16,144	\$11,546	34
35	TOTAL BALANCING ACCOUNTS	(\$23,761)	(\$110,603)	\$86,845	\$435,425	\$377,164	\$58,262	35

Footnotes:

- These balances are the forecasted balances as of December 2022. The December 2022 ending balances that were provided in the 2023 AGT AL 4693-G were the forecasted balances (based on recorded balances as of November 2022 with a forecast of December 2022 activity).
- This amount reflects the total forecast balance of the AB 32 Cost of Implementation Fee Core subaccount in the CFCA and the Noncore subaccount of the NCA. The total forecast balance is allocated on an equal-cents-per therm basis.
- The balance shown is the September 30, 2023 recorded balance in the Backbone and Local Transmission Subaccounts of the GTSRSM. The December recorded balances will be transferred evenly (50/50) to the CFCA and NCA after the approval of the AGT advice letter. The balance in the Local Transmission subaccount will be allocated to all end use customers except for industrial backbone and electric generation backbone customers.
- The PPP-related balances (based on Sept 2023 recorded) were included in the 2024 PPP Gas Surcharge filed in AL 4822-G on October 31, 2023.

Notes:

A positive balance represents an under-collection. A negative balance represents an over-collection.
Some numbers may not add precisely due to rounding.

Attachment 3

Average End-User Gas Transportation
Rates and Public Purpose Program Surcharges

ATTACHMENT 3

January 1, 2024

**AVERAGE END-USER GAS TRANSPORTATION RATES AND PUBLIC PURPOSE PROGRAM SURCHARGES
(\$/th; Annual Class Averages)⁽³⁾**

Line No.	Customer Class	September-23			AGT - Oct 1/1/2024			Percentage Change from September 2023		
		Transportation ⁽¹⁾⁽⁵⁾	G-PPPS ⁽²⁾	Total	Transportation	G-PPPS	Total	Transportation	G-PPPS	Total
RETAIL CORE										
1	Residential Non-CARE ⁽⁴⁾	\$1.490	\$.111	\$1.601	\$1.802	\$0.111	\$1.913	20.9%	(0.0%)	19.5%
2	Small Commercial Non-CARE ⁽⁴⁾	\$.986	\$.085	\$1.071	\$1.248	\$0.097	\$1.345	26.6%	14.3%	25.6%
3	Large Commercial	\$.638	\$.073	\$.711	\$0.868	\$0.082	\$.950	36.1%	12.6%	33.7%
4	NGV1 - (uncompressed service)	\$.641	\$.049	\$.689	\$0.876	\$0.052	\$.928	36.8%	7.2%	34.7%
5	NGV2 - (compressed service)	\$2.316	\$.049	\$2.365	\$2.331	\$0.052	\$2.383	0.6%	7.2%	0.8%
RETAIL NONCORE (6)										
6	Industrial - Distribution	\$.532	\$.086	\$.618	\$.72739	\$.09807	\$.825	36.7%	14.4%	33.6%
7	Industrial - Transmission	\$.269	\$.058	\$.328	\$.422	\$.065	\$.487	56.7%	11.0%	48.6%
8	Industrial - Backbone	\$.124	\$.058	\$.183	\$.193	\$.065	\$.258	55.3%	11.0%	41.1%
9	Electric Generation - Transmission (G-EG-D/LT)	\$.257		\$.257	\$.410		\$.410	59.4%		59.4%
10	Electric Generation - Backbone (G-EG-BB)	\$.122		\$.122	\$.192		\$.192	57.3%		57.3%
11	NGV 4 - Distribution (uncompressed service)	\$.532	\$.049	\$.581	\$.727	\$.052	\$.780	36.7%	7.2%	34.2%
12	NGV 4 - Transmission (uncompressed service)	\$.259	\$.049	\$.308	\$.410	\$.052	\$.462	58.3%	7.2%	50.2%
WHOLESALE CORE AND NONCORE (G-WSL) (6)										
13	Alpine Natural Gas	\$.136		\$.136	\$.230		\$.230	68.5%		68.5%
14	Coalinga	\$.137		\$.137	\$.230		\$.230	68.1%		68.1%
15	Island Energy	\$.145		\$.145	\$.232		\$.232	59.3%		59.3%
16	Palo Alto	\$.134		\$.134	\$.229		\$.229	71.3%		71.3%
17	West Coast Gas - Castle	\$.466		\$.466	\$.612		\$.612	31.5%		31.5%
18	West Coast Gas - Mather Distribution	\$.697		\$.697	\$.886		\$.886	27.1%		27.1%
19	West Coast Gas - Mather Transmission	\$.138		\$.138	\$.230		\$.230	67.0%		67.0%

- (1) Transportation Only rates include: i) a transportation component that recovers customer class charges, customer access charges, CPUC fees, local transmission (where applicable), distribution costs (where applicable), and AB32 Cost of Implementation Fee (wholesale and certain large customers are directly billed by the Air Resource board, and are exempt from PG&E's AB32 COI rate component of \$0.00185 per therm). Transport only customers must arrange for their own gas purchases and transportation to PG&E's citygate/local transmission system.
- (2) D. 04-08-010 authorized PG&E to remove the gas public purpose program surcharge that recovers the costs of low income California Alternate Rates for Energy (CARE), low income energy efficiency, energy efficiency, Research Development and Demonstration program and BOE/CPUC Administration costs from transportation rates and into its own separate surcharge tariff. Certain customers are exempt from paying the PPP surcharge; see tariff G-PPPS for details. G-PPPS rates are determined annually in PG&E's PPP Filing.
- (3) Rates are rounded to 3 decimals for viewing ease. Percentage rate changes are calculated on a 5-digit basis.
- (4) CARE Customers receive a 20% discount off of PG&E's total bundled rate and are exempt from the CARE portion of PG&E's Public Purpose Program Surcharge (G-PPPS) rates and cost recovery of the California Solar Initiative Thermal Program.
- (5) Billed Transportation rates paid by all customers include an additional GHG Compliance Cost of \$0.17459 and Operational Cost component of \$0.00763
- (6) Covered Entities within classes and the wholesale class (i.e. customers that currently have a direct obligation to pay for allowances directly to the Air Resources Board) will see a line item credit on their bill equal to the GHG Compliance Cost \$0.17459 per therm times their monthly billed volumes.

