



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Peninsula Clean Energy Authority

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Zsuzsanna Klara
 Phone #: (425)4426918
 E-mail: zklara@peninsulaclenenergy.com
 E-mail Disposition Notice to: zklara@peninsulaclenenergy.com

EXPLANATION OF UTILITY TYPE
 ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

April 3, 2023

Advice Letter (AL) #: 30-E

Tier Designation: 2

Subject of AL: Peninsula Clean Energy Authority 2024 Budget Request and Outreach Plan for the Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs

Keywords (choose from CPUC listing): Solar, Compliance

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision 18-06-027, Resolution E-4

Does AL replace a withdrawn or rejected AL?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

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A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: Market Sensitive Information
 Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information: Jeremy Waen, jwaen@peninsulacleanenergy.com, (650) 257-8026

Resolution required? Yes No

Requested effective date: 5/3/20

No. of tariff sheets:

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: See Advice Letter

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

¹Discuss in AL if more space is needed.

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

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

Name: Jeremy Waen
Title: Director of Regulatory Policy
Utility Name: Peninsula Clean Energy Authority
Address: 2075 Woodside Road
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Name:
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Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
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ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



April 3, 2023

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

PCE Advice Letter 30-E

**RE: PENINSULA CLEAN ENERGY AUTHORITY 2024 BUDGET REQUEST AND
OUTREACH PLAN FOR THE DISADVANTAGED COMMUNITIES GREEN
TARIFF AND COMMUNITY SOLAR GREEN TARIFF PROGRAMS**

PURPOSE

Peninsula Clean Energy Authority (“PCE”) hereby submits to the California Public Utilities Commission (“Commission” or “CPUC”) this advice letter (“AL”) for approval of its program budget estimates and marketing, education, and outreach (“ME&O”) plan for PCE’s 2024 Disadvantaged Community Green Tariff (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) programs.

TIER DESIGNATION

Pursuant to General Order (“GO”) 96-B, Energy Industry Rule 5.2, and Ordering Paragraph (“OP”) 2 of Resolution E-5125, this AL is submitted with a Tier 2 designation.

EFFECTIVE DATE

Pursuant to General Order 96-B and General Rule 7.3.4, PCE requests that this Tier 2 AL become effective 30 days following submittal, which is May 3, 2023.

BACKGROUND

On June 22, 2018, the Commission issued Decision (“D.”) 18-06-027 adopting three new programs to promote the installation of renewable generation among residential customers in disadvantaged

communities (“DACs”),¹ as directed by the California Legislature in Assembly Bill (“AB”) 327.² The three programs include the DAC Single Family Solar Homes (“DAC-SASH”) program, which provides up-front incentives for the installation of solar at low-income homes in DACs. The other two programs, the DAC-GT and the Community Solar Green Tariff (“CSGT”) programs, are community solar programs that offer 100% renewable energy to residential customers and provide a 20% discount on the electricity portion of the customers’ bills.

Pursuant to D.18-06-027, Community Choice Aggregators (“CCAs”) may also develop and implement their own DAC-GT and CSGT programs.³ D.18-06-027 provides that CCAs must submit a Tier 3 AL to implement the CCA DAC-GT and CSGT programs (“Implementation AL”).⁴ Accordingly, PCE submitted its Tier 3 Implementation AL on December 22, 2020 to create DAC-GT and CSGT programs (PCE AL 11-E). On April 15, 2021, the Commission issued Resolution E-5124, which approved PCE’s DAC-GT and CSGT Implementation AL with modifications.⁵

On June 14, 2021, PCE submitted AL 14-E, *Peninsula Clean Energy Authority’s Disadvantaged Communities Green Tariff Program and Community Solar Green Tariff Program Revised Budget Estimates for Program Years 2021 and 2022*, providing budget updates requested in Resolution E-5124, including the “CCA integration” costs, defined as “administrative, IT, or other discrete activities taken by Pacific Gas & Electric (“PG&E”) in order to facilitate implementation of the DAC-GT and CSGT CCA programs.”⁶ AL 14-E was approved on July 21, 2021. On August 31, 2021, PCE submitted jointly with PG&E AL 15-E, *Proposed Capacity Transfer Under the Disadvantaged Communities Green Tariff Program to Accommodate Service to The City of Los Banos*, which included the most recent budget forecast update to accommodate DAC-GT program capacity expansion for PCE to serve the City of Los Banos. The Energy Division approved AL 15-E on September 30, 2021.

On November 2, 2021, PCE submitted AL 17-E, *Peninsula Clean Energy Authority Revised Budget Request For The Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs For Program Years 2021 and 2022*. PCE’s revised budget forecast incorporated CCA integration costs which had not been captured in the prior budget due to a formula error. The Energy Division approved AL 17-E on December 1, 2021.

