BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Implement Dairy Biomethane Pilot Projects to Demonstrate Interconnection to the Common Carrier Pipeline System In Compliance with Senate Bill 1383.

R.17-06-015
(Filed June 15, 2017)

PACIFIC GAS AND ELECTRIC COMPANY’S COMMENTS ON THE SENATE BILL 1383 DAIRY PILOT PROJECT SOLICITATION WORKSHOP HELD PURSUANT TO DECISION 17-12-004

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Dated:  February 5, 2018
I. INTRODUCTION

Pursuant to Rule 6.2 of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) submits its opening comments on the Senate Bill (SB) 1383 dairy pilot project solicitation workshop held pursuant to Decision (D.) 17-12-004 issued in Rulemaking 17-06-015.

D.17-12-004 required the Southern California Gas Company (SoCalGas) to issue a draft solicitation process to establish the methodology of selecting a minimum of five dairy pilot projects to be implemented under the incentive structure established in SB 1383. A “Joint Utility Draft Solicitation for SB 1383 Dairy Pilot Projects” (Draft Solicitation) was issued by PG&E, San Diego Gas and Electric Company, SoCalGas, and Southwest Gas Corporation on January 18, 2018 describing the solicitation process, and noticing a public comment workshop for January 31, 2018. Per Section 5.3 of the Draft Solicitation, comments and reply comments on the workshop are due on February 5, 2018, and February 12, 2018, respectively.

II. PG&E RECOMMENDS THAT REQUESTS FOR RECOVERY OF COSTS SHOULD BE SUPPORTED BY PROOF OF PAYMENT

Dairy biomethane developers may seek to recover pilot project costs for approved infrastructure from the utilities as approved in D.17-12-004. Good utility practice and stewardship of Commission-approved ratepayer funds requires that the utilities be provided with proof of payment by the developer for any cost to be reimbursed. PG&E respectfully requests
that such proof be provided in the form of paid contracts or receipts wherever possible, and that unsupported costs not be eligible for reimbursement.

To ensure that developers are not burdened by total project costs, PG&E will be updating its interconnection agreement to provide flexibility in payment schedules, determined by the developer and PG&E, for those costs with proof of payment.

III. CONCLUSION

PG&E looks forward to implementing the SB 1383 pilot project framework. PG&E respectfully requests that the Selection Committee adopt a requirement that a developer must provide proof of payment along with its request for cost reimbursement.

Respectfully Submitted,

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