Attachment 4

Summary of Rates by Class by Major Elements

ATTACHMENT 4

**January 1, 2024
AVERAGE END-USER GAS TRANSPORTATION RATES AND PPP SURCHARGES
(\$/th; Annual Class Averages)⁽⁹⁾**

	Core Retail					Noncore Retail							
	Non-CARE Residential	Small Commercial	Large Commercial	G-NGV1 (Uncompressed)	G-NGV2 (Compressed)	Industrial			G-NGV 4		Electric Generation		
						Distribution	Transmission	BB-Level Serv.	Distribution	Transmission	Dist./Trans.	BB-Level Serv.	
TRANSPORTATION CHARGE COMPONENTS													
1 Local Transmission (1)	\$352650	\$35265	\$35265	\$35265	\$35265	\$16097	\$16097	\$00000	\$16097	\$16097	\$16097	\$16097	\$00000
2 Self Generation Incentive Program	\$006622	\$00143	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000
3 CPUC Fee (3)	\$003040	\$00304	\$00304	\$00304	\$00304	\$00304	\$00304	\$00304	\$00304	\$00304	\$00304	\$00045	\$00045
4 AB32 Air Resource Board Cost of Implementation Fee (8)	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185	\$00185
5 AB32 Greenhouse Gas Compliance Cost (Non-Covered Entities Pay Only)	\$174590	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459
6 Balancing Accounts (2)													
	(\$046453)	(\$02768)	(\$01260)	(\$01285)	(\$07280)	\$02948	\$01172	\$01201	\$02948	\$01106	\$01120	\$01217	\$01217
7 NCA - Local Transmission Cost Subaccount ⁽¹¹⁾	\$000000	\$00000	\$00000	\$00000	\$00000	\$01577	\$01577	\$00000	\$01577	\$01577	\$01577	\$01577	\$00000
8 2019 GTS Late Implementation Amortization	\$096923	\$09692	\$09692	\$09692	\$09692	\$03954	\$03954	(\$00083)	\$03954	\$03954	\$03954	\$03954	(\$00083)
9 GT&S-related Pension	\$003339	\$00334	\$00334	\$00334	\$00334	\$00184	\$00184	\$00088	\$00184	\$00184	\$00184	\$00184	\$00088
10 Distribution - Annual Average (6)	\$1209527	\$58410	\$24455	\$25566	\$177163	\$29206	\$01116		\$29206		\$00230	\$00230	
11 VOLUMETRIC RATE - Average Annual	\$1.80209	\$1.19023	\$0.86434	\$0.87520	\$2.33122	\$0.71915	\$0.42048	\$0.19154	\$0.71915	\$0.40867	\$0.40852	\$0.191407	
12 CUSTOMER ACCESS CHARGE - Class Average Volumetric Equivalent (4)		\$0.05822	\$0.00411	\$0.00095		\$0.00825	\$0.0143	\$0.0158	\$0.00825	\$0.0143	\$0.0167	\$0.0052	
13 CLASS AVERAGE TRANSPORTATION RATE	\$1.80209	\$1.24846	\$0.86845	\$0.87615	\$2.33122	\$0.72739	\$0.42191	\$0.19312	\$0.72739	\$0.41010	\$0.41018	\$0.19193	
14 PUBLIC PURPOSE PROGRAM SURCHARGE/TAX (5)	\$1.1051	\$0.09693	\$0.08184	\$0.05218	\$0.05218	\$0.09807	\$0.06463	\$0.06463	\$0.05218	\$0.05218			
15 END-USE RATE (7)	\$1.91260	\$1.34539	\$0.95029	\$0.92833	\$2.38340	\$0.82546	\$0.48654	\$0.25775	\$0.77957	\$0.46228	\$0.41018	\$0.19193	

	Wholesale						
	Coalinga	Palo Alto	WC Gas Mather		Island Energy	Alpine	WC Gas Castle
			Dist.	Trans.			
TRANSPORTATION CHARGE COMPONENTS							
16 Local Transmission (1)	\$16097	\$16097	\$16097	\$16097	\$16097	\$16097	\$16097
17 Self Generation Incentive Program	WHOLESALE CUSTOMERS EXEMPT FROM SGIP, AB32 COI, AB32 Gas Compliance Costs, and CPUC FEE RATE COMPONENT						
18 CPUC Fee (3)	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000
19 AB32 Air Resource Board Cost of Implementation Fee (8)	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000
20 AB32 Greenhouse Gas Compliance Cost (Non-Covered Entities Pay Only)	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459
Inventory Management	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000	\$00000
21 Balancing Accounts including the NCA - LT cost subaccount (2)	\$02683	\$02683	\$06590	\$02683	\$02683	\$02683	\$04897
22 2019 GTS Late Implementation Amortization	\$03954	\$03954	\$03954	\$03954	\$03954	\$03954	\$03954
23 GT&S-related Pension	\$00184	\$00184	\$00184	\$00184	\$00184	\$00184	\$00184
24 Distribution - Annual Average			\$061663				\$035935
25 VOLUMETRIC RATE - Average Annual	\$0.40378	\$0.40378	\$1.05947	\$0.40378	\$0.40378	\$0.40378	\$0.78526
26 CUSTOMER ACCESS CHARGE - Class Average Volumetric Equivalent (4)	\$0.00076	\$0.00018	\$0.00095	\$0.00095	\$0.00247	\$0.00069	\$0.0149
27 CLASS AVERAGE TRANSPORTATION RATE	\$0.40453	\$0.40395	\$1.06042	\$0.40473	\$0.40625	\$0.40446	\$0.78676
28 PUBLIC PURPOSE PROGRAM SURCHARGE/TAX (5)							
29 END-USE RATE	\$0.40453	\$0.40395	\$1.06042	\$0.40473	\$0.40625	\$0.40446	\$0.78676
30 GHG COMPLIANCE COST EXEMPTION	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459	\$17459
31 END-USE RATE EXCLUDING GHG COMPLIANCE COST	\$0.22994	\$0.22936	\$0.88583	\$0.23014	\$0.23166	\$0.22987	\$0.61217

