

NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S REQUEST TO CHANGE RATES FOR THE RECOVERY OF ENERGY PURCHASES AND THE CALIFORNIA CLIMATE CREDIT FOR 2021 (A.20-07-002)

Summary

On July 1, 2020, PG&E filed its 2021 ERRA Forecast application with the CPUC requesting approval to change rates for the following:

- Recovery of approximately \$2.8 billion in costs related to the generation of electricity, including fuel and buying energy from third parties to serve bundled customer load
- Setting certain charges for bundled and departing load customers for the recovery of the above-market portion of PG&E's portfolio, which are included in the Power Charge Indifference Adjustment (PCIA), Ongoing Competition Transition Charge (CTC) and Cost Allocation Mechanism (CAM)
- Compliance with government mandates recovered through the Tree Mortality Non-bypassable Charge (TMNBC)

As part of this application, PG&E customers will also receive the California Climate Credit. The credit will be applied twice a year, in April 2021 and October 2021, for residential electric customers and once a year, in April 2021, for residential gas customers.

Background

The ERRA is used to record fuel and purchased power costs that can be recovered in customer rates. While this may result in a change in rates, PG&E recovers these costs with no markup for return or profit. The purpose of this application is to forecast costs of obtaining energy for customers and to approve the amount to be returned to customers from the sale of greenhouse gas emission allowances for the 2021 calendar year.

If the CPUC approves this application, PG&E will begin to recover its costs in electric rates effective January 1, 2021. At the end of 2021, PG&E will compare actual costs to the amounts forecasted in this application and will incorporate any differences in next year's application.

Acronyms you need to know

PG&E: Pacific Gas and Electric Company

CPUC: California Public Utilities Commission

ERRA: Energy Resource Recovery Account

How will the application affect electric rates?

Most customers receive bundled electric service from PG&E, meaning they receive electric generation, transmission and distribution services. A summary of the rate impact for these customers is provided below. This information includes the California Climate Credit for residential customers and greenhouse gas allowance returns for eligible nonresidential customers.



PROPOSED ELECTRIC RATE INCREASE

Customer Class	Current Average (¢/kWh) as of 5/1/20	Proposed Average (¢/kWh) as of 1/1/21	Total Change (¢/kWh)	Total Percentage Change
Bundled Service				
Residential	22.87	23.14	0.26	1.2%
Small Commercial	26.49	26.15	-0.33	-1.3%
Medium Commercial	23.95	23.56	-0.40	-1.7%
Large Commercial	20.89	20.36	-0.52	-2.5%
Streetlight	31.92	31.55	-0.38	-1.2%
Standby	19.20	19.84	0.64	3.4%
Agriculture	24.55	24.26	-0.29	-1.2%
Industrial	16.57	16.25	-0.32	-1.9%
Average System Rate Change	22.34	22.23	-0.11	-0.5%

Based on rates currently in effect, the bill for a typical residential customer using 500 kWh per month would increase from \$127.45 to \$128.42 or 0.8%. Actual impacts will vary depending on energy usage.

Direct Access and Community Choice Aggregation customers only receive electric transmission and distribution services from PG&E. PG&E does not purchase energy for these customers. However, as mentioned above, this application addresses recovery of certain costs incurred before their departure.

These customers also receive the benefit of the California Climate Credit. In addition, eligible nonresidential DA and CCA customers receive the benefit of the greenhouse gas allowance returns. The impact of PG&E's application on these customers is an average increase of 2.3%.

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 application on these customers is an average decrease of -3.3%.

Exact amounts are subject to change and to CPUC regulatory approval. PG&E will update its rate request in August 2020 and will provide the CPUC with updated amounts later in the year to ensure the most current information is used to set customer rates.

CPUC process

This application will be assigned to a judge, who will consider proposals and evidence presented during the formal hearing process. The judge will issue a proposed decision which may adopt PG&E's application, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners.

The Public Advocates Office is currently reviewing this application. The Public Advocates Office is the independent consumer advocate within the CPUC with a statutory mandate to represent customers of investor-owned utilities to obtain the lowest possible rate for service consistent with safe, reliable service and the state's environmental policy goals. For more information, please call 415-703-1584, email PublicAdvocatesOffice@cpuc.ca.gov or visit PublicAdvocates.cpuc.ca.gov.

Where can I get more information?

CONTACT PG&E

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 the filing and exhibits, please write to the address below:

Pacific Gas and Electric Company
2021 ERRR Forecast Application (A.20-07-002)
P.O. Box 7442
San Francisco, CA 94120

CONTACT CPUC

You may also get information about this proceeding by contacting the CPUC.

- If you would like to make a comment, please visit cpuc.ca.gov/A2007002Comment to submit a comment on the CPUC Docket Card. You can also review other public comments related to this rate request.
- If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office.

Email: 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)

For TTY, call 1-866-836-7825 (toll-free)

Please reference **2021 ERRR Forecast Application (A.20-07-002)** in any communications you have with the CPUC regarding this matter.