On February 1, 2022, PCE submitted AL 24-E, *Peninsula Clean Energy Authority 2023 Budget Request*

¹ DACs are defined under D.18-06-027 as communities that are identified in the CalEnviroScreen 3.0 as among the top 25 percent of census tracts statewide, plus the census tracts in the highest five percent of CalEnviroScreen’s Pollution Burden that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data. Resolution E-4999 clarified that Program Administrators must submit a Tier 1 AL to update program eligibility rules within 30 days of a new release of the CalEnviroScreen tool. PCE satisfied this requirement by submitting PCE AL 18-E on November 12, 2021, reflecting the release of CalEnviroScreen 4.0.

² AB 327 (Perea), Stats. 2013, ch 611.

³ D.18-06-027 at 104 (OP 17).

⁴ *Id.*

⁵ Resolution E-5124 at 32 (OP 1).

⁶ Resolution E-5124 at 11.

and Outreach Plan for The Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs, and Confirmation of Automatic Enrollment. The Energy Division approved of AL 24-E on March 3, 2022.

On November 17, 2022, PCE submitted AL 26-E, *Peninsula Clean Energy Authority's Disadvantaged Communities Green Tariff Program 2022 Power Purchase Agreement Approval* for the approval of one power purchase agreement for the development of a permanent solar resource to serve PCE's DAC-GT program. The Energy Division approved AL 26-E on December 19, 2022.

On December 9, 2022, PCE submitted jointly with PG&E AL 27-E, *True-Up of Capacity Transfer Under The Disadvantaged Communities Green Tariff Program to Accommodate Service to The City of Los Banos* which proposed that there be no true-up of the capacity transferred to PCE under AL-15-E to minimize administrative complexity in the delivery of the DAC-GT program and its benefits to participants and enable that capacity to be procured more quickly and begin delivering benefits to PCE's DAC-GT participants. This proposal effectively set PCE's total DAC-GT program capacity at 3.74 MW. The Energy Division approved AL 27-E on January 08, 2023.

PROGRAM YEAR 2024 BUDGET

PCE hereby submits its budget request for program year ("PY") 2024 for the DAC-GT and CSGT programs. Per Resolution E-4999, the budget request covers the budget reconciliation for the previously concluded PY (i.e., PY 2022) and the budget forecast for the upcoming PY (i.e., PY 2024). PCE requests a total budget of \$1,102,499.61 for the DAC-GT and CSGT programs for PY 2024. Additional details can be found in Appendix A.

As further described in Appendix A, PCE is requesting an adjustment to the CSGT Program Administration and ME&O caps for PY 2024, PCE's fourth program year. Resolution E-4999 established a budget cap of 10% of the total budget for program administration costs and a budget cap of 4% of the total budget for ME&O costs, these caps taking effect after the first two program years, while also describing a process that Program Administrators could follow to propose an adjustment.⁷ Resolution E-5125 provided further direction, stating that Program Administrators can request an adjustment to the budget caps through their Tier 2 Annual Budget AL.⁸ PCE forecasts that the soonest any new permanent CSGT resources will come online is 2025. Because the CSGT program cannot utilize interim resources, the timing of the rollout for resources will result in no Generation Cost Delta or Bill Discount costs, as defined in Appendix A, for CSGT PY 2024. Consequently, PCE's expenditures on Program Administration and ME&O make up the entirety of the CSGT forecasted budget for 2024. The CPUC recognized in Resolution E-5125 that "[u]ntil a program begins delivering customer benefits and accruing implementation costs, the program administration and ME&O costs will automatically exceed the 10 and 4 percent thresholds."⁹ Resolution E-5125 further recognized that

⁷ See Resolution E-4999 at 67 (OP 2) (noting that Program Administrators can submit a Tier 3 AL requesting an adjustment to the budget allocations if the need arises).

⁸ Resolution E-5125 at 11, OP 2.

⁹ *Id.* at 10 (Findings and Conclusions ¶ 12).

full enrollment into the DAC-GT and CSGT programs may take longer than two start-up years and found that budget caps for Pacific Gas and Electric Company and Southern California Edison Company (“SCE”) were unnecessary when their respective programs did not have any Above Market Generation Costs or 20 Percent Bill Discounts.¹⁰ PCE requests that the Commission applies the same logic in consideration of PCE’s request to exceed the Program Administration and ME&O budget caps for its CSGT program.

The table below represents the forecasted DAC-GT and CSGT PY 2024 Program Administration and ME&O costs as a percent of the total forecasted budget.

		% of Total 2024 PY Budget	
		DAC-GT	CSGT
Program Administration	Max 10% of total budget after start-up years	5%	72%
ME&O	Max 4% of total budget after start-up years	1%	28%

CCA INTEGRATION COSTS

On March 2, 2023, PG&E submitted AL 6872-E, *Public Policy Charge Balancing Account Tariff Modification for Disadvantaged Communities Green Tariff Programs*, to request a tariff modification to its Public Policy Charge Balancing Account which will allow PG&E to record various administration expenses it incurs related to CCA DAC-GT and CSGT programs, including CCA integration costs that have previously been captured within the individual CCA’s annual budget requests.¹¹ The current process for recovering the CCA integration costs as part of the CCA’s budget request has proven to be inefficient and administratively burdensome. The requested change streamlines the process for recovering these CCA integration costs applicable to the 2024 PY and beyond.