NOTES

- (1) Based on PG&E's 2023 General Rate Case Proposed Decision.
- (2) Based on September recorded balances and forecasted through December.
- (3) CPUC Fee based on Resolution M-4866, effective January 1, 2023 (including RF&U). G-EG customers pay a reduced CPUC fee as updated in 2018 GCAP D.19-10-036.
- (4) Based on PG&E's 2023 General Rate Case Proposed Decision.
- (5) Decision 04-08-010 ordered the removal of PPP cost recovery from transportation rates. On March 1, 2005 PG&E began to treat PPP as a tax. AL 4822-G updated PG&E's 2024 PPP Surcharges effective January 1, 2024.
- (6) The G-NGV2 Distribution rate component includes the cost of compression, station operations and maintenance, and state/federal gas excise taxes, and the average A-10 electric rate.
- (7) CARE Customers receive a 20% discount off of PG&E's total bundled rate and are exempt from the CARE portion of PG&E's Public Purpose Program Surcharge (G-PPPS) rates and cost recovery of the California Solar Initiative Thermal Program.
- (8) AB32 provides the Air Resource Board recovery of its administration costs associated with the implementation of AB32. Wholesale and certain large customers are directly billed by the ARB, and are exempt from PG&E's cost of implementation component of \$0.00185 per therm.
- (9) Billed Transportation rates paid by all customers include an additional GHG Compliance Cost of \$0.17459 and Operational Cost component of \$0.00763. Covered Entities within classes and the wholesale class (i.e. customers that currently have a direct obligation to pay for allowances directly to the Air Resource Board) will see a line credit on their bill equal to the GHG Compliance Cost \$0.11886 per therm times their monthly billed therms.
- (10) The NCA - Local Transmission Cost Subaccount was created to comply with OP 82 in the 2019 GT&S Decision (19-09-025) and Advice Letter 4288-G.
- (11) Rates are unrounded.

Attachment 5

Allocation of Gas End-Use Transportation Revenue Requirements
and Public Purpose Program Surcharge Revenues across Classes

GT&S AUDIT ALLOCATED BASED ON GT&S REVENUE RESPONSIBILITY		Total	Residential	Small Commercial	Large Commercial	Core NGV	Compression Cost for G-NGV2	Subtotal Core	Industrial Distribution	Industrial Transmission	Industrial Backbone	EG D/T	EG BB	Noncore NGV	Coalinga	Palo Alto	Alpine Natural Gas	WC Gas Mather**	Island Energy	WC Gas Castle**	Other Wholesale	Noncore & Wholesale				
55	Local Transmission Balancing Account	\$347,482	\$159,388	\$69,084	\$6,021	\$3,113	\$0	\$237,606	\$10,417	\$72,747	\$0	\$24,979	\$0	\$337	\$85	\$1,211	\$21	\$36	\$18	\$25	\$0	\$0	\$0	\$0	\$1,335	\$109,875
56	Backbone Transmission Balancing Account	\$1,432	\$2,957	\$1,282	\$112	\$58	\$0	\$4,408	(\$215)	(\$1,499)	(\$15)	(\$515)	(\$696)	(\$7)	(\$2)	(\$25)	(\$0)	(\$1)	(\$0)	(\$1)	\$0	\$0	\$0	\$0	(\$28)	(\$2,975)
57	Storage Balancing Account	\$17,615	\$11,816	\$5,121	\$446	\$231	\$0	\$17,615	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Subtotal of 2019 GT&S LIA	\$366,529	\$174,161	\$75,486	\$6,579	\$3,402	\$0	\$259,629	\$10,203	\$71,247	(\$15)	\$24,464	(\$696)	\$330	\$83	\$1,186	\$21	\$35	\$17	\$25	\$0	\$0	\$0	\$0	\$1,307	\$106,900

GT&S-related Pension Revenue Requirement		Total	Residential	Small Commercial	Large Commercial	Core NGV	Compression Cost for G-NGV2	Subtotal Core	Industrial Distribution	Industrial Transmission	Industrial Backbone	EG D/T	EG BB	Noncore NGV	Coalinga	Palo Alto	Alpine Natural Gas	WC Gas Mather**	Island Energy	WC Gas Castle**	Other Wholesale	Noncore & Wholesale				
59	Pension - Transmission	\$15,430	\$6,078	\$2,603	\$229	\$110	\$0	\$9,020	\$476	\$3,301	\$16	\$1,795	\$743	\$15	\$4	\$56	\$1	\$2	\$1	\$1	\$0	\$0	\$0	\$0	\$62	\$6,410
60	Net End-User Transportation Excluding LT and CAC	\$3,368,713	\$2,189,307	\$697,380	\$34,638	\$17,503	\$5,347	\$2,944,176	\$140,001	\$185,012	\$785	\$73,296	\$20,415	\$2,054	\$144	\$2,051	\$36	\$432	\$30	\$280	\$0	\$0	\$0	\$0	\$2,261	\$424,538

