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October 25, 2024

Ms. Debbie-Anne Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, DC 20426

**Re: General Rate Case (Type of Filing Code 320)
Pacific Gas and Electric Company's Proposed Rate and Non-Rate Changes to the
Wholesale Distribution Tariff, FERC Electric Tariff Volume No. 4**

Dear Ms. Reese:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d(d), and Section 35.13 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") regulations, 18 C.F.R. §35.13, Pacific Gas and Electric Company ("PG&E") submits for filing and acceptance, proposed rate changes and revisions to certain non-rate terms and conditions to its Wholesale Distribution Tariff ("WDT" or "Tariff"), FERC Electric Tariff Volume No. 4.

This is PG&E's fourth WDT rate filing ("WDT4"). The proposed WDT4 Formula Rate will replace Attachment 1 and Attachment 2 of Appendix I, which includes the Formula Rate Protocols and the Model, respectively.¹

The proposed WDT4 Formula Rate for Rate Year 2025 results in a \$1,062 million increase in the Wholesale Distribution Revenue Requirement ("DRR") as compared to the currently effective WDT3 DRR for Rate Year 2024. PG&E posted its WDT3 Rate Year 2025 draft Annual Update on its website on June 28, 2024 and it will be filed in December. When comparing the June 28, 2024 WDT3 Rate Year 2025 draft Annual Update, which is subject to change prior filing, the proposed WDT4 Formula Rate for Rate Year 2025 results in a \$122 million increase. There is an approximately 15% increase when comparing the proposed WDT4 Rate Year 2025 DRR with the currently effective WDT3 Rate Year 2024 DRR; however, when comparing the same rate years, Rate Year 2025, there is an 1.57% increase in the DRR.

¹ The WDT also includes the procedures, terms and conditions for generators interconnecting to PG&E's distribution system that plan to sell power into the CAISO market. In this filing, PG&E is not proposing any revision to the WDT Generator Interconnection Procedures.

There are currently six load customers under the WDT: the City and County of San Francisco (“CCSF”), the Port of Oakland (“PORT”)², the Power and Water Resources Pooling Authority (“PWRPA”), the Shelter Cove Resort Improvement District No. 1 (“Shelter Cove”), the Western Area Power Administration (“Western”), and the Westside Power Authority (“WPA”).

As explained in detail below, PG&E’s proposed WDT4 Formula Rate is largely modeled on PG&E’s third WDT (“WDT3”) Formula Rate. PG&E’s proposal includes modifications that reflect events that have occurred since the WDT3 Formula Rate Model went into effect.

I. INTRODUCTION AND BACKGROUND

PG&E is a public utility that owns an extensive electric transmission and distribution system in northern and central California. Through its Transmission Owner (“TO”) Tariff, PG&E makes transmission service available to wholesale customers through the California Independent System Operator Corporation (“CAISO”). On occasion, a wholesale customer who has arranged for transmission service under the TO Tariff, or has an equivalent arrangement with the CAISO, may also require Distribution Service from PG&E.

A. PG&E’s Wholesale Distribution Tariff History

PG&E’s WDT contains the rates, terms, and conditions for wholesale transportation service over PG&E’s distribution facilities (“WDT Service”). WDT Service was designed to provide eligible wholesale customers the ability to interconnect to PG&E’s distribution system with open-access, non-discriminatory service necessary in order to access the CAISO-controlled grid to make wholesale sales and purchases. Thus, the WDT is intended to be used in conjunction with PG&E’s TO Tariff and the CAISO Tariff.³

The first WDT filing was based on the Commission’s Order No. 888-A Open Access Transmission Tariff (“OATT”).⁴ On September 15, 2020, in Docket No. ER20-2878, PG&E filed its WDT3 rate case, using a Formula Rate method. On November 13, 2020, the Commission issued an order accepting PG&E’s filing, implementing rates effective April 15, 2021, subject to refund, establishing settlement and hearing procedures and holding hearing procedures in abeyance pending outcome of settlement discussions.⁵ On November 25, 2020, the Honorable Steven Glazer was assigned as settlement judge to the proceedings. The participants to the proceeding resolved a substantial number of issues in two partial settlements

² PG&E’s Service Agreement with the PORT contains a rate methodology resulting from a prior settlement between the parties and is different than that set forth in the Formula Rate. Consequently, the only proposed rate revision is to the PORT’s Customer Service Charge.

