

ATTACHMENT D

GHG Revenue and Reconciliation Application Form

Each utility should complete the templates provided in Attachment D when submitting its GHG Revenue and Reconciliation Application or request. The utility should complete the templates for the forecast year (denoted as “Year t” in the templates) and any years for which it is recording or reconciling costs and revenues.

Clarifying notes follow each template to provide guidance for completing the template.

Gray shading in the template indicates confidential information. As described in the notes that accompany each template, a utility may mark additional data as confidential, based on its set of circumstances. A.13-08-002 et al.

Via the Advice Letters below* the following changes were made to Attachment D consistent with Decision (D.) 21-08-026.

Templates D-1 and D-2 are modified as shown.

Templates D-4 and D-5 are eliminated

Template D-3 is unchanged

*Advice Letter 4587-E-A/B/C

(Southern California Edison Company ID U 338 E)

Advice Letter 6326-E-A/B/C

(Pacific Gas and Electric Company ID U 39 E)

Advice Letter 3845-E-A/B/C

(San Diego Gas & Electric Company ID U 902 E)

Advice Letter 177-E-A/B/C

(Liberty Utilities (CalPeco Electric) LLC ID U 933 E)

Advice Letter 425-E-A/B/C

(Bear Valley Electric Service Company ID U 913 E)

Advice Letter 660-E-A/B/C

(PacifiCorp U 901 E)

Template D-1: Annual Allowance Revenue Receipts and Customer Returns

Line Description	Year t-1		Year t	
	Forecast	Recorded	Forecast	Recorded
1 Proxy GHG Price (\$/MT)	-	N/A	-	N/A
2 Allocated Allowances (MT)	-	-	-	-
3 Revenues (\$)				
4 Prior Balance	N/A	N/A	-	-
5 Allowance Revenue	-	-	-	-
6 Interest	-	-	-	-
7 Franchise Fees and Uncollectibles	-	-	-	-
8 Subtotal Revenues	-	-	-	-
9 Expenses (\$)				
10 Outreach and Administrative Expenses (from Template D3)	-	-	-	-
11 Franchise Fees and Uncollectibles	-	-	-	-
12 Interest	-	-	-	-
13 Subtotal Expenses	-	-	-	-
14 Total Allowance Revenue Approved for Clean Energy or Energy Efficiency Programs (\$) (Sum of Lines 14a through 14c)	-	-	-	-
14a Clean Energy Program XX	-	-	-	-
14b Clean Energy Program XX	-	-	-	-
14c Clean Energy Program XX	-	-	-	-
15 Net GHG Revenues (\$) (Line 8 + Line 13 + Line 14)	-	-	-	-
16 GHG Revenues to be Distributed in Future Years (\$)	-	-	-	-
17 Net GHG Revenues Available for Customers in Forecast Year (\$) (Line 15 + Line 16)	-	-	-	-
18 GHG Revenue Returned to Eligible EITE Customers (\$)				
19 EITE Customer Return	-	-	-	-
20 Semi-Annual Climate Credit				
21 Number of Eligible Residential Bundled Households	-	-	-	-
22 Number of Eligible Residential Unbundled Households	-	-	-	-
23 Number of Eligible Small Business Customers	-	-	-	-
24 Total Customers Eligible for Climate Credit	-	-	-	-
25 Per-Customer Semi-Annual Climate Credit (0.5 x (Line 17 + 19) ÷ Line 24)	-	-	-	-
26 Total Revenue Distributed for the Climate Credit (\$) (2 x Line 24 x Line 25)	-	-	-	-
27 Revenue Balance (\$) (Line 17 + Line 19 + Line 26)	-	-	-	-

***Template D-1 Notes**

Line 1: Proxy GHG Price

- The forward ICE settlement price of GHG allowances of the forecast year's vintage with December delivery of the forecast year, with a quote date consistent with natural gas and power price forward curves used in the ERRA/ECAC forecast.
- Proxy GHG Price is applicable to the forecast column only.
- Proxy GHG Price was not used prior to 2015.