ADOPTED REVENUE REQUIREMENTS ALLOCATIONS FOR GT&S ITEMS IN TRANSPORTATION		Total	Residential	Small Commercial	Large Commercial	Core NGV	Compression Cost for G-NGV2	Subtotal Core	Industrial Distribution	Industrial Transmission	Industrial Backbone	EG D/T	EG BB	Noncore NGV	Coalinga	Palo Alto	Alpine Natural Gas	WC Gas Mather**	Island Energy	WC Gas Castle**	Other Wholesale	Noncore & Wholesale				
61	Local Transmission	1,382,681	633,670	274,651	23,938	12,378	0	944,637	41,531	290,021	0	99,584	0	1,344	\$339	\$4,827	\$84	\$143	\$70	\$100	\$5,321	438,044				
62	Customer Access Charge	4,660	0	0	0	0	0	0	0	2,601	29	1,491	438	0	\$16	\$53	\$4	\$8	\$11	\$9	\$83	4,660				
63	Total End-User Gas Accord Transportation Costs	1,387,342	633,670	274,651	23,938	12,378	0	944,637	41,531	292,622	29	101,075	438	1,344	\$355	\$4,881	\$88	\$152	\$81	\$109	\$0	\$0	\$0	\$0	\$5,405	442,705
64	Gross End-User Transportation Costs in Rates	4,756,055	2,822,976	972,032	58,576	29,881	5,347	3,888,813	181,532	477,634	814	174,371	20,854	3,399	\$499	\$6,931	\$124	\$584	\$111	\$389	\$0	\$0	\$0	\$0	\$7,665	867,242
65	Less Forecast CARE Discount recovered in PPP Surcharges	179,356	179,356	0	0	0	0	179,356	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
66	Net End-User Transportation Costs in Rates	4,576,699	2,643,620	972,032	58,576	29,881	5,347	3,709,456	181,532	477,634	814	174,371	20,854	3,399	\$499	\$6,931	\$124	\$584	\$111	\$389	\$0	\$0	\$0	\$0	\$7,665	867,242

ALLOCATION OF PUBLIC PURPOSE PROGRAM SURCHARGES		Total	Residential	Small Commercial	Large Commercial	Core NGV	Compression Cost for G-NGV2	Subtotal Core	Industrial Distribution	Industrial Transmission	Industrial Backbone	EG D/T	EG BB	Noncore NGV	Coalinga	Palo Alto	Alpine Natural Gas	WC Gas Mather**	Island Energy	WC Gas Castle**	Other Wholesale	Noncore & Wholesale				
67	PPP-EE Surcharge	102,551	34,703	33,698	1,989	0	0	70,391	11,096	20,852	212	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	32,160	
68	PPP-EE Balancing Account	2,097	710	689	41	0	0	1,440	227	426	4	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	658	
69	PPP-ESA Surcharge	80,726	80,726	0	0	0	0	80,726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
70	PPP-ESA Balancing Account	(10,057)	(10,057)	0	0	0	0	(10,057)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
71	PPP - RD&D Programs	10,494	4,087	1,727	154	73	0	6,041	555	3,841	39	0	0	19	0	0	0	0	0	0	0	0	0	0	4,453	
72	PPP - RD&D Balancing Account	164	64	27	2	1	0	95	9	60	1	0	0	0	0	0	0	0	0	0	0	0	0	0	70	
73	PPP-CARE Discount Allocation Set Annually	179,356	59,861	32,214	2,869	1,354	0	96,298	10,342	71,641	728	0	0	347	0	0	0	0	0	0	\$0	\$0	\$0	\$0	83,058	
74	PPP-CARE Administration Expense	2,814	939	505	45	21	0	1,511	162	1,124	11	0	0	5	0	0	0	0	0	0	\$0	\$0	\$0	\$0	1,303	
75	PPP-CARE Balancing Account	30,973	10,337	5,563	495	234	0	16,630	1,786	12,372	126	0	0	60	0	0	0	0	0	0	\$0	\$0	\$0	\$0	14,343	
76	PPP-Admin Cost for BOE and CPUC	417	162	69	6	3	0	240	22	153	2	0	0	1	0	0	0	0	0	0	\$0	\$0	\$0	\$0	177	
77	PPP-ESA Statewide ME&O	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
78	Subtotal of Public Purpose Program Surcharge	\$399,536	\$181,533	\$74,492	\$5,602	\$1,686	\$0	\$263,313	\$24,199	\$110,470	\$1,122	\$0	\$0	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$136,223

79	Unbundled Gas Transmission and Storage Revenue Requirement	\$327,607																							327,607	
80	Total Allocated Illustrative Revenue Requirement	5,303,841	2,825,153	1,046,524	64,179	31,566	5,347	3,972,769	205,731	588,104	1,936	174,371	20,854	3,831	499	6,931	124	584	111	389	0	0	0	0	7,665	1,331,072
TOTAL GAS REVENUE REQUIREMENT																										

AND PPPS FUNDING REQUIREMENT IN RATES		5,303,841
86	Total Transportation, PPS and Unbundled Costs	5,303,841
87	Cross-check with Gas Revenue Requirement Wkppr Including Core Procurement	
88	Difference	
89	Inputs Outputs Tab	
90		

Attachment 6

Gas Rate Impacts

Residential Gas Rate and Bill Impacts of Rate Change Sought in Annual Gas True-Up
AL Effective Date: 1/1/2024