³ CAISO, FERC Electric Tariff Volume No. 1.

⁴ Docket No. ER97-2358-000.

⁵ *Pac. Gas and Elec. Co.*, 173 FERC ¶ 61,140 at P3 (2020).

that were submitted to and accepted by the Commission.⁶ These two partial settlements narrowed the disputed issues. The participants submitted prepared testimony and briefing on ten issues related to PG&E's WDT3, resolving two of the ten issues through stipulation and conducting a hearing before Presiding Administrative Law Judge Hessler on the remaining eight issues. The hearing commenced on March 9, 2023, and ended on March 13, 2023. The Chief Judge subsequently approved a temporary abeyance of the WDT3 proceedings to provide the parties a full opportunity to reach settlement.⁷ On April 3, 2024, PG&E, the Western Area Power Administration ("WAPA"), and the Agencies (Arvin-Edison Water Storage District, Power and Water Resources Pooling Authority, Calaveras Public Power Agency, and Tuolumne Public Power Agency (collectively "the Agencies")) filed a Joint Offer of Settlement and Settlement Agreement resolving all of the remaining uses between PG&E, WAPA and the Agencies. The Commission approved the Joint Offer of Settlement and Settlement Agreement by Letter Order on September 3, 2024.⁸ On April 24, 2024, PG&E and the City and County of San Francisco ("CCSF") notified the Commission that they resolved all but two of the disputed issues in consolidated FERC Docket Nos. ER20-2878, ER22-619, and ER22-620. On May 17, 2024, Honorable Jeremy Hessler, Presiding Administrative Law Judge, issued a Partial Initial Decision on the two disputed issues.⁹

B. Formula Rate

As stated above, the WDT3 Formula Rate has been in effect since April 15, 2021. PG&E is submitting its WDT4 filing and requesting an effective date of January 1, 2025, as described in more detail below in Section V. This filing is pursuant to the Commission-approved WDT3 Partial Settlement that requires PG&E to file a new Formula Rate on or before November 1, 2024. PG&E is proposing that the WDT4 Formula Rate replace the WDT3 Formula Rate with rates to go into effect on January 1, 2025.

The Commission has consistently stated its support for formula rate filings by transmission owners. As the Commission explained in *Niagara Mohawk Power*:

We agree with Niagara Mohawk and NYSEG and RGE that having a formula cost recovery system in place should eliminate the need for frequent rate adjustment filings, ensure that rates reflect the actual cost of providing transmission service, and incent needed transmission investment. The Commission has found that the use of formula rates

⁶ *Pac. Gas and Elec. Co.*, 176 FERC ¶ 61,012 (2021); *Pac. Gas and Elec. Co.*, 179 FERC ¶ 61,167 (2022).

⁷ See Order of Acting Chief Judge Granting Abeyance Extension re Pacific Gas and Electric Company under ER22-619 et al. issued on May 5, 2024.

⁸ *Pac. Gas and Elec. Co.*, 188 FERC ¶ 61,149 (2024).

⁹ *Pac. Gas and Elec. Co.*, 187 FERC ¶ 63,012 (2024). The Commission has not issued an Order on the Partial Initial Decision as of the date of this filing.

encourages the construction and timely placement into service of needed transmission infrastructure and has approved the use of formula rates by a number of transmission-owning utilities.¹⁰

As the Commission noted, formula rates mitigate concerns about cost and sales forecasts being different than actuals because formula rates provide a mechanism for truing up rates based on actual cost and sales information. Moreover, as explained below and in the accompanying exhibits, the proposed WDT4 Formula Rate benefits customers by providing that customers pay only the actual cost of service incurred during the year when the rates were in effect. This is the result of the WDT4 Formula Rate true-up mechanism that reconciles the difference between billed revenue and costs incurred on an actual recorded basis. Through the true-up mechanism, any overcollection is credited to customers as a reduction to rates and any undercollection is reflected as a charge or increase to rates.