Line 2: Allocated Allowances

- Number of allowances the California Air Resources Board allocates to each utility on behalf of its customers.
- Number of forecast allocated allowances should not be adjusted for the Energy Imbalance Market (EIM) Purchaser Emission adjustments by the CARB to any individual utility.
- At the conclusion of all annual allowance auctions, the recorded allocated allowances may be adjusted net of the EIM adjustments in any future ERRA Forecast filing to reflect the net number of allowances that each utility submitted for auction.

Line 3: Revenues

- Revenue from selling 100% of allocated allowances.
- If a utility records revenues received as negative values in this template, it should record expenses and revenues returned as positive values.

Line 4: Prior Balance

- Forecasted or recorded end-of-year balance in each utility's respective GHG revenue balancing account.
- Not applicable to 2013, as there was no balance prior to 2013.

Line 5: Allowance Revenue

- Forecast Allowance Revenue equals the Proxy GHG Price multiplied by the number of Allocated Allowances to the utility in a given year.
- Recorded Allowance Revenue is the total value of allowances consigned and sold at auction for a given year.

Line 6: Interest

- Recorded Interest is the interest booked to the revenue balancing account.

Line 7: Franchise Fees and Uncollectibles

- Calculated by multiplying the utility's GRC-authorized FF&U factor by the allowance revenue (including any interest).

Lines 10-12: Expenses

- Recorded Expenses reflect actual expenses recorded by filing date plus additional estimated year-end recorded expenses.

Line 10: Outreach and Administrative Expenses

- Utilities enter the total from Template D3 on this line, net of any balance in the outreach expense memorandum account or administrative expense balancing account. Note any previous year's balance applied here.

Line 11: Franchise Fees and Uncollectibles

- If a utility calculates expense-related FF&Us separately from Revenue FF&Us above, utility will enter that number here.
- Calculated by multiplying the utility's GRC-authorized FF&U factor by the outreach and administrative expenses.

Line 12: Interest

- If applicable.

Line 14 a-c: Allowance Revenue Approved for Clean Energy or EE Programs, per D.20-04-012, Ordering Paragraph #6

- Amount of revenue, if any, that the Commission has authorized in other proceedings to fund clean energy or EE programs.
- Utilities will enter Clean Energy programs separately in Lines 14a-c with additional lines as needed, which will sum on Line 14.

Line 15: Net GHG Revenues Available for Customers

- Revenue net of Expenses and Allowance Revenue for Clean Energy or EE.

Line 16: GHG Revenues to be Distributed in Future Years

- Of GHG Revenues collected in 2013, 50% is to be returned to customers in 2014 and 50% in 2015. These revenues are held in the utility's balancing account until they are distributed. When reporting recorded 2013 and 2014 revenues, and for the 2015 forecast year, the utility will indicate the amount of collected GHG revenues that will remain in the balancing account to be distributed in future years. This line can be omitted beginning in the 2016 forecast year after all revenue from 2013 and 2014 has been amortized in rates.

Line 18: GHG Revenue Returned to Eligible EITE Customers

- Recorded revenue returned to eligible customers should reflect recorded revenue returned to customers as of the filing date as well as estimated year-end recorded revenue returned to customers.

Line 19: EITE Customer Return

- As the revenue allocation formula and distribution methodologies for emissions intensive and trade exposed (EITE) customers has not been finalized as of the mailing of this decision, the forecast is based on total sales to expected bundled and unbundled EITE-eligible customers multiplied by the GHG cost in rates for these customers.
- Once EITE customers have begun receiving an EITE return, the forecast return is based on the recorded prior-year revenue returned to EITE customers.

Line 20 Semi-Annual Climate Credit

- This section calculates both the semi-annual Climate Credit and the Total Revenue Distributed for the Climate Credit.