	Present Rates in AL 4781-G			Proposed Rates: January 1, 2024			Changes			Decisions / Resolutions authorizing rate change
	9/1/23 Volumes Mth	Proposed Rate \$/therm	9/1/2023 Revenues \$000's	1/1/2024 Volumes Mth	Average Rate \$/therm	1/1/2024 Revenues \$000's	Revenue Change \$000's	Rate Change \$/therm	% Rate change %	
CARE Residential Customers										
Other Transportation Rate	404,864	0.807	\$326,803	390,634	0.889	\$347,309	\$20,506	0.082	10.1%	2023 GRC PD and various.
Local Transmission Rate & Late Implementation	399,730	0.257	\$102,787	385,684	0.450	\$173,396	\$70,609	0.192	74.8%	2023 GRC PD including GRC Track II, WGSC A. 23-06-008
PPP	404,820	0.064	\$26,062	390,589	0.061	\$23,709	(\$2,354)	-0.004	-5.7%	PPP AL 4822-G
Illustrative Procurement ¹	361,498	0.631	\$229,215	348,792	0.498	\$173,664	(\$55,552)	-0.133	-21.1%	
GHG and GS/GT Credit			(\$62,593)			(\$95,450)	(\$32,857)			
Total Average Rate		1.760	\$603,790		1.897	\$622,627	\$18,837	0.137	7.8%	
Average Monthly Residential Gas Bill \$ (32 therms)		\$56.32			\$60.71					
Average Monthly Residential Bill Increase or Decrease (\$)					\$4.40					
Average Monthly Residential Bill Increase or Decrease (%)					7.8%					
Non-CARE Residential Customers										
Other Transportation Rate	1,415,117	1.233	\$1,744,972	1,429,329	1.353	\$1,933,187	\$188,215	0.119	9.7%	2023 GRC PD and various.
Local Transmission Rate & Late Implementation	1,397,172	0.257	\$359,269	1,411,218	0.450	\$634,455	\$275,187	0.192	74.8%	2023 GRC PD including GRC Track II, WGSC A. 23-06-008
PPP	1,413,854	0.111	\$156,302	1,428,057	0.111	\$157,815	\$1,513	0.000	0.0%	PPP AL 4822-G
Illustrative Procurement ¹	1,265,181	0.631	\$802,213	1,277,887	0.498	\$636,260	(\$165,953)	-0.133	-21.1%	
GHG and GS/GT Credit			(\$218,780)			(\$349,251)	(\$130,471)			
Total Average Rate		2.232	\$2,785,165		2.411	\$3,012,465	\$227,300	0.179	8.0%	
Average Monthly Residential Gas Bill \$ (32 therms)		\$71.42			\$77.14					
Average Monthly Residential Bill Increase or Decrease (\$)					\$5.71					
Average Monthly Residential Bill Increase or Decrease (%)					8.0%					

Note:

1. For the preliminary AGT, the present illustrative rate uses the average actual 2023 G-CP rate in effect for Jan-Oct with a forecast for Nov-Dec. Final AGT will use the average for the 2023 year.

Attachment 7

Natural Gas GHG Tables

(Public Tables)

Illustrative Natural Gas GHG Rate Impacts

D.15-10-032, Decision Adopting Procedures Necessary For Natural Gas Corporations To Comply With The California Cap On Greenhouse Gas

Table A: Forecast Revenue Requirement

Line Description	2018		2019		2020		2021		2022		2023		2024	
	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast
1 Gross Throughput (MMcf) (See Note 1)	675,808	668,442	669,680	707,015	650,940	678,557	615,971	663,555	562,715	619,520	559,216	657,096	610,321	
2 Throughput to Covered Entities (MMcf)	(371,624)	(366,722)	(364,638)	(382,841)	(304,755)	(346,525)	(249,342)	(305,695)	(208,236)	(272,844)	(209,239)	(294,498)	(242,395)	
3 Net Throughput to End Users (MMcf) (Line 1 + Line 2)	304,184	301,720	305,042	324,174	346,185	332,033	366,629	357,860	354,479	346,676	349,977	362,598	367,927	
4 Lost and Unaccounted for Gas (MMcf)	10,654	12,551	10,316	10,785	10,083	9,873	10,572	10,525	8,944	10,592	8,838	11,515	9,565	
5 Total Supplied Gas (MMcf) (Line 3 + Line 4)	314,838	314,271	315,358	334,959	356,268	341,906	377,201	368,385	363,423	357,268	358,815	374,113	377,492	
6 Emissions Conversion Factor (MTCO _{2e} /MMcf)	54.6		54.64		54.64		54.64		54.6		54.6		54.64	
6a LUAF MTCO _{2e} , (Line 4 * Line 6)	582,181		563,711		550,979		577,701		488,739		482,947		522,695	
7 Compliance for End Users excluding LUAF (MTCO _{2e}) (Line 3 * Line 6)	16,621,942		16,668,827		18,917,061		20,034,219		19,370,281		19,124,272		20,105,129	
8 Compliance Obligation for Company Facilities (MTCO _{2e})	282,828		259,032		239,107		238,987		273,274		286,983	254,289	265,015	
9 Gross Compliance Obligation (MTCO _{2e}) (Line 6a + Line 7 + Line 8)	17,486,952		17,491,571		19,707,147		20,850,907		20,132,294		19,894,202		20,892,840	
10 Directly Allocated Allowances	(17,778,400)		(17,398,006)		(17,037,633)		(16,356,929)		(15,676,224)		(14,995,520)		(14,314,815)	
11 Percentage Consigned to Auction	40%		45%		50%		55%		60%		65%		70%	
12 Consigned Allowances (Line 10 * Line 11) (see Note 2)	7,111,360		7,829,103		8,518,816		8,996,310		9,405,734		9,747,088		10,020,371	
13 Net Compliance Obligation (MTCO _{2e}) (Line 9 + Line 10 + Line 12)	6,819,912		7,922,667		11,188,330		13,490,288		13,861,805		14,645,770		16,598,395	
14 Proxy GHG Allowance Price	\$ 15.55		\$ 16.33		\$ 17.78		\$ 17.96		\$ 26.58		\$ 29.07		\$ 39.62	
15 Compliance Instrument Cost	\$ 106,049,624	\$ 106,099,678	\$ 129,377,157	\$ 126,517,264	\$ 198,937,453	\$ 164,563,692	\$ 242,285,577	\$ 248,688,924	\$ 368,446,773	\$ 300,796,135	\$ 425,752,535	\$ 407,983,546	\$ 657,628,420	
16 Interest*/Financing Costs (see Note 3 for 2023)	\$ 3,157,684		\$ 649,062		\$ 56,371		\$ (12,763)		\$ 229,761	\$ 6,671,507	\$ 16,257,173	\$ 4,919,126	\$ 7,376,220	
17 Revenue Fees & Uncollectibles	\$ 1,422,232	\$ 1,422,903	\$ 1,729,773	\$ 1,691,536	\$ 2,659,794	\$ 2,200,217	\$ 3,239,358	\$ 3,324,971	\$ 4,839,241	\$ 4,006,605	\$ 5,240,479	\$ 5,434,341	\$ 8,146,671	
18 Revenue Requirement (Line 15 + Line 16 + Line 17)	\$ 107,471,856	\$ 110,680,265	\$ 131,106,930	\$ 128,857,861	\$ 201,597,246	\$ 166,820,279	\$ 245,524,935	\$ 252,001,132	\$ 373,515,775	\$ 311,474,247	\$ 447,250,186	\$ 418,337,013	\$ 673,151,312	
19 Previous Years Cost Balancing Subaccount Balance			\$ 57,784,748		\$ (10,228,993)		\$ (24,373,171)		\$ (5,697,186)		\$ (48,934,474)		\$ (53,943,196)	
20 Revenue Requirement to be Included in Rates (Line 18 + Line 19)	\$ 107,471,856		\$ 188,891,678		\$ 191,368,254		\$ 221,151,764		\$ 367,818,589		\$ 398,315,713		\$ 619,208,115	
21 Covered Entity Rate Impact (\$/therm)	\$ 0.00185		\$ 0.00268		\$ 0.00219		\$ (0.00168)		\$ 0.00211		\$ 0.00168		\$ 0.00763	
22 Non-Covered Entity Rate Impact (\$/therm)	\$ 0.02786		\$ 0.05049		\$ 0.05111		\$ 0.07198		\$ 0.10445		\$ 0.12055		\$ 0.18222	