The proposed WDT4 Formula Rate Protocols include a transparent and robust annual update filing process that allows Interested Parties¹¹ an opportunity to review a draft of the filing for a period of five months before it is submitted to the Commission, propound information requests, provide comments and feedback to PG&E, and participate in technical conferences where PG&E and the Interested Parties engage directly to resolve and address issues before the Annual Update filing.

The proposed WDT4 Formula Rate also provides predictability and transparency because it: (1) relies on using inputs from predefined sources such as prior year FERC Form 1 and company records; (2) will use the Commission-approved Model template to calculate the wholesale distribution revenue requirement and rates, which may not change without FERC approval; and (3) will be subject to the proposed Protocols. Aside from the Model, the Formula Rate is supported by workpapers that PG&E provides to Interested Parties in the draft Annual Update process.

II. DESCRIPTION OF FILING

In this filing, PG&E proposes revisions to its WDT Tariff, Appendix I Formula Rate, which contains two components -- the Protocols and the Model.¹² The proposed Protocols and Model

¹⁰ *Niagara Mohawk Power Corp.*, 124 FERC ¶ 61,106 at P 33 (2008) (footnotes omitted).

¹¹ Interested Parties is defined in the Protocols. See Ex. PGE-0021, WDT4 Protocols § 2.11.

¹² As explained in Section 1 of the Protocols, the Protocols describe: (1) the terms and operation of the Formula Rate to calculate the Wholesale Distribution Revenue Requirement (“DRR”), Distribution Service Rates, Customer Service Charges and the Cost of Ownership rates; (2) PG&E’s commitment to use the Formula Rate to annually update the DRR, Distribution Service Rates, Customer Service Charges and the Cost of Ownership rates; and (3) the terms under which certain Formula Rate provisions may be revised, subject to Commission approval. The Model is the spreadsheet that operates as the mechanism for calculating the DRR, Distribution Service Rates, Customer Service Charges, and the Cost of Ownership rates.

are provided in Exhibit No. PGE-0021. In addition, PG&E is providing a populated version of the Model for proposed 2025 rates in Exhibit No. PGE-0022.

PG&E's proposed WDT4 contains changes to two broad categories: (1) rate related terms and conditions and (2) non-rate terms and conditions. PG&E proposes changes to the DRR, based on the results of the Model derived in accordance with the Protocols. This filing provides the cost support for these proposed changes through the Model, Statements BG and BH, and associated testimony and workpapers.

PG&E provides an overview regarding some of the key aspects of this filing, including: (1) the proposed Formula Rate and the Annual Update process; (2) PG&E's proposed ROE; and (3) the proposed changes and resulting rates from the Formula Rate. PG&E also describes the proposed revisions to the terms and conditions of the WDT. All changes to provide clarifications and modifications of PG&E processes, requirements, and obligations of both PG&E, as the Distribution Provider, and the Distribution Customers.¹³ These proposed changes are summarized below in and more fully described in Exhibit No. PGE-0018.

This letter is intended only to provide an overview of some key elements of PG&E's proposed WDT revisions. The testimony submitted with this filing describes in detail all the proposed changes to the WDT4 Formula Rate and the basis for each of these changes.

A. Structure of the WDT4 Formula Rate and Annual Update Process

The proposed WDT4 Formula Rate uses the same structure as the existing WDT3 Formula Rate. To prepare the proposed WDT4 Formula Rate, PG&E started with the WDT3 Formula Rate and then updated the Protocols and the Model to reflect developments that have occurred since the WDT3 Formula Rate was approved. All the proposed changes in the WDT4 Protocols and Model have been marked up and are provided with this filing. The marked-up versions of the proposed Protocols and Model template are included in Exhibit No. PGE-0021.

The Formula Rate operates using three calendar year periods:

1. Prior Year: The Prior Year is the most recent calendar year prior to the Filing Year. For this filing, the Prior Year is 2023.