The new process would eliminate the need for each CCA to present its proportional share of the CCA integration costs as a line item in each of their budget advice letters. Instead, the presentation of the CCA integration costs on a forecast or actual basis would be included in PG&E’s annual DAC Program Budget Advice letter as a separate distinct line item, and then again in the subsequent ERRA forecast proceeding.

Accordingly, in anticipation of the disposition of AL 6872-E, PCE’s 2024 PY budget does not include a line item for new CCA integration costs as such costs will instead be reflected in PG&E’s DAC Program Budget Advice Letter. However, PCE has included CCA integration costs in the calculation of the true up of the 2022 PY costs as those costs were approved as part of the 2022 PY budget. In addition, PCE anticipates that it will need to account for CCA integration costs in its true up of the

¹⁰ *Id.* at 7.

¹¹ *See* Pacific Gas and Electric Advice Letter 6872-E

2023 PY as part of the budget advice letter to be submitted in February 2024 to request a forecasted budget for the 2025 PY.

APPENDICES

The following appendices are included as a part of this AL:

1. Appendix A: Disadvantaged Communities Green Tariff Program and Community Solar Green Tariff Program Budget Forecast for Program Year 2024;
2. Appendix B: Projected Marketing Education and Outreach Plan for the Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs for Program Year 2024; and
3. Confidential Appendix C: Workpapers supporting the calculation of the generation cost delta and the 20% bill discount.

REQUEST FOR CONFIDENTIAL TREATMENT

In support of this AL, PCE provides certain confidential information that is contained in Confidential Appendix C, which includes protected market sensitive/competitive data and corporate financial records. PCE requests confidential treatment of this information and provides the basis for this request in a confidentiality declaration submitted concurrently with this AL. The confidential information can be made available to non-market participants as required by D.20-07-005 after they have executed a nondisclosure agreement with PCE. To execute a nondisclosure agreement, please contact Jeremy Waen at jwaen@peninsulacleanenergy.com.

CONCLUSION

PCE respectfully requests that the Commission approve PCE's PY 2024 budget forecast and ME&O plan proposed herein.

NOTICE

A copy of this AL is being served on the consolidated, official Commission service list for Rulemaking (“R.”) 14-07-002 and Application (“A.”) 16-07-015.

For changes to this service list, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

PROTESTS

Anyone wishing to protest this AL may do so electronically no later than 20 days after the date of this AL. Protests should be submitted to:

CPUC, Energy Division

Attention: Tariff Unit
Email: EDTariffUnit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this AL should be sent by letter or transmitted electronically to the attention of:

[Matthew Rutherford](#)
Senior Regulatory Analyst
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061
Email: mrutherford@peninsulacleanenergy.com

There are no restrictions on who may submit a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

CORRESPONDENCE

For questions regarding this AL, please contact Jeremy Waen by electronic mail at jwaen@peninsulacleanenergy.com.

/s/ Jeremy Waen

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority

cc: Service List: R.14-07-002 and A.16-07-015

Declaration of Jeremy Waen Supporting Confidentiality Claim for Submission of Peninsula Clean Energy Authority Advice Letter 30-E, Peninsula Clean Energy Authority 2024 Budget Request and Outreach Plan for the Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs

In accordance with General Order 66-D, Decision (“D.”) 06-06-066, D.08-04-023, D.20-07-005, and D.21-11-029 for the submission of confidential information to the California Public Utilities Commission (“Commission”) in an Advice Letter (“AL”) submission, Peninsula Clean Energy Authority (“PCE”) submits the following declaration in support of its claim of confidentiality for the below-specified information provided in PCE Advice Letter 30-E: *Peninsula Clean Energy Authority 2024 Budget Request and Outreach Plan for the Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs* (“PCE AL 30-E”).

The undersigned declares, under penalty of perjury, as follows:

1. In my capacity as the Director of Regulatory Policy, I have knowledge of the information provided in this declaration and am authorized to make this declaration on PCE’s behalf by PCE’s Chief Executive Officer, Jan Pepper.
2. In this Advice Letter Submission, PCE is securely and confidentially uploading the following documents to the Energy Division through the Commission’s File Transfer Protocol (“FTP”) system:
 - a. “PCE AL 30-E – Confidential”
 - b. “PCE Confidentiality Declaration”
3. In this Advice Letter Submission, PCE is publicly submitting the following documents to the Energy Division and the consolidated service list for Rulemaking 14-07-002 and Application 16-07-015 via email:
 - a. “PCE AL 30-E – Public”
 - b. “PCE Confidentiality Declaration”
4. Through this declaration, PCE requests that the “Confidential Appendix C – Workpapers Supporting the Calculation of the Generation Cost Delta and the 20% Bill Discount,” be treated as confidential and kept under seal.
5. This request for confidentiality is being made pursuant to the requirements and authority of Commission Decisions 06-06-066, 08-04-023, 20-07-005, 21-11-029, Commission General Order 66-D, California Civil Code 3426, California Evidence Code 1060, and California Government Code Sections 7922.000, 7927.700.