Lines 21-24 Customer Count for Eligible Customers

- Utilities provide a separate customer count for eligible bundled and unbundled residential customers, and small business customers.
- Multiplying the customer count by two times the semi-annual Climate Credit yields the total Climate Credit revenue forecasted to be returned to that customer class.

Line 25: Per-Customer Semi-Annual Climate Credit

- The recorded amount exactly equals the forecast for that year, as the forecast is used to calculate the amount of the Climate Credit.

Line 26: Total Revenue Distributed for the Climate Credit

- Forecast Revenue Distributed for the Climate Credit is the net allowance revenue available for customers less the subtotal of EITE and volumetric revenue returns.
- Recorded Revenue Distributed for the Climate Credit is the actual amount returned to all households.

Line 27: Revenue Balance

- The recorded Revenue Balance will be the known or estimated amount recorded in the utility's respective balancing account on December 31 of that year.
- Only applicable to the recorded column.
- The Revenue Balance at the end of one year then becomes the Prior Balance (line 4) of the next year.

Template D-2: Annual GHG Emissions and Associated Costs					
Line	Description	Year t-1		Year t	
		Forecast	Recorded	Forecast	Recorded
1	Direct GHG Emissions (MTCO₂e)				
2	Utility Owned Generation (UOG)	-	-	-	-
3	Tolling Agreements	-	-	-	-
4	Energy Imports (Specified)	-	-	-	-
5	Energy imports (Unspecified)	-	-	-	-
6	Qualifying Facility (QF) Contracts	-	-	-	-
7	Contracts with Financial Settlement	-	-	-	-
8	Subtotal	-	-	-	-
9	Total Emissions (MTCO₂e)	-	-	-	-
10	Proxy GHG Price (\$/MT)	-	-	-	-
11	GHG Costs (\$)				
12	Direct GHG Costs	-	-	-	-
13	Direct GHG Costs - Financial Settlement	-	-	-	-
14	Previous Year's Forecast Reconciliation (Line 16)	N/A	N/A	-	-
15	Total Costs	-	-	-	-
16	Forecast Variance (\$)	N/A	-	N/A	-

CONFIDENTIAL INFORMATION

****Template D-2 Notes**

Line 1: Direct GHG Emissions

- Direct GHG Emissions are confidential.
- Utilities will provide data for all categories of Direct GHG Emissions that are applicable to their operations.
- If a utility is a multi-jurisdictional retail provider (MJRP) that reports MJRP emissions, the utility shall add a line under Direct GHG Emissions to include MJRP emissions. This value is confidential.

Line 2: Utility Owned Generation

- Emissions based on forecasted or actual plant output, the facility-specific heat rate assumption, and ARB-specified emissions factors for fuels.
- This value is confidential.

Line 3: Tolling Agreements

- Emissions based on forecasted or actual plant output purchased by utility, the contract-specific heat rate assumption, and ARB-specified emissions factors for fuels.
- This value is confidential.

Line 4: Energy Imports (Specified)

- Emissions based on forecasted or actual plant output purchased by utility and the facility-specific emissions factor.
- This value is confidential.

Line 5: Energy Imports (Unspecified)

- Emissions based on forecasted or actual plant output purchased by utility, the ARB emissions factor for unspecified imports, the ARB transmission loss correction factor, and any applicable RPS adjustment.
- This value is confidential.

Line 6: Qualifying Facility Contracts

- Physically settled emissions based on forecasted or actual plant output purchased by utility and the contract-specific settlement terms.
- This value is confidential.

Line 7: Contract with Financial Settlement

- Emissions from utility contracts in which the utility is responsible for providing financial settlement specifically for GHG costs. At its discretion, the utility may choose instead to record financially settled emissions as a new row under Indirect GHG Emissions.
- This value is confidential.

Line 8: Subtotal

- This value is confidential.

Line 9: Total Emissions

- Total of direct emissions.

