



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

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Does AL replace a withdrawn or rejected AL?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:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

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

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

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	



Serving the San Mateo County Community

June 14, 2021

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

PCE Advice Letter 14-E

RE: 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

Pursuant to Ordering Paragraph (“OP”) 6 of California Public Utilities Commission (“Commission or CPUC”) Resolution E-5124, Peninsula Clean Energy Authority (“PCE”) hereby submits this Tier 1 Advice Letter (“AL”) for approval of its updated budget forecasts for the Disadvantaged Communities Green Tariff (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) programs for program years (“PYs”) 2021 and 2022.

TIER DESIGNATION

This AL has a Tier 1 designation pursuant to OP 6 of Resolution E-5124.

EFFECTIVE DATE

Pursuant to General Order 96-B, General Rule 7.3.4 and Energy Industry Rule 5.3, PCE requests that this Tier 1 AL become effective June 14, 2021, the date of submittal.

BACKGROUND

On June 21, 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

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 (“PAs”) must submit a Tier 1 Advice Letter to update program eligibility rules within 30 days of a new release of the CalEnviroScreen tool.

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

provides up-front incentives for the installation of solar at low-income homes in DACs. The other two programs, the DAC-GT and the CSGT programs, are community solar programs that offer 100% solar energy to customers and provide a 20% discount on the electricity portion of the customers' bills.

Pursuant to OP 17 of D.18-06-027, Community Choice Aggregators ("CCAs") may develop and implement their own DAC-GT and CSGT programs. CCA tariffs must abide by all DAC-GT or CSGT rules and requirements adopted in D.18-06-027. D.18-06-027 also provides that CCAs must submit a Tier 3 AL to implement the CCA DAC-GT and CSGT programs ("Implementation AL").³ Resolution E-4999 provides that such advice letters must be submitted on or before January 1, 2021.⁴ 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

In Resolution E-5124, the Commission directs PCE to submit updated budget forecasts for PYs 2021 and 2022 to reflect changes made in Resolution E-5124 to CCA Implementation ALs and budgets. Once approved by the Commission, Pacific Gas and Electric Company ("PG&E") will incorporate these updated budgets into its 2022 Energy Resources Recovery Account ("ERRA") Update filing due in November 2021.

PURPOSE

PCE hereby submits this Tier 1 AL to update the budget forecasts for the DAC-GT and CSGT programs for PYs 2021 and 2022. PCE makes the following updates to the original budget forecasts:

1. Incorporate CCA integration costs;
2. Update the forecasted costs for providing the 20% bill discount on the full electric bill;
3. Revise forecasted information technology ("IT") costs due to changes in the methodology to calculate and recover the 20% bill discount for participating customers; and
4. Revise forecasted generation cost delta and the 20% bill discount due to the procurement of an interim resource to serve the DAC-GT program.

1. CCA Integration Costs

Resolution E-5124 authorized PG&E to charge "CCA integration" costs, defined as "administrative, IT, or other discrete activities taken by PG&E in order to facilitate implementation of the DAC-GT and CSGT CCA programs."⁶ Resolution E-5124 also specified that general CCA integration costs

³ *Id.*

⁴ Resolution E-4999 at 16.

⁵ Resolution E-5124 at 32 (OP 1).

⁶ *Id.* at 11.

should be distributed in equal parts among participating CCAs. Any CCA integration costs that are specific to an individual CCA should be attributed to the CCA.⁷

Furthermore, Resolution E-5124 determined that CCAs will be responsible for including their corresponding share of CCA integration costs under their respective “program administration” budget line items in the annual budget AL due on February 15 of each year. To facilitate the inclusion of CCA integration costs in the CCA budget ALs, PG&E must provide the CCAs with *forecasted* CCA integration costs for the upcoming PY by December 1 and with *actual* CCA integration costs from the previous PY by January 15 of each year.⁸ For PYs 2021 and 2022, the Commission ordered PG&E to provide the forecasted CCA integration costs within 30 days of the approval of Resolution E-5124.⁹

PG&E informed each CCA of PG&E’s forecasted CCA integration costs for PYs 2021 and 2022 on May 17, 2021 in a timely fashion. An update to the CCA integration costs was provided by PG&E on May 21, 2021. PCE hereby incorporates the CCA integration costs provided by PG&E into the PY 2021 and 2022 budget forecast.