6. The attached “Table of Confidential Information” identifies the specific information that is subject to this confidentiality request, provides specific citations to the authority upon which each request is based, provides a granular justification for confidential treatment, and specifies the length of time that the information is to be kept confidential.
7. PCE is complying with the limitations on confidentiality specified in the D.06-06-066 Matrix (as amended by subsequent decisions) for the types of data being submitted subject to a request for confidentiality.
8. To the best of my knowledge, the information being submitted subject to this request for confidentiality is not already public.
9. As set forth below, Confidential Appendix C contains confidential and highly market-sensitive supporting documentation for PCE AL 30-E.
10. Confidential Appendix C cannot be aggregated, redacted, summarized, masked, or otherwise protected in a way that allows partial disclosure.
11. The following person is designated as the person for the Commission to contact regarding potential release of this information by the Commission:

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, California 94061
jwaen@peninsulacleanenergy.com

Executed on April 3, 2023 at Redwood City, California

 /s/ Jeremy Waen

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority

TABLE OF CONFIDENTIAL INFORMATION

PCE Advice Letter 30-E:

Peninsula Clean Energy Authority 2023 Budget Request and Outreach Plan for the Disadvantaged Communities Green Tariff and
Community Solar Green Tariff Programs

Redaction Reference	Authority For Confidentiality Request	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
<p>Confidential Appendix C – Workpapers Supporting the Calculation of the Generation Cost Delta and the 20% Bill Discount</p>	<p>ESP/CCA Matrix, Items II(A), (B), Item IV(C)</p> <p>Commission General Order 66-D</p> <p>California Government Code Sections 7922.000</p> <p>Government Code Section 7927.700; Evidence Code Section 1060 (see also Civil Code Section 3426.1)</p>	<p>Appendix C contains information regarding PCE’s forecasted need for energy and resource adequacy capacity. This information falls into the identified protected categories in the ESP/CCA Matrix.</p> <p>Additionally, Appendix C contains information regarding PCE’s market position and price-related information. This information must be protected as market-sensitive and/or trade secret information. Even if no other authority applied to protect this information, the Commission must protect this information because the public interest in protecting the information clearly outweighs the public interest in disclosure. Disclosure here could provide valuable market sensitive information to market participants, erode PCE’s current or future contract negotiations, and create distortions in the resource adequacy and energy markets. In contrast, the public interest is minimal in public disclosure of pricing, forecasting, and procurement data for a single load serving entity.</p>	<p>Under Item II(A), (B), data is confidential for the first 3 years of the forecast period.</p>

APPENDIX A

**Disadvantaged Communities GreenTariff Program and
Community Solar Green Tariff Program Budget Forecast for
Program Year 2024**

Proposed by Peninsula Clean Energy Authority



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1. BACKGROUND

Per Resolution E-4999, estimated budget forecasts must be presented by program and include the following budget line items:¹

1. Generation cost delta,² if any;
2. 20% bill discount for participating customers;
3. Program administration costs, including:
 - a. Program management;
 - b. Information technology (“IT”);
 - c. Billing operations;
 - d. Regulatory compliance; and
 - e. Procurement.
4. Marketing, education, and outreach (“ME&O”) costs, including:
 - a. Labor costs;
 - b. Outreach and material costs; and
 - c. Local Community Based Organization/sponsor costs for the CSGT program
5. Program Evaluation Costs.

In addition to budget forecasts, annual program budget submissions must also include details on program capacity and customer enrollment numbers for both programs. More specifically, Peninsula Clean Energy Authority (“PCE”) must report on:

1. Existing capacity at the close of the previous program year (“PY”);
2. Forecasted capacity for procurement in the upcoming PY;
3. Customers served at the close of the previous PY; and
4. Forecasted customer enrollment for the upcoming PY.

Finally, Confidential Appendix C contains the following information:

1. Workpaper for the calculation of the generation cost delta; and
2. Workpaper for the calculation of the 20% bill discount to participating customers.

For the reasons set forth in the attached declaration of Jeremy Waen, these two workpapers are confidential, not included in the public versions of this Advice Letter, and

¹ Resolution E-4999 at 67 (Ordering Paragraph (“OP”) 2). A detailed description of each budget line item can be found in PCE’s Implementation Plan, submitted in Appendix A to PCE Advice Letter 11-E submitted on December 22, 2020.

² Resolution E-4999 establishes that *above market* generation costs should include net renewable resource costs in excess of the otherwise applicable class average generation rate that will be used to calculate the customers’ bills. In conversations with the California Public Utility Commission’s (“Commission”) Energy Division after the release of Resolution E-4999, it was clarified that this budget line item is intended to cover both a potential higher, as well as lower, cost of the DAC-GT/CSGT resources than the otherwise applicable class average generation rate. Hence, the term is updated to state the “*Delta of generation costs* between the DAC-GT/CSGT resources and the otherwise applicable class average generation rate.”

will only be made available to those who execute a nondisclosure agreement. Further information on how to execute a nondisclosure agreement can be found in the cover letter of this Advice Letter.

Supporting worksheets used in substantiating cost estimates, including direct labor, management and/or supervisor costs, and any vendor costs, along with a breakdown of staff or contractor position descriptions, loaded hourly rates, and total hours anticipated for each task, will be provided if available.