2. Filing Year: The Filing Year is the year when PG&E submits the initial application or the subsequent Annual Update filings with the Commission (for this filing, the Filing Year is 2024);

¹³ Distribution Provider and Distribution Customer are terms defined in the WDT.

3. Rate Year: The Rate Year is the year in which the rates will be effective and is the year immediately following the Filing Year. For this filing, the Rate Year is 2025.

Under the Formula Rate structure, PG&E is proposing to calculate a DRR using the following formula:

$$\begin{aligned} \text{Wholesale DRR} = & \quad \text{Prior Year DRR} \\ & + \text{Annual True-up Adjustment ("ATA")} \end{aligned}$$

The Prior Year DRR represents actual costs of service that PG&E incurred in the Prior Year. The Prior Year DRR uses the recorded end of year cost of service for the Prior Year and is based on cost inputs from PG&E's FERC Form 1, supplemented by PG&E records as needed.

The ATA is a component of a Customer's wholesale rates and is calculated as the difference between PG&E's actual allocated distribution costs incurred in the Prior Year and PG&E's actual distribution revenues from a Customer received during that same period.¹⁴ Because the ATA includes any unrecovered and over-recovered revenues from the prior period, plus interest, it ensures that, over time, PG&E will only collect from its customers their allocated actual costs associated with providing service. As described in Section 5 of the Protocols and shown in Schedule 3-ATA of the Model, the ATA is calculated for each applicable Customer for each Annual Update of the Prior Year if the Formula Rate was in effect during all or part of that Prior Year.

The Formula Rate will also calculate the Customer Service Charge for each customer consistent with the methodology previously accepted by the Commission and reflected in each customer's currently effective Service Agreements. PG&E continues to incorporate this calculation into the Formula Rate so that the Customer Service Charge represents PG&E's current average hourly rate to provide billing services and the current hours required to bill each customer. Both the hourly rate and the number of hours will be updated annually.

Finally, the Formula Rate will calculate the Cost of Ownership rate used to determine the Cost of Ownership charges for Distribution Facilities. The Cost of Ownership charges reflect the Distribution Provider's on-going cost liabilities of owning and operating Direct Assignment Facilities, including such items as maintenance costs, replacement costs (due to age and deterioration), and ad valorem taxes. The Cost of Ownership charge is the product of a Cost of Ownership rate and the actual installation costs, which include facilities installed by the

¹⁴ *Id.*, § 5.

Distribution Provider plus facilities installed by the Distribution Customer or others, if any, that are deeded to the Distribution Provider.

The DRR, Distribution Service Rates, Customer Service Charges and the Cost of Ownership rate produced by the formula will be recalculated annually and PG&E will file these changes at the Commission by December 1 of the Filing Year as part of an Annual Update to become effective January 1 of the Rate Year. The Annual Update will be an informational filing at FERC, representing the culmination of the procedures for updating the DRR for the upcoming Rate Year set forth in the Protocols.

PG&E is proposing minor updates to the Annual Update process to provide parties with ample time and opportunity to review PG&E's proposed DRR, Distribution Service Rates, Customer Service Charges and Cost of Ownership rate before they become effective. Parties will be given notice of the proposed rates six months before they go into effect and will have an opportunity to request information, participate in a technical conference, and propose adjustments to PG&E. PG&E will provide any changes to the draft Annual Update by November 1, a month before the Annual Update is filed at the Commission.

The Protocols contain detailed procedures that govern how this updating process will occur and provide specific information regarding each of the events above. The Annual Update filing, however, is not a Federal Power Act Section 205 filing – instead it is an informational filing providing the means for ensuring PG&E's compliance with, rather than making changes to, the requirements of the Formula Rate.