2. Cost for Providing the 20% Bill Discount on the Full Electric Bill

D.18-06-027 stated that the 20% customer bill discount for both the DAC-GT and CSGT programs will be “on the total bill”¹⁰ and did not specify how the discount should be applied in practice. CCAs had proposed in their Implementation ALs that CCAs should calculate and recover the 20% discount on the *generation* portion of the electric bill while PG&E calculates and recovers the 20% bill discount on the *delivery* portion of the electric bill. Hence, CCAs had included in their PY 2021 and 2022 budget forecasts only the bill discount costs associated with providing the discount on the generation portion of the electric bill.¹¹

Resolution E-5124 determined that CCAs must calculate the 20% discount on the full electric portion of the bill (i.e., both generation and delivery portions of the electric bill) and that the full bill discount will be shown on the generation portion of the customer bills.¹² Consequently, PCE is updating its cost forecast for providing the 20% bill discount to customers, based on the full electric bill, for PYs 2021 and 2022.

3. Revised IT Costs

As part of its administrative budget, PCE forecasts IT costs associated with the implementation of the DAC-GT and CSGT programs. The original budget forecast for PYs 2021 and 2022 based the IT cost estimate on the assumption that PG&E will be calculating and recovering the 20% bill discount on the delivery portion of the electric bill. As Resolution E-5124 determined that CCAs are responsible

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 33 (OP 5).

¹⁰ D.18-06-027 at 74.

¹¹ CleanPower SF was the only CCA in PG&E’s service territory that forecasted the 20% bill discount costs based on the full electric bill.

¹² Resolution E-5124 at 12.

for calculating and recovering the 20% discount on the full electric bill (i.e., the generation and delivery portion of the electric bill), PCE must update its forecasted IT costs for PYs 2021 and 2022 to accurately reflect the estimated cost increase. PCE shares more detail about the reasons for the IT cost increase in Appendix A.

4. Revised Generation Cost Delta and Customer Bill Discount due to Interim Resource

In order to expedite the timeline under which customers are able to actually receive the benefit of the DAC-GT program, PAs are permitted to procure an interim resource to serve participants in the program while the PAs conduct their solicitation for a permanent qualifying resource.¹³ Interim resources must meet the eligibility requirements of the DAC-GT program.¹⁴ PCE's budget submitted with its Implementation AL did not forecast securing an interim resource. In the interest of quickly offering the DAC-GT program to its customers to provide them the 20% bill discount while PCE conducts its solicitation to secure a permanent resource, PCE has elected to secure an interim resource that meets all of the program requirements. The updated budget herein reflects changes to the generation cost delta and 20% bill credit cost forecasts due to the interim resource. More details can be found in Appendix A.

Based on these updates, PCE requests a total revised budget of \$1,130,074.36 for the DAC-GT and CSGT programs for PYs 2021 and 2022. Additional details about PCE's revised budget request can be found in Appendix A.

Once the Commission approves PCE's revised budget request, PG&E will be responsible for including the total budget request for PCE's DAC-GT and CSGT programs in PG&E's 2022 ERRA Update filing due in early November of 2021. Once PG&E receives approval of its ERRA filing from the Commission, PG&E will set aside the requested PCE budget in a sub-account of PG&E's DAC-GT and CSGT balancing accounts. PG&E will then transfer program funds to PCE as determined in OP 3 of Resolution E-5124.

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

1. Appendix A: Forecasted program budgets for PYs 2021 and 2022; and
2. Confidential Appendix B: Workpapers supporting the calculation of the generation cost delta and the 20% bill discount.

REQUEST FOR CONFIDENTIAL TREATMENT

In support of this Advice Letter, PCE provides certain confidential information that is contained in Confidential Appendix B, 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

¹³ Resolution E-4999 at 24.

¹⁴ *Id.*

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 the implementation details and budgets proposed herein by PCE to establish and implement its DAC-GT and CSGT programs pursuant to D.18-06-027.

NOTICE

A copy of this AL is being served on the official Commission service lists for R.14-07-002.

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

PROTESTS

*****Due to the COVID-19 pandemic and shelter-at-home orders, PCE is currently unable to receive protests or responses to this AL via U.S. Mail or fax. Please submit protests or responses to this AL to EDTariffUnit@cpuc.ca.gov and jwaen@peninsulacleanenergy.com*****

Anyone wishing to protest this AL filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this AL. Protests should be mailed to:

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

Copies should also be mailed to the attention of the Deputy Executive Director, Energy Division, Room 4004 (same address above).

