

# NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S REQUEST TO INCREASE RATES TO REDUCE THE IMPACT OF PUBLIC SAFETY POWER SHUTOFFS AND EXPAND MICROGRIDS (R.19-09-009)

## Summary

On January 21, 2020, Pacific Gas and Electric Company (PG&E) filed its proposal to increase rates to safely reduce the impact of future Public Safety Power Shutoff (PSPS) events by expanding the use of microgrids. Microgrids are designed to provide local sources of power to customers when there is a wider outage on the electric grid.

The proposal seeks to safely reduce the impact of PSPS events on customers through the following programs:

- Upgrades to certain electric power substations to provide local sources of power for customers in the event of a PSPS event
- Provide power through temporary electric generation units for use during 2020 PSPS events
- Funding to support communities interested in implementing their own community-level microgrids to serve certain important facilities, such as hospitals and water treatment facilities.

If the California Public Utilities Commission (CPUC) approves these proposals, PG&E will begin recovering costs and increase electric rates in August 2020.

## Background

Senate Bill 1339 was signed into California law in 2018 with the goal of supporting microgrid development throughout the state. The goal of deploying microgrids is to minimize the number of customers that may be impacted by PSPS events and for those customers that are impacted, they may be impacted for shorter periods of time.

## How will the proposal affect my electric rate?

Most customers receive bundled electric service from PG&E, meaning they receive electric generation, transmission and distribution services. Based on rates currently in effect, the bill for a typical residential nonCARE customer using 500 kWh per month would increase from \$124.41 to \$126.09 or 1.4%.

A summary of the proposed rate increase for these customers is provided below.



### PROPOSED ELECTRIC RATE INCREASE

Customer Class	Current Average (¢/kWh) As of 1/1/20	Proposed Average (¢/kWh) As of 8/1/20	Total Change (¢/kWh)	Total Percentage Change
<b>Bundled Service</b>				
Residential	22.65	22.95	0.31	1.4%
Small Commercial	25.93	26.26	0.33	1.3%
Medium Commercial	23.12	23.33	0.21	0.9%
Large Commercial	20.33	20.50	0.16	0.8%
Streetlights	26.63	26.81	0.18	0.7%
Standby	16.66	16.75	0.10	0.6%
Agriculture	22.02	22.29	0.26	1.2%
Industrial	16.25	16.32	0.08	0.5%
Average System Rate Change	21.55	21.78	0.24	1.1%

Direct Access and Community Choice Aggregation customers only receive electric transmission and distribution services from PG&E. On average, these customers would see an increase of 1.7%.

Another category of nonbundled customers is Departing Load. These customers do not receive electric generation, transmission or distribution services from PG&E. However, these customers are required to pay certain charges by law or CPUC decision. The impact of PG&E's proposal on these customers is an average increase of 0.6%.

## How do I find out more about PG&E's proposals?

If you have questions about PG&E's filing, please contact PG&E at **1-800-743-5000**. For TTY, call **1-800-652-4712**. If you would like a copy of PG&E's filing and exhibits, please write to PG&E at the address below:

Pacific Gas and Electric Company  
Microgrid Proposal (R.19-09-009)  
P.O. Box 7442  
San Francisco, CA 94120

A copy of PG&E's filing and exhibits is also available for review at the CPUC's Central Files office by appointment only. For more information, contact **ALJCentralFilesID@cpuc.ca.gov** or **1-415-703-2045**. PG&E's proposal is available on the CPUC's website at **cpuc.ca.gov**.

## CPUC process

This proposal will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related information necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings (EHs) may be held where parties will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are formal parties in the case can participate.

After considering all proposals and evidence presented during the hearings, the assigned Judge will issue a proposed decision which may adopt PG&E's proposal, modify it or deny it. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted on at a scheduled CPUC Voting Meeting that is open to the public.

The California Public Advocates Office (CalPA) may review this proposal. CalPA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. CalPA has a multidisciplinary staff with expertise in economics, finance, accounting and engineering. For more information about CalPA, please call **1-415-703-1584**, email **PublicAdvocatesOffice@cpuc.ca.gov** or visit CalPA's website at **PublicAdvocates.cpuc.ca.gov**.

## Stay informed

If you would like to follow this proceeding, or any other issue before the CPUC, please use the CPUC's free subscription service. Sign up at: **Subscribecpuc.cpuc.ca.gov**. If you would like to learn how you can participate in the proceeding, have informal comments about the proposal or have questions about the CPUC processes, you may access the CPUC's Public Advisor Office (PAO) webpage at **Consumers.cpuc.ca.gov/pao/**.

You may also contact the PAO as follows:

**Email:** [Public.Advisor@cpuc.ca.gov](mailto:Public.Advisor@cpuc.ca.gov)

**Mail:** CPUC  
Public Advisor's Office  
505 Van Ness Avenue  
San Francisco, CA 94102

**Call:** **1-866-849-8390** (toll-free) or **1-415-703-2074**

**TTY:** **1-866-836-7825** (toll-free) or **1-415-703-5282**

Please reference **Microgrid Proposal (R.19-09-009)** in any communications you have with the CPUC regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review by the assigned Judge, Commissioners and appropriate CPUC staff.