CONFIDENTIAL INFORMATION

NOTES

- Lines 1-9 of the 2023 Recorded/Forecast column includes January-September actuals and October-December forecasted data.
- Year 2023 Recorded Represents the allowances consigned in 2023 through 9/30/23 and forecast based on the the allowances to be consigned (based on total 2023 consigned allowances divided by 4)
- In accordance with the 2020 GRC Settlement Agreement , as adopted in Decision 20-12-005, PG&E has included \$7.9M for the forecasted 2023 gas greenhouse gas compliance instrument inventory costs and \$7.4M for the forecasted 2024 gas greenhouse gas compliance instrument inventory costs.

Table C: GHG Allowance Proceeds

Line Description	2018		2019		2020		2021		2022		2023		2024	
	Forecast	Recorded	Forecast	Recorded/Forecast										
1 Proxy GHG Allowance Price (\$/MT)	\$ 15.55		\$ 16.33		\$ 17.78		\$ 17.96		\$ 26.58		\$ 29.07		\$ 39.62	
2 Directly Allocated Allowances	17,778,400		17,398,006		17,037,633		16,356,929		15,676,224		14,995,520		14,314,815	
3 Percentage Consigned to Auction	40%		45%		50%		55%		60%		65%		70%	
4 Consigned Allowances	7,111,360		7,829,103		8,518,816		8,996,310		9,405,734		9,747,088		10,020,371	
5 Allowance Proceeds (See Note 1)	\$ (110,581,648)	\$ (105,994,821)	\$ (127,849,247)	\$ (131,802,931)	\$ (151,471,364)	\$ (145,160,625)	\$ (161,573,728)	\$ (198,278,669)	\$ (250,004,420)	\$ (267,593,132)	\$ (283,347,848)	\$ (316,024,961)	\$ (397,007,079)	
6 Previous Year's Revenue Balancing Subaccount Balance		\$ 142,668		\$ 552,135		\$ 63,922		\$ 15,463		\$ 369,446		\$ 3,214,313		\$ (31,364,319)
7 Interest*		\$ (3,275,532)		\$ 552,135		\$ 63,922		\$ 15,463		\$ 369,446		\$ 3,214,313		\$ (31,364,319)
8 Subtotal Allowance Proceeds (\$) (Line 5 + Line 6 + Line 7)	\$ (110,581,648)	\$ (109,270,353)	\$ (127,706,579)	\$ (131,250,796)	\$ (157,723,013)	\$ (145,096,703)	\$ (145,245,562)	\$ (198,263,207)	\$ (288,171,955)	\$ (267,223,686)	\$ (303,218,125)	\$ (312,810,648)	\$ (428,371,398)	
9 Outreach and Admin Expenses (\$) (from Table D)**	\$ 1,152,303	\$ 880,264	\$ 575,270	\$ 269,295	\$ 536,977	\$ 227,421	\$ 322,372	\$ 86,911	\$ 203,896	\$ 117,117	\$ -	\$ -	\$ -	
9a Revenue Fees & Uncollectibles	\$ (1,467,557)	\$ (1,453,619)	\$ (1,699,746)	\$ (1,751,223)	\$ (1,818,534)	\$ (1,512,338)	\$ (1,654,580)	\$ (2,366,574)	\$ (3,553,750)	\$ (2,937,494)	\$ (3,555,762)	\$ (3,683,535)	\$ (5,705,907)	
9b SB 1477 Compliance Costs					\$ 21,170,000	\$ 31,755,000	\$ 21,170,000	\$ 21,170,000	\$ 21,170,000	\$ 21,170,000	\$ 10,585,000	\$ 10,585,000	\$ 10,585,000	
9c RNG Incentive Costs									\$ 8,468,000	\$ 8,468,000	\$ 8,468,000	\$ 8,468,000	\$ 8,468,000	
9d Bio-SNG Pilot Costs									\$ 16,936,000	\$ 16,936,000	\$ -	\$ -	\$ -	
9e Self-Generation Incentive Program (SGIP) Heat Pump Water Heater (HPWH) Incentive Costs										\$ 17,216,000	\$ 17,216,000	\$ -	\$ -	
10 Net GHG Proceeds Available for Customer Returns (\$) (Line 8 + Line 9a + Line 9b + Line 9c + Line 9d + Line 9e)	\$ (110,896,902)	\$ (109,843,708)	\$ (128,831,055)	\$ (132,732,724)	\$ (137,834,570)	\$ (114,626,620)	\$ (125,407,770)	\$ (179,372,870)	\$ (244,947,809)	\$ (223,470,062)	\$ (270,504,888)	\$ (280,225,182)	\$ (434,077,305)	
11 2015-2017 Net of Costs and Proceeds included in October 2018 Customer Credit (including RF&U)		\$ (38,395,768)												
12 Number of Residential Households			5,061,931		5,070,453		5,094,698		5,113,609		5,125,047		5,152,774	
13 Per Household California Climate Credit (\$) (Line 10 / Line 11)			(25.45)		(27.18)		(24.62)		(47.90)		(52.78)		(84.24)	