2. BUDGET FORECAST FOR PY 2024

For PY 2024, PCE forecasts a total budget of \$1,378,812.51 for the Disadvantaged Communities (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) programs. A detailed budget forecast for each program and PY by budget line item can be found in the figure below.

Table 1: Budget forecast for PY 2024

Tab	Category	DAC-GT	CSGT	
1	Generation Cost Delta	\$777,945.54	\$-	
2a/b	20% Bill Discount	\$499,485.49	\$-	
	Program Administration			
3a	Program Management	\$11,385.00	\$2,070.00	
3b	Information Technology	\$13,735.00	\$2,935.00	
3c	Billing Operations	\$4,533.85	\$1,158.65	
3d	Regulatory Compliance	\$14,272.00	\$14,272.00	
3e	Procurement	\$18,884.00	\$1,464.00	
3f	CCA Integration	\$-	\$-	
	Subtotal Program Administration	\$62,809.85	\$21,899.65	
4	Marketing, Education & Outreach	\$8,335.99	\$8,335.99	
5	EM&V	\$-	\$-	
Total		\$1,348,576.87	\$30,235.64	\$1,378,812.51

PCE provides the following clarifying notes regarding the budget summary.

Generation Cost Delta

PCE has received approval from the CPUC for an executed PPA for a new solar resource to serve its DAC-GT program that is projected to come online prior to the start of PY 2024. Therefore, the generation cost delta budget forecast for the DAC-GT program is based on the cost of the contracted permanent resource. PCE does not anticipate having a new CSGT permanent resource online in 2024 and therefore does not forecast a generation cost delta for the program as it cannot be served with an interim resource.

20% Bill Discount

As described further in PCE Advice Letter 14-E and as directed in Resolution E-5124, PCE's 2023 forecasted bill discount costs include both the generation portion of the electric bill as set by PCE as well as the delivery portion of the electric bill as set by Pacific Gas and Electric Company ("PG&E"). PCE only expects to have customers enrolled in the DAC-GT program in PY 2024, and therefore does not include a forecasted bill discount cost for the CSGT program.

Program Administration Costs

Program management costs includes program development and management, budgeting, and reporting. IT costs include the costs to develop program tools and update existing systems to accommodate program enrollment and billing.

As directed in Resolution E-5124, PCE's Program Administration Costs also include a separate line item that capture Community Choice Aggregator ("CCA") Integration Costs ("CIAs"), which are forecasted by PG&E and provided to the CCAs for inclusion in their program budgets. These costs reflect the labor and programming work necessary to reflect the bill discount for these programs on the bills of participating customers.

Marketing, Education, and Outreach (ME&O)

PCE's ME&O budget includes costs associated with PCE labor and direct costs for outreach and materials. The PY 2024 DAC-GT budget also includes lower forecasted ME&O costs as PCE will be employing automatic enrollment for this program.

CCA Integration Costs

On March 2, 2023, PG&E submitted AL 6872-E, *Public Policy Charge Balancing Account Tariff Modification for Disadvantaged Communities Green Tariff Programs*, to request a tariff modification to its Public Policy Charge Balancing Account which will allow PG&E to record various administration expenses it incurs related to CCA DAC-GT and CSGT programs, including CCA integration costs that have previously been captured within the individual CCA's annual budget requests.³ The current process for recovering the CCA

³ See Pacific Gas and Electric Advice Letter 6872-E

integration costs as part of the CCA's budget request has proven to be inefficient and administratively burdensome. The requested change streamlines the process for recovering these CCA integration costs applicable to the 2024 PY and beyond.

The new process would eliminate the need for each CCA to present its proportional share of the CCA integration costs as a line item in each of their budget advice letters. Instead, the presentation of the CCA integration costs on a forecast or actual basis would be included in PG&E's annual DAC Program Budget Advice letter as a separate distinct line item, and then again in the subsequent ERRA forecast proceeding.

Accordingly, in anticipation of the disposition of AL 6872-E, PCE's 2024 PY budget does not include a line item for new CCA integration costs as such costs will instead be reflected in PG&E's DAC Program Budget Advice Letter. However, PCE has included CCA integration costs in the calculation of the true up of the 2022 PY costs as those costs were approved as part of the 2022 PY budget. In addition, PCE anticipates that it will need to account for CCA integration costs in its true up of the 2023 PY as part of the budget advice letter to be submitted in February 2024 to request a forecasted budget for the 2025 PY.