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

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061
Email: jwaen@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 within the prescribed time period.

CORRESPONDENCE

For questions, 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

Declaration of Jeremy Waen Supporting Confidentiality Claim for Submission of Peninsula Clean Energy Authority Advice Letter 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

In accordance with General Order 66-D, Decision (“D.”) 06-06-066, D.08-04-023, and D.20-07-005 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 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* (“PCE AL 14-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 14-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 service list for Rulemaking 14-07-002 via email:
 - a. “PCE AL 14-E – Public”
 - b. “PCE Confidentiality Declaration”
4. Through this declaration, PCE requests that the “Confidential Appendix B – 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, and 20-07-005, Commission General Order 66-D, California Civil Code 3426, California Evidence Code 1060, and California Government Code Sections 6254(k), 6255(a).

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 B contains confidential and highly market-sensitive supporting documentation for PCE AL 14-E.
10. Confidential Appendix B 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 June 14, 2021 at Redwood City, California

 /s/ Jeremy Waen

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority

TABLE OF CONFIDENTIAL INFORMATION

PCE Advice Letter 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

Redaction Reference	Authority For Confidentiality Request	Justification for Confidential Treatment	Length of Time Data To Be Kept Confidential
Confidential Appendix B – Workpapers Supporting the Calculation of the Generation Cost Delta and the 20% Bill Discount	ESP/CCA Matrix, Items II(A), (B) Commission General Order 66-D California Civil Code 3426 California Government Code Sections 6254(k), 6255(a) California Evidence Code 1060	Appendix B 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. Additionally, Appendix B 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.	Under Item II(A), (B), data is confidential for the first 3 years of the forecast period.

APPENDIX A

**Disadvantaged Communities GreenTariff Program and
Community Solar Green Tariff Program Budget Forecast for
Program Years 2021 and 2022**

Proposed by Peninsula Clean Energy Authority



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1. PURPOSE

Pursuant to Ordering Paragraph (“OP”) 17 of California Public Utilities Commission (“Commission” or “CPUC”) Decision (“D.”) 18-06-027, *Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities*, issued in Rulemaking 14-07-002 on June 22, 2018, and Resolution E-4999, issued on June 3, 2019, Community Choice Aggregators (“CCAs”) may develop and implement their own Disadvantaged Communities Green Tariff (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) programs via a Tier 3 Advice Letter (“Implementation AL”). Peninsula Clean Energy Authority (“PCE”) submitted its Implementation AL on December 22, 2020 to create DAC-GT and CSGT programs (PCE AL 11-E). As part of its Implementation AL, PCE included budget forecasts for Program Years (“PYs”) 2021 and 2022.¹

On April 15, 2021, the Commission issued Resolution E-5124, approving PCE’s Implementation AL with modifications.² In Resolution E-5124, the Commission directs PCE to submit updated budget forecasts for PYs 2021 and 2022 to reflect the changes made in Resolution E-5124 to CCA Implementation ALs and budgets.³

PCE requests that the Commission approve the budgets proposed herein and that the Commission direct Pacific Gas and Electric Company (“PG&E”) to transfer funds sufficient to meet PCE’s approved annual budgets per the funding mechanisms discussed below.

2. BACKGROUND

Per Resolution E-4999, estimated budget forecasts must be presented by program and include the following budget line items:⁴

1. Generation cost delta,⁵ if any;
2. 20% bill discount for participating customers;
3. Program administration costs, including:
 - a. Program management;
 - b. Information technology (“IT”);

¹ In future PYs, the annual program budget will also include actual program costs from the previous PY, as well as a reconciliation of forecasted versus actual costs.

² Resolution E-5124 at 32 (OP 1).

³ *Id.* at 33 (OP 6).

⁴ A detailed description of each budget line item can be found in PCE’s Implementation Plan, submitted in Appendix A to the Implementation Advice Letter.

⁵ 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 Commission’s 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.*”

- 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, PCE must report on:

1. Existing capacity at the close of the previous 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 B 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 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.