NOTES

1 Year 2023 Recorded Represents the allowances proceeds in 2023 through 9/30/23 and forecast proceeds based on remaining expected consigned allowances multiplied by the proxy price of vintage 2023 California Carbon Allowance Future.

** Pursuant to D.15-10-032, Conclusion of Law (COL) 18, PG&E has requested approval to sunset the Greenhouse Gas Expense Memorandum Account (GHGEMA-G), effective January 1, 2023, in its 2023 GRC Track 2 proceeding (A.21-06-021). Therefore PG&E is not seeking recovery of Outreach and Administrative costs for 2023 forward through GHG Proceeds.

Table D: GHG Outreach and Administrative Expenses

Line Description	2018		2019		2020		2021		2022		2023**		2024**	
	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast*	Forecast	Recorded/ Forecast	Forecast	Recorded/ Forecast
1 Outreach Expenses														
2 Detail of Outreach Activity (\$) (See Note 1)	\$ 187,303	\$ 71,340	\$ 73,000	\$ 37,205	\$ 67,554	\$ 33,525	\$ 64,677	\$ 25,571	\$ 46,737	\$ 25,971	\$ -	\$ -	\$ -	\$ -
3 Subtotal Outreach (\$)	\$ 187,303	\$ 71,340	\$ 73,000	\$ 37,205	\$ 67,554	\$ 33,525	\$ 64,677	\$ 25,571	\$ 46,737	\$ 25,971	\$ -	\$ -	\$ -	\$ -
4 Administrative Expenses														
5 General Program Management (See Note 2)	\$ 223,000	\$ 199,714	\$ 320,000	\$ 117,855	\$ 343,293	\$ 91,785	\$ 150,790	\$ (3,073)	\$ 63,408	\$ 18,754	\$ -	\$ -	\$ -	\$ -
6 IT/Billing System Enhancements (See Note 2a)	\$ 658,000	\$ 543,407	\$ 52,270	\$ 6,027	\$ 22,000	\$ 4,156	\$ 10,000	\$ 8,387	\$ 10,000	\$ 2,972	\$ -	\$ -	\$ -	\$ -
7 Customer Inquiry Support Cost (See Note 2b)	\$ 84,000	\$ 53,137	\$ 130,000	\$ 85,412	\$ 104,130	\$ 95,243	\$ 96,906	\$ 55,960	\$ 83,751	\$ 67,767	\$ -	\$ -	\$ -	\$ -
8 Subtotal Administrative (\$)	\$ 965,000	\$ 796,259	\$ 502,270	\$ 209,293	\$ 469,423	\$ 191,184	\$ 257,695	\$ 61,274	\$ 157,159	\$ 89,493	\$ -	\$ -	\$ -	\$ -
9 Subtotal Outreach and Administrative (\$)	\$ 1,152,303	\$ 867,599	\$ 575,270	\$ 246,499	\$ 536,977	\$ 224,709	\$ 322,372	\$ 86,845	\$ 203,896	\$ 115,464	\$ -	\$ -	\$ -	\$ -
10 Interest (\$)		\$ 12,665		\$ 22,797		\$ 2,712		\$ 66		\$ 1,653	\$ -	\$ -	\$ -	\$ -
11 Total (\$)	\$ 1,152,303	\$ 880,264	\$ 575,270	\$ 269,295	\$ 536,977	\$ 227,421	\$ 322,372	\$ 86,911	\$ 203,896	\$ 117,117	\$ -	\$ -	\$ -	\$ -

*2023 Recorded/Forecast expenses includes actuals from January through September, plus forecast of October through December.

**Pursuant to D.15-10-032, Conclusion of Law (COL) 18, PG&E has requested approval to sunset the Greenhouse Gas Expense Memorandum Account (GHGEMA-G), effective January 1, 2023, in its 2023 GRC Track 2 proceeding (A.21-06-021). Therefore PG&E is not seeking recovery of Outreach and Administrative costs for 2023 forward through GHG Proceeds.