3. BUDGET CAPS

Resolution E-4999 established a budget cap of 10% of the total program budget for program administration costs and a budget cap of 4% of the total program budget for ME&O costs.⁴ However, the Commission recognized that administrative and ME&O costs may be higher than these budget allocations in the first two years of program implementation, and described a process that Program Administrators could follow to propose an adjustment.⁵ Resolution E-5125 provided further direction, stating that Program Administrators can request an adjustment to the budget caps through their Tier 2 Annual Budget AL if the need arises.⁶ The CPUC recognized in Resolution E-5125 that “[u]ntil a program begins delivering customer benefits and accruing implementation costs, the program administration and ME&O costs will automatically exceed the 10 and 4 percent thresholds.”⁷ Resolution E-5125 further recognized that full enrollment into the DAC-GT and CSGT programs may take longer than two start-up years and found that budget caps for Pacific Gas and Electric Company (“PG&E”) and Southern California Edison Company (“SCE”) were unnecessary when their respective programs did not have any Above Market Generation Costs or 20 Percent Bill Discounts.⁸ PCE requests that the Commission applies the same logic in consideration of PCE's request to exceed the Program Administration and ME&O budget caps for its CSGT program.

PCE anticipates that it will exceed the designated budget caps for its CSGT program in

⁴ See Resolution E-4999 at 67 (OP 2) (noting that Program Administrators can submit a Tier 3 AL requesting an adjustment to the budget allocations if necessary).

⁵ Resolution E-4999 at 67 (OP 2); Resolution E-5124 at 11.

⁶ Resolution E-5125 at 11, OP 2.

⁷ *Id.* at 10 (Findings and Conclusions ¶ 12).

⁸ *Id.* at 7.

2024. Although PYs 2021 and 2022 were the first two years of PCE’s approved budget to develop and offer these programs, PCE forecasts that the *soonest* any new permanent CSGT resources will come online is 2025. Further, unlike the DAC-GT program, the CSGT program cannot utilize interim resources. Due to the timing of the rollout for CSGT resources, PCE will not incur any Generation Cost Delta or Bill Discount costs for PY 2024.⁹ As such, PCE’s expenditures on Program Administration and ME&O make up the entirety of the CSGT forecasted budget for 2024, and PCE is projected to exceed the CSGT Program Administration and ME&O budget limits. PCE is therefore requesting an adjustment to the PY 2024 Program Administration and ME&O caps for the CSGT program. Table 2 below represents the forecasted DAC-GT and CSGT PY 2024 Program Administration and ME&O costs as a percent of the total forecasted budget.

Table 2: 2024 Program Administration and ME&O Forecasts

		% of Total 2024 PY Budget	
		DAC-GT	CSGT
Program Administration	Max 10% of total budget after start-up years	5%	72%
ME&O	Max 4% of total budget after start-up years	1%	28%

4. BUDGET RECONCILIATION FOR PY 2022

PCE submitted a budget for PY 2022 as an attachment to its Budget Request AL 24-E which was filed with the Commission on February 1, 2022.

The table below shows the forecasted costs for 2022 compared to actual costs, resulting in true-ups per line item and per total program budget that will be carried forward to future PYs.

⁹ In addition, these budget categories will likely only amount to partial costs of PCE’s total budget in CSGT PY 2024.

Table 3: Budget Reconciliation for PY 2022

Tab	Category	DAC-GT			CSGT		
		Forecast	Actual	True-up	Forecast	Actual	True-up
1	Generation Cost Delta	\$541,392.33	\$505,844.18	\$(35,548.15)	\$31,665.77	\$-	\$(31,665.77)
2	20% Bill Discount	\$155,121.90	\$353,580.79	\$198,458.89	\$6,096.95	\$-	\$(6,096.95)
	Program Administration						
3a	Program Management	\$60,468.75	\$10,059.24	\$50,409.51	\$60,468.75	\$1,590.08	\$58,878.67
3b	Information Technology	\$26,527.34	\$82,049.00	\$(55,521.66)	\$20,227.34	\$5,399.00	\$14,828.34
3c	Billing Operations	\$16,093.47	\$10,548	\$5,545.15	\$4,112.78	\$2,695.68	\$1,417.10
3d	Regulatory Compliance	\$16,015.00	\$25,542	\$(9,526.63)	\$16,015.00	\$12,556.00	\$3,459.00
3e	Procurement	\$44,165.00	\$81,947	\$(37,782.46)	\$44,165.00	\$8,166.50	\$35,998.50
3f	CCA Integration	\$31,014.00	\$3,940.58	\$27,073.42	\$31,014.00	\$-	\$31,014.00
	Subtotal Program Administration	\$194,283.57	\$214,086.22	\$(19,802.65)	176002.8703	30407.26142	\$145,595.61
4	Marketing, Education & Outreach	\$19,673.09	\$6,987.13	\$12,685.96	\$19,673.09	\$6,987.13	\$12,685.96
5	EM&V	\$-	\$-	\$-	\$-	\$-	\$-
	Total	\$910,470.89	\$1,080,498.33	\$155,794.05	\$233,438.69	\$37,394.39	\$120,518.85

5. 2024 BUDGET REQUEST

Based on the budget forecast for PY 2024 presented in Section 3 and the budget reconciliation for PY 2022 presented in Section 5, PCE is requesting a total budget of \$1,102,499.61 for the DAC-GT and CSGT programs in this Advice Letter.