B. Proposed Return on Equity

Under well-established United States Supreme Court precedent, an ROE “should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital.”¹⁵ In this filing, PG&E is submitting testimony supporting a proposed ROE of 12.3%. The proposed ROE reflects PG&E's current financial situation, and the significant uncertainties and risks currently faced by PG&E as a result of wildfires, California's existing inverse condemnation policy, and the risk associated with reimbursement obligations to and shortfalls in the Wildfire Fund.¹⁶ PG&E's testimony, included in Exhibit Nos. PGE-0001 and PGE-0013, demonstrates that the ROE requested in this proceeding is just and reasonable, and fully satisfies the Commission's and United States Supreme Court's policies and precedent.

¹⁵ *Federal Power Commission v. Hope Natural Gas*, 320 U.S. 591, 603 (1944) (“*Hope*”); see also *Bluefield*, 262 U.S. 679.

¹⁶ California Assembly Bill (AB) 1054, passed by the legislature and signed into law by Governor Newsom in 2019, included provisions establish a wildfire fund based upon customer surcharges and associated utility-pooled insurance mechanisms.

In Exhibit No. PGE-0013, witness Adrien McKenzie, describes in detail the substantial risks that PG&E and its equity investors face due to PG&E’s recent bankruptcy, ongoing susceptibility to inverse condemnation and extreme wildfire damage, and financial challenges. After taking into consideration the substantial risks facing PG&E in comparison to other utilities and utilizing well-established methodologies, Mr. McKenzie’s analysis produces a composite zone of reasonableness ranging from 8.70% to 13.02%. Mr. McKenzie recommends the base ROE for PG&E at the top of the composite zone, or 13.0% to account for PG&E’s above average risk.¹⁷ Mr. McKenzie also provides an analysis following the Commission’s recent Order on Remand responding to the D.C. Circuit’s vacatur of Opinion Nos. 569, 569-A, and 569-B.¹⁸ Using the same ROE methodology adopted by the Commission in its Order on Remand, the Order on Remand methodology results in an upper end of the composite ROE zone of 12.51%.¹⁹

In Exhibit No. PGE-0001, witness Valerie Metrakos, testifies that PG&E is requesting a base ROE of 12.3%. Ms. Metrakos explains that PG&E fully supports Mr. McKenzie’s analysis and conclusions regarding a just and reasonable ROE for PG&E as a non-average risk utility. PG&E has also taken into consideration the potential effect of the continuous improvements in its electric system as a result of implementing the wildfire mitigation measures now and in the future. On this basis, PG&E believes requesting an ROE of 12.3% is just and reasonable. A 12.30% ROE is also below the 12.51% top of the composite zone Order on Remand determination.

C. Proposed Rates and Changes to Rate Inputs

As described below, the following table is a comparison of currently effective rates and the proposed rates under the WDT4. Recorded and expected revenues can be found in Statements BG and BH, attached to Exhibit No. PGE-0004 as Attachment PGE-0004-2.

WDT & Rate Year (“RY”)	WDT SA No.	Customer Name	Primary Distribution Rate: \$/kWmo.	Secondary Distribution Rate: \$/kWmo.	Customer Service Charge: \$/mo.
WDT3 RY 2024	3	Port of Oakland	N/A	N/A	456.14
WDT4 RY2025	3	Port of Oakland	N/A	N/A	544.37

¹⁷ Ex. PGE-0013 at 26:6-8.

¹⁸ *Ass’n of Bus. Advocating Tariff Equity v. Midcontinent Indep. Sys. Operator, Inc.*, Order on Remand, 189 FERC ¶ 61,036 (2024) (“Order on Remand”).

¹⁹ Ex. PGE-0013 at 23:1–24:5.

WDT & Rate Year (“RY”)	WDT SA No.	Customer Name	Primary Distribution Rate: \$/kWmo.	Secondary Distribution Rate: \$/kWmo.	Customer Service Charge: \$/mo.
WDT3 RY2024	15	Westside Power	21.987	N/A	456.14
WDT4 RY2025	15	Westside Power	17.426	N/A	544.37
WDT3 RY2024	17	WAPA	11.032	12.202	5,864.72
WDT4 RY2025	17	WAPA	14.693	31.950	6,999.04
WDT3 RY2024	56	PWRPA	12.803	N/A	456.14
WDT4 RY2025	56	PWRPA	12.830	N/A	544.37
WDT3 RY2024	275	CCSF	8.303	9.919	5,213.08
WDT4 RY2025	275	CCSF	11.553	18.525	6,221.37
WDT3 RY2024	382	Shelter Cove	15.353	N/A	456.14
WDT4 RY2025	382	Shelter Cove	18.481	N/A	544.37