NOTES:

1 Detail of Outreach Activity:

Line 2: Costs associated with residential CA Climate Credit Outreach Activities include: Development and deployment of bill inserts, emails and master meter letters. Maintenance and update of webpages. Labor includes creative development, planning, management of outreach activities and coordination with the Energy Division.

2 Administrative Activities:

Line 5: Costs associated with CA Climate Credit Outreach Program Management activities include: Coordination with various groups (IT, accounting, rates, regulatory, marketing) to ensure natural gas residential customers receive appropriate regulatory-approved Climate Credits. Labor includes regulatory filings, advice letters and data requests, and ensuring compliance with all applicable regulatory requirements.

2a Line 6: Costs associated with CA Climate Credit Outreach IT/Billing System Enhancements activities include: Maintenance of custom billing programs developed to administer the residential Climate Credits and development and deployment of necessary updates to PG&E's customer billing systems.

2b Line 7: Costs associated with CA Climate Credit Outreach Customer Inquiry Support Cost activities include: Customer support for calls received related to Natural Gas Climate Credit.

Table E: Compliance Obligation Over Time

	2016	2017	2018	2019	2020	2021	2022	2023
Natural Gas Fuel Supplier Compliance Obligation (MTCO₂e)	17,251,614	17,987,142	18,326,658	18,628,686	17,880,395	18,317,382	NA	NA
Company Facility Compliance Obligation (MTCO₂e)	253,236	221,111	242,975	298,857	277,990	284,112	NA	NA

Attachment 8

Confidentiality Declaration

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

**PACIFIC GAS AND ELECTRIC COMPANY
ORDER INSTITUTING RULEMAKING TO ADDRESS NATURAL GAS
DISTRIBUTION UTILITY COST AND REVENUE ISSUES ASSOCIATED WITH
GREENHOUSE GAS EMISSIONS (R.14-03-003)**

**DECLARATION OF ROBERT GOMEZ
SEEKING CONFIDENTIAL TREATMENT
FOR CERTAIN DATA AND INFORMATION
CONTAINED IN ADVICE 4823-G**

I, Robert Gomez, declare:

1. I am a Manager in the Portfolio Management group within Energy Policy and Procurement at Pacific Gas and Electric Company (PG&E) and am responsible for leading commercial greenhouse gas policy and strategy. In carrying out these responsibilities, I have acquired knowledge of the California Air Resources Board's Cap-and-Trade Regulation and other programmatic measures to establish a market-based price for GHG emissions in order to manage PG&E's compliance with Cap-and-Trade, which became effective on January 1, 2012. This declaration is based on my personal knowledge of PG&E's practices and my understanding of the Commission's decisions protecting the confidentiality of market-sensitive procurement information.
2. Based on my knowledge and experience, and in accordance with the Decisions 06-06-066, 08-04-023, D.14-10-033 and relevant Commission rules, I make this declaration seeking confidential treatment for certain procurement data and information contained in Advice 4823-G.
3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes confidential market sensitive procurement data and information covered by Public Utilities Code Section 454.5(g), D.14-10-033, and D.15-10-032. The matrix

also specifies why confidential protection is justified. Further, the data and information: (1) is not already public; and (2) cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure. By this reference, I am incorporating into this declaration all of the explanatory text that is pertinent to my testimony in the attached matrix.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed on October 31, 2023, at San Francisco, California.

/s/

Robert Gomez

PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)

**ORDER INSTITUTING RULEMAKING TO ADDRESS NATURAL GAS DISTRIBUTION UTILITY COST AND REVENUE ISSUES
ASSOCIATED WITH GREENHOUSE GAS EMISSIONS (R.14-03-003)
PG&E ADVICE 4823-G**

IDENTIFICATION OF CONFIDENTIAL INFORMATION

Redaction Reference	Category from D.06-06-066, Appendix 1, or Separate Confidentiality Statute or Order That Data Corresponds To	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
Document:			
<p>Atch 7 – Table A, lines 6-14 and 19-20 - recorded data</p> <p>Atch 7 – Table B, all data</p> <p>Atch 7 – Table C, lines 1-4, and 12-13 - recorded data</p> <p>Atch 7 – GHG Procurement Limits, all data</p>	<p><i>D.14-10-033, Attachment A</i></p> <p><i>Public Utilities Code §454.5(g)</i></p> <p><i>D.15-10-032</i></p>	<p>Information concerning GHG compliance instrument procurement strategy and/or activities. The release of this commercially sensitive information could cause harm to PG&E’s customers and put PG&E at an unfair business disadvantage by the disclosure of PG&E’s GHG compliance instrument inventories or quantities that can be used to derive GHG compliance instrument holdings. This information could be used by other market participants to gain a commercial advantage.</p>	<p align="center">Indefinite</p>
<p>Atch 7 – Table B, Tab B), cells N8, N12, N17, N21, N26, N30, N35, N39, N44, N48, N53, N57, N62, N66, N71, N75, N80, N84, N89, N93, N98, N102, N107, N111</p> <p>Atch 7 – Table B, Tab C1), column J, all data</p>	<p><i>D. 14-10-033, Attachment A</i></p> <p><i>Public Utilities Code §454.5(g)</i></p>	<p>The information is ARB Confidential and is not to be distributed to market participants or their reviewing representatives.</p> <p>Information concerning GHG compliance instrument procurement strategy and/or activities. The release of this commercially sensitive information could cause harm to PG&E’s customers and put PG&E at an unfair business disadvantage by the disclosure of PG&E’s GHG compliance instrument inventories or quantities that can be used to derive GHG compliance instrument holdings. This information could be used by other market participants to gain a commercial advantage.</p>	<p align="center">Indefinite</p>

**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