Table 4: Total Budget Request for PY 2024

	DAC-GT	CSGT	Total
Budget Forecast for 2024	\$1,348,576.87	\$30,235.64	\$1,378,812.51
Budget Carryover from 2022	\$155,794.05	\$120,518.85	\$276,312.90
Total	\$1,192,782.82	\$(90,283.21)	\$1,102,499.61

6. PROGRAM CAPACITY AND ENROLLMENT NUMBERS

PCE reports forecasted program capacity and customer enrollment numbers for PY 2024 in the figure below. PCE is unable to report on existing program capacity and customer enrollment numbers to date as the DAC-GT and CSGT programs have not yet launched.

For PY 2024, PCE is forecasting full capacity procurement and customer enrollment using either the procured interim resource or some combination of interim and new permanent resources. PCE is not forecasting any capacity procurement or customer enrollment in the CSGT program for PY 2024.

Table 5: Program Capacity and Enrollment Count for DAC-GT and CSGT Programs

Category	DAC-GT		CSGT	
	2024 Forecast	Total	2024 Forecast	Total
Estimated capacity to be procured (MW)	3.74	3.74	0	0
Estimated customer enrollment (#)	2241	2241	0	0

7. CONCLUSION

PCE respectfully requests the Commission approve PCE's PY 2024 budget proposed herein.

APPENDIX B

**Projected Marketing Education and Outreach Plan for the
Disadvantaged Communities Green Tariff and Community
Solar Green Tariff Programs for Program Year 2024**

Proposed by Peninsula Clean Energy Authority



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A. Purpose and Goals

1. Disadvantaged Community Green Tariff

Peninsula Clean Energy Authority (PCE) will develop and implement a targeted customer marketing, education, and outreach (ME&O) campaign to ensure customers in disadvantaged communities (DACs) who are enrolled in the Disadvantaged Communities Green Tariff (DAC-GT) understand the benefits. PCE's ME&O strategy has three main goals:

- Equitably and efficiently enroll eligible customers in the DAC-GT and programs;
- Encourage customer retention by providing access to community-based organizations who can help explain the programs' benefits and how they appear on the bill; and
- Increase awareness of and enrollment in California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) discount programs.

To meet these goals, PCE informs customers of their program enrollment through accessible language and offers additional community resources to help customers understand their bills and other utility discount programs that may be available to them. These additional community resources are provided through PCE's well-developed relationships with CBOs throughout our service territory, including Los Banos. PCE currently awards grants to 13 CBOs to help customers understand their energy bill, discounts, and other energy programs in at least eight languages.

PCE is currently auto-enrolling priority eligible customers into DAC-GT, which eliminates the barriers to receiving the program benefits that customers may face when they must opt-in to a program. As PCE's DAC-GT program does not face these same enrollment barriers, PCE's ME&O strategy is to instead ensure that these auto-enrolled customers understand the program benefits and do not opt out of it due to confusion. Success of the ME&O plan will be measured in customer retention in the DAC programs, a sign that the customer understood the value of the program and choose to remain enrolled.

As PCE utilizes customer auto-enrollment for the DAC-GT program, there is no way for interested residents to sign up to participate in the program.¹ Therefore, it is not a good use of program funds to conduct a general public outreach campaign to eligible customers who cannot sign up. In fact, such a campaign may lead to unfortunate customer confusion.

2. Community Solar Green Tariff

PCE does not anticipate enrolling any customers in its Community Solar Green Tariff (CSGT) program in 2024. The CSGT program cannot be served through interim resources and as such PCE must begin receiving energy from a new CSGT resource before customers can be enrolled. PCE did not receive any CSGT bids in response to its 2021 RFP and anticipates that any bids received in response to the current RFP will lead to the completion of a new project in 2025 at the earliest.

¹ The only exception is that customers who are enrolled in PCE's DAC-GT program and move to a new eligible address are given a 90 day grace period to retain their subscription to the program.

B. Guiding Principles

PCE is committed to developing diverse and culturally appropriate communication strategies to ensure that stakeholders can participate in decisions and actions that impact their communities. As such, PCE commits to the following guiding principles throughout the ME&O engagement process for the DAC-GT and CSGT programs. PCE aims to:

- Achieve diverse and meaningful engagement that reflects the demographics of DACs to ensure equitable outreach across race, income, and age barriers;
- Maintain transparency and accessibility of information by bringing the information directly to customers in their neighborhood, in their community, or interest space to better engage them in the process; and
- Build a collaborative process with community partners to ensure that the barriers to and benefits of participation are considered in ME&O activities to the maximum extent possible.

C. Target Audience

Given enrollment specifications around the programs, the primary target audience for the ME&O strategy are customers living in either:

1. a census tract, identified by the version of CalEnviroScreen in effect when PCE's DAC-GT and CSGT implementation plan was approved by the CPUC or any subsequent versions as either scoring among the top 25% of census tracts statewide;
2. a census tract identified by the version of CalEnviroScreen in effect when PCE's DAC-GT and CSGT implementation plan was approved by the CPUC or any subsequent versions scoring in the highest 5% of the CalEnviroScreen's Pollution Burden, and that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data; or
3. in California Indian Country as defined in 18 United States Code Section 1151, with the exception of privately held in-holdings, which are defined as non-Indian owned fee land located within the exterior boundaries of California Indian Country; in the event of multiple owners, such land shall be considered Indian owned if at least one owner is a tribe or tribal member, regardless of the use of the land.