1. Distribution Rates

PG&E’s proposed total DRR used to calculate Distribution Service Rates for Rate Year 2025 is \$7,957 million. This total DRR is the sum of the primary DRR, \$4,742 million, and secondary DRR, \$3,215 million. The proposed total DRR can be found in Exhibit No. PGE-0022 and Schedule 1-DRR of the populated Model. PG&E’s proposed wholesale distribution rates can be found in Exhibit No. PGE-0022 and Schedule 4-WholesaleRates of the populated Model.

2. Customer Service Charges

The hourly rate proposed for WDT4 Rate Year 2025 is \$155.53, an increase of 19 percent as compared to WDT3 Rate Year 2024. The calculation of the hourly billing rate and the proposed Customer Service Charges for each customer can be found in Exhibit No. PGE-0022 and Schedule 23-CustServCharge in the populated Model.

3. Capital Structure

In this filing, PG&E proposes a capital structure that uses adjusted, recorded inputs from FERC Form 1. The FERC Form 1 recorded amounts have been adjusted to exclude certain financing transactions that were not used to finance utility assets, but impact PG&E's book equity.

PG&E's emergence from bankruptcy and resolution of wildfire liabilities included financing transactions that did not result in acquisition of rate base utility assets but impacted the company's book equity. These transactions include shareholder funded contributions to the California Wildfire Fund and securitization of certain wildfire liabilities. PG&E is proposing to adjust the inputs from its FERC Form 1 recorded amounts in the Formula Rate Model to appropriately address the effect of these transactions. These adjustments are just and reasonable as explained in detail in the testimony of witness Divya Raman (Exhibit No. PGE-0014).

The proposed approach to capital structure in this filing is not a novelty. PG&E has proposed revisions to its twenty-first Transmission Owner ("TO21") Formula Rate noting a history of similar proposed adjustments.²⁰ Adjustments result in capital structure ratios of equity to debt which are reflective of rate base financing. In addition, PG&E's proposed approach in the WDT4 Formula Rate is consistent with California Public Utilities Commission ("CPUC") decisions that authorize PG&E to exclude certain debt costs and make other adjustments when calculating its capital structure.²¹

D. Non-rate Terms and Conditions Revisions

PG&E is proposing minor revisions to non-rate terms and conditions of the WDT as described in Mr. Porter's testimony (Exhibit No. PGE-0018). PG&E is revising its Application Process to provide guidance on what actions require an Application and what needs to be included in an Initial Application as those terms are defined in the WDT. PG&E is seeking a diversified load breakdown which supports the overall desired load request in each Initial Application. PG&E has created three methods to calculate load demand, as discussed in Mr. Porter's testimony, Exhibit No. PGE-0018.

PG&E also introduces changes to how it addresses Upgrades in the WDT by modifying the definition and adjusting the rate. The cost of Upgrades was one of the two disputed issues in WDT3. As stated in Section I, a Commission Order on the Partial Initial Decision is still pending. However, PG&E proposes changes in light of the Presiding Administrative Law Judge's findings. PG&E identifies specific types of retail distribution project costs that are similar to Upgrades as it is defined in the WDT. Those recorded costs are then removed from the recorded rate base in the Formula Rate Model in Schedule 6 (6-PlantJurisdiction). Mr. Kataoka

²⁰ PG&E's TO21 Transmittal Letter describes the proposed approach. See Docket No. ER24-96-000 at p. 11 (Oct. 13, 2023).

²¹ See e.g., CPUC Decision (D.) 20-12-025 at 41-43; D.21-04-030, Ordering Paragraphs 18-19.

describes the removal of “Retail Distribution Other” in Exhibit No. PGE-0008. The result is a reduction in the overall revenue requirement.