- This value is confidential if a utility has only direct emissions, because it would reveal their direct compliance exposure.

Line 10: Proxy GHG Price

- The forecast Proxy GHG Price is used to forecast Direct GHG Costs.
- The forecast Proxy GHG Price is the forward ICE settlement price with December delivery of the forecast year, with a quote date consistent with natural gas and power price forward curves used in the ERRA/ECAC forecast. This value is public. PG&E separately calculates a confidential GHG price which it uses to forecast procurement costs for ratemaking purposes in the ERRA forecast proceeding.
- PG&E must use a confidential internal GHG allowance price forecast for the Proxy GHG Price if this is consistent with its ERRA methodology.

Line 12: Direct GHG Costs

- The Direct GHG Costs included the cost of Direct GHG Emissions in Lines 2 through 7 only.
- Forecast direct costs are the Forecasted Proxy Price (or confidential price for PG&E) multiplied by forecasted direct emissions.
- Recorded direct costs are the sum of each month's WAC of compliance instrument inventory multiplied by that month's actual direct emissions, as shown in Template C.
- These values are confidential to avoid revealing a utility's Direct GHG Emissions.

Line 13: Direct GHG Costs - Financial Settlement

- The Direct GHG Costs for Contracts with Financial Settlement include the cost of Direct GHG Emissions in Line 7.
- Forecast direct costs with financial settlement are the Forecast Proxy Price (or confidential price for PG&E) multiplied by forecast direct emissions.
- Recorded direct costs are the sum of each month's cost of financially settling the GHG cost component of contracts.
- These values are confidential to avoid revealing a utility's Direct GHG Emissions.

Line 14: Previous Year's Forecast Reconciliation

- Equals Forecast Variance (line 20) from the year the utility is reconciling.
- This value is confidential if the previous year's Forecast Variance is confidential.

Line 15: Total Costs

- Forecast of total costs are confidential if utility uses a confidential price for its Forecast Proxy Price (line 14). In that case, utility's GHG application must include an illustrative public GHG cost using the public forecast proxy price.
- This value is also confidential if a utility has only direct costs.

Line 16: Forecast Variance

- Total recorded costs minus total forecasted costs for the year.
- If the forecast of Total Costs (line 20) is confidential, the forecast variance is also confidential.

Template D-3: Detail of Outreach and Administrative Expenses

Line Description	Year t-1		Year t	
	Forecast	Recorded	Forecast	Recorded
1 Utility Outreach Expenses (\$)				
2 Detail of outreach activities	-	-	-	-
3 Subtotal Outreach	-	-	-	-
4 Utility Administrative Expenses (\$)				
5 Detail of administrative activities	-	-	-	-
6 Subtotal Administrative	-	-	-	-
7 Utility Outreach and Administrative Expenses (\$) (Line 3 + Line 6)	-	-	-	-
8 Additional (Non-Utility) Statewide Outreach (\$)	-	-	-	-
9 Total Outreach and Administrative Expenses (\$) (Line 7 + Line 8)	-	-	-	-

***Template D-3 Notes

Lines 1-3: Utility Outreach Expenses

- Utilities provide detail on the categories of outreach activities they forecast and actually work on.
- Examples of outreach categories include customer call center outreach, internal marketing efforts, printed materials, postage, and contracts with external marketing consultants.
- Utilities will insert line items to account for applicable outreach sub-categories, including the examples listed here and any other relevant sub-categories.

Lines 4-6: Utility Administrative Expenses

- Utilities provide detail on the type of administrative activities they forecast and actually complete.
- Examples of administrative work include general program management, IT enhancements, billing system enhancements, IT program management and oversight, and customer call center training.
- Utilities will insert line items to account for applicable administrative sub-categories, including the examples listed here and any other relevant sub-categories.

Line 8: Additional (Non-Utility) Statewide Outreach

- Utility's portion of expenses for a third-party to support statewide outreach.