In PCE's service area this includes customers in the following neighborhoods:²

Figure 1: Qualifying Neighborhoods in PCE Service Territory

² Sources: SB535 Disadvantaged Communities using CalEnviroScreen 4.0, October 20, 2021, <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>; CalEnviroScreen 3.0, <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>.

Census Tract	City for Approx. Location	County
6081602100	South San Francisco	San Mateo
6081602200	South San Francisco	San Mateo
6081602300	South San Francisco	San Mateo
6081604101	San Bruno	San Mateo
6081604200	San Bruno	San Mateo
6081610201	Redwood City	San Mateo
6081610202	Redwood City	San Mateo
6081606200	San Mateo	San Mateo
6081611900	East Palo Alto	San Mateo
6081612000	East Palo Alto	San Mateo
6047002302	Los Banos	Merced
6047002202	Los Banos	Merced
6047002201	Los Banos	Merced

D. ME&O Tactics and Strategies

In 2024, PCE plans to continue a two-pronged approach to ME&O for the DAC-GT program: ensuring that participants understand the program and offering them additional support to understand the program and their utility bills in general through trusted local CBOs.

PCE will continue to employ the same automatic enrollment process in PY 2024 based on California Public Utilities Commission (“CPUC”) guidance.³ PCE will use a three-tier customer identification process to automatically enroll customers until the program is fully subscribed. First, PCE will identify customers that are currently participating in the Arrearage Management Program (“AMP”) with service addresses in a PCE DAC and meet all other DAC-GT eligibility criteria. Second, PCE will identify customers that are currently eligible for the AMP but are not participating and with service addresses in a PCE DAC and meet all other DAC-GT eligibility criteria. Third, PCE will identify all remaining DAC-GT eligible PCE customers and use a random selection protocol to enroll customers into the DAC-GT program. When program capacity becomes available in the future due to unenrollment or other reasons, PCE will perform the same three-tiered process to ensure that new AMP enrollees, newly AMP-eligible customers, and new residential PCE customers that meet the other DAC-GT eligibility criteria will be considered in the auto-enrollment selection process.

1. Communications and Media Content

Newly enrolled DAC-GT customers will be informed of their participation in the program through clearly-written direct mail enrollment materials printed in both English and Spanish.

³ See Resolution E-5124 at 31 (OP 25), “It is reasonable for participating CCAs to automatically enroll eligible DAC-GT customers as long as their enrollment criteria are in alignment with the spirit of D.20-07-008 and target customers at high risk of disconnection.”

The enrollment information will also be available on the PCE website, which has a function that allows auto-translation into English, Spanish, and traditional Chinese. The website also hosts a form for customers to inform us of any moves to new eligible address, so they can maintain their participation in the program.

2. Community Outreach

PCE will also provide training to our network of 13 CBO grantees about the DAC-GT program and how to help customers understand its benefits and billing. We find that confusion about billing presentation is a principal reason customers opt-out of beneficial programs. We hope to maintain high customer retention by equipping local CBOs who regularly help customers understand their utility bills with the ability to explain the DAC-GT program.

PCE has a strong track record of partnering with local CBOs. In 2023 we launched our fifth annual round of community outreach grants to partner with 13 CBOs, several of which are located directly in our DAC communities including Los Banos. Collectively they serve these residents in at least eight languages: English, Spanish, Mandarin, Cantonese, Tagalog, Arabic, Samoan, and Tongan.

Specifically, PCE will provide funding and collateral material for CBOs to conduct outreach around understanding their energy bills, CARE and FERA enrollment, and other energy efficiency programs. CBOs will engage in one-on-one support for customers seeking help with their utility bills and avoiding the disconnection process. CBOs will also provide outreach at events, workshops, community gathering places, and through social services such as food distribution programs on these topics.

3. Program Leveraging

PCE will train participating CBOs to leverage opportunities to interact with customers to explain both the DAC-GT program and other programs from which they may benefit.

PCE funds each CBO participating in the outreach partnership described above with a grant of up to \$40,000 to help customers understand utility bills and help customers enroll in our programs:

- PCE's Low-Income Home Upgrade program that leverages and supplements existing home upgrade programs by funding gaps such as roof repairs;
- PCE's Low-Income EV discount program that assists low-income families in buying used electric vehicles; and
- Other utility bill discounts such as Medical Baseline and LIHEAP

4. Metrics Tracking

As customers are automatically enrolled in DAC-GT, Peninsula Clean Energy will measure success in:

- Total number of enrollees.
- Number of new enrollees who received our bilingual enrollment letters in English and Spanish. We believe direct mail is the most effective way to reach this target audience.
- Number of visits to the DAC-GT page on PCE's website. We expect this number may be low as the target audience may have technology barriers related to the digital divide.
- Number of local CBOs trained to explain the DAC-GT program to customers.
- Customer retention in the program, used as a measure of how clearly we explained the benefits in the enrollment materials and through our community partners.

APPENDIX C
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