All proposed rate-related and non-rate related revisions to the Tariff are discussed in testimony and found in the clean and redline versions of the WDT contained in Exhibit No. PGE-0021.

III. STAKEHOLDER ENGAGEMENT

PG&E is required to submit a filing under Section 205 of the Federal Power Act proposing to revise or replace the Formula Rate, with the proposed revision or replacement to take effect on January 1, 2025 by the terms of the Second Partial Settlement. On August 26, 2024, PG&E sent a courtesy notice to each of its wholesale Distribution Customers of its intent to make this WDT4 filing and invited wholesale Distribution Customers to attend a pre-filing conference. On September 10, 2024, PG&E hosted and conducted a pre-filing conference via Microsoft Teams. The purpose of the conference was to discuss PG&E’s anticipated rate filing and changes to the Formula Rate. PG&E provided an overview of the operation of the Formula Rate Model and the Protocols that control how rates will be adjusted in the future. In all, approximately 30 representatives in addition to PG&E personnel attended the meeting. The meeting was interactive, and representatives from PG&E’s wholesale Distribution Customers asked questions and received answers about PG&E’s proposed WDT revisions.

IV. TARIFF RECORDS

This filing proposes revisions to Section 2 Definitions of the WDT. A version of Section 2 is currently pending before the Commission in Docket No. ER24-3032-000. In this filing, PG&E is submitting a tariff record version of Section 2 that assumes the Commission will accept and make effective the revisions to Section 2 in Docket No. ER24-3032-000, as requested. In the alternative, PG&E respectfully requests that the Commission issue an order in this proceeding requiring PG&E to make a compliance filing to submit a revised Section 2 tariff record, if necessary, as a result of the Commission’s actions in Docket No. ER24-3032-000.

V. EFFECTIVE DATE

PG&E requests that the Commission accept its Formula Rate filing to become effective on December 25, 2024, which is sixty (60) days after the date of this filing.

Although PG&E is requesting a December 25 effective date, it is also requesting that the Commission suspend the use of the new rates until January 1, 2025. Under 16 USC § 824d(e), the Commission has the authority to suspend the use of rates for up to five months “beyond the time when [they] would otherwise go into effect . . .” In this case, PG&E is requesting that the Commission exercise its statutory authority to suspend the rates proposed in this filing to go in effect on January 1, 2025. This nominal suspension period will facilitate a calendar year true-up period corresponding to PG&E’s FERC Form 1 reporting.

Under PG&E's proposed Formula Rate, the currently-effective DRR and distribution rates (*i.e.*, the rates in effect from WDT3), would continue to be used until December 31, 2024 when the WDT3 Formula Rate terminates. On January 1, 2025, the WDT4 Formula Rate would become effective. Consistent with this approach, PG&E has written the revised tariff language, and calculated its cost support, on the assumption that the WDT4 Formula Rate will be effective on January 1, 2025.

VI. REQUEST FOR WAIVERS

To the extent that waivers of the Commission's cost support regulations, in 18 C.F.R. § 35.13 (2024), are necessary, PG&E respectfully requests such waivers, including waiver of the full Period I and Period II data requirements, and waiver of the requirement in Section 35.13(a)(2)(iv) to determine if and the extent to which a proposed change constitutes a rate increase based on Period I-Period II rates and billing determinants. Good cause exists for such waiver. The abbreviated statements, testimony and exhibits accompanying this filing, together with PG&E's publicly-available FERC Form 1 information, provide ample support for the reasonableness of the proposed formula rates. Detailed statements of the applicant's cost of service are not needed where the proposed rates are formulaic and will be based on actual costs as reflected in the applicant's audited books and records. Further, such waiver would be consistent with Commission precedent for formula rates of this nature.²²

In addition, although PG&E believes that this filing includes sufficient information to meet the Commission's filing requirements, PG&E requests waiver of any applicable Commission's rules and regulations necessary to allow this filing to take effect in the manner described.

VII. NO IMPROPER EXPENSES OR COSTS

No expenses or costs associated with this filing have been alleged or judged, in any judicial