3. BUDGET FORECAST FOR PYs 2021 and 2022

For PYs 2021 and 2022, PCE requests a total budget of \$1,130,074.36 for the DAC-GT and CSGT programs. A detailed budget forecast for each program and PY by budget line item can be found in the figure below.

Figure 1: PCE Budget Forecast for PYs 2021 and 2022

Tab	Category	DAC-GT			CSGT			
		2021	2022	Total	2021	2022	Total	
1	Generation Cost Delta	\$ 15,971.33	\$ 221,514.70	\$ 237,486.02	\$ -	\$ 34,604.54	\$ 34,604.54	
2	20% Bill Discount	\$ 4,572.71	\$ 63,469.28	\$ 68,041.99	\$ -	\$ 9,907.55	\$ 9,907.55	
	Program Administration							
3a	Program Management	\$ 61,406.25	\$ 60,468.75	\$ 121,875.00	\$ 61,406.25	\$ 60,468.75	\$ 121,875.00	
3b	Information Technology	\$ 49,731.25	\$ 26,527.34	\$ 76,258.59	\$ 13,581.25	\$ 20,227.34	\$ 33,808.59	
3c	Billing Operations	\$ 7,591.26	\$ 16,093.47	\$ 23,684.73	\$ 1,939.99	\$ 4,112.78	\$ 6,052.77	
3d	Regulatory Compliance	\$ 7,625.00	\$ 16,015.00	\$ 23,640.00	\$ 7,625.00	\$ 16,015.00	\$ 23,640.00	
3e	Procurement	\$ 52,175.00	\$ 44,165.00	\$ 96,340.00	\$ 52,175.00	\$ 44,165.00	\$ 96,340.00	
3f	CCA Integration	\$ 15,870.00	\$ 31,014.00	\$ 46,884.00	\$ -	\$ 31,014.00	\$ 31,014.00	
	Subtotal Program Administration	\$1 78,528.76	\$ 163,269.57	\$ 341,798.33	\$ 136,727.49	\$ 144,988.87	\$ 281,716.36	
4	Marketing, Education & Outreach	\$ 58,586.69	\$ 19,673.09	\$ 78,259.78	\$ 58,586.69	\$ 19,673.09	\$ 78,259.78	
5	EM&V	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total	al	\$ 257,659.49	\$ 467,926.63	\$ 725,586.13	\$ 195,314.18	\$ 209,174.06	\$ 404,488.23	\$ 1,130,074.36

PCE provides the following clarifying notes regarding the budget summary.

CCA Integration Costs

Resolution E-5124 authorized PG&E to charge “CCA integration” costs, defined as “administrative, IT, or other discrete activities taken by PG&E in order to facilitate implementation of the DAC-GT and CSGT CCA programs.”⁶ Resolution E-5124 also specified that general CCA integration costs should be distributed in equal parts among participating CCAs. Any CCA integration costs that are specific to an individual CCA should be attributed to the CCA.⁷

Resolution E-5124 also determined that CCAs will be responsible for including their corresponding share of CCA integration costs under their respective “program administration” budget line items.⁸ PG&E informed each CCA of its forecasted CCA integration costs for PY 2021 and PY 2022 in advance of this updated budget submission. These costs are reflected in a new budget line item: 3f – CCA Integration. The CCA integration costs result in an increase to PCE’s forecasted program administration costs for the DAC-GT program of \$15,870.00 for PY 2021 and \$31,014.00 for PY 2022, and increased forecast to the CSGT program of \$31,014.00 for PY 2022.

Generation Cost Delta

PCE’s Implementation AL did not anticipate having new DAC-GT or CSGT projects come online in 2021 or 2022, nor did it anticipate serving DAC-GT customers through an interim resource. In the interest of quickly offering the DAC-GT program to its customers and providing customers with the 20% bill discount while PCE conducts its solicitation to secure a permanent resource, PCE has elected to secure an interim resource that meets all of the program requirements. PCE has not yet contracted for an interim resource for the DAC-GT program or permanent resource to serve either the DAC-GT or CSGT programs, therefore the generation cost delta budget forecast for the DAC-GT and CSGT programs is based on the cost of a generic project that is sized to match the program criteria. As the interim resource allows PCE to deliver the program more quickly, the budget herein includes increases in the generation cost delta for the DAC-GT program of \$15,971.33 in PY 2021 and \$165,657.20 in PY 2022, to total forecasted costs of \$15,971.33 in PY 2021 and \$221,514.70 in PY 2022. The CSGT Generation Cost Delta forecasts for PYs 2021 and 2022 remain unchanged.

20% Bill Discount

In its Implementation AL, PCE proposed to only calculate the 20% bill discount for participating customers on the generation portion of the electric bill. The respective utility (in PCE’s case, PG&E) would be responsible for calculating the bill discount on the delivery portion of the bill. Resolution E-5124 determined that CCAs must calculate the bill discount on the full electric portion of the bill, including both the generation and delivery portions, and that the full bill discount will be shown on the generation portion of

⁶ Resolution E-5124 at 11.

⁷ *Id.*

⁸ *Id.*

the participating customer's bill.⁹ PCE's forecasted budget for delivering the bill discount is updated here accordingly.

In addition, PCE's decision to serve customers in the DAC-GT program through an interim project also impacts the bill discount. PCE will be able to enroll customers while procuring for permanent resources and therefore will provide earlier delivery of the bill discount to customers. This will not impact the bill discount forecast for the CSGT program as this program cannot be served using an interim resource.

For the DAC-GT program, the two changes discussed above (calculating the 20% discount on the full electric portion of the customer bill and earlier delivery of the bill discount due to the interim resource) result in increases to the bill discount forecasts of \$4,572.71 in PY 2021 and \$58,397.09 in PY 2022, to total forecasted costs of \$4,572.71 in PY 2021 and \$63,469.28 in PY 2022. For the CSGT program, the revised methodology for calculating the bill discount increases the bill discount forecasts by \$6,767.62 in PY 2022, for a total forecasted cost of \$9,907.55 in PY 2022.

Revised IT Costs

IT costs include the cost to develop program tools and update existing systems to accommodate program enrollment and billing. PCE's original budget filed with its Implementation AL forecasted PY 2021 and 2022 IT costs based on the assumption that PG&E will be calculating and recovering the bill discount on the delivery portion of the electric bill. As Resolution E-5124 determined that CCAs are responsible for calculating and recovering the 20% bill discount, PCE received updated cost estimates from its billing services provider. This results in an increase in the forecasted IT costs for the DAC-GT program of \$36,700.00 in PY 2021 and \$18,600.00 in PY 2022, for total forecasted costs of \$49,731.25 in PY 2021 and \$26,527.34 in PY 2022. Similarly, the revised cost estimates result in increases in the forecasted IT costs for the CSGT program of \$550.00 for PY 2021 and \$12,300.00 for PY 2022, for total forecasted costs of \$13,581.25 for PY 2021 and \$20,227.34 for PY 2022.

4. BUDGET CAPS

Resolution E-4999 establishes 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.¹⁰ However, administrative and ME&O costs may be higher than these budget allocations in the first two years of program implementation (i.e., PYs 2021 and 2022 for PCE) in order to account for higher start-up costs.¹¹ PCE will include information on budget caps in subsequent submissions of its Annual Budget Advice Letter if necessary.

⁹ Resolution E-5124 at 12.

¹⁰ Resolution E-4999 determined that Program Administrators can submit a Tier 3 Advice Letter requesting an adjustment to the budget allocations if the need arises. See Resolution E-4999 at 67 (OP 2).

¹¹ *Id.*

5. PROGRAM CAPACITY AND ENROLLMENT NUMBERS

PCE reports forecasted program capacity and customer enrollment numbers for PYs 2021 and 2022 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 launched yet.

For PY 2021, PCE is only reporting forecasted program capacity and enrollment numbers for the DAC-GT program, as this program is expected to be served by an interim solar resource in 2021 while new resources are being procured for the program. For the CSGT program, PCE will procure new solar resources that are expected to come online in 2022.

Figure 2: Program Capacity and Enrollment Count for DAC-GT and CSGT

Category	DAC-GT		
	2021	2022	Total
Estimated capacity to be procured (MW)	1.236	0	1.236
Estimated customer enrollment (#)	150	233	383

Category	CSGT		
	2021	2022	Total
Estimated capacity to be procured (MW)	N/A	0.4025	0.4025
Estimated customer enrollment (#)	N/A	125	125

6. CONCLUSION

PCE respectfully requests the Commission approve the budgets proposed herein and direct PG&E to transfer funds sufficient to meet PCE's approved annual budgets per the funding mechanisms discussed above.

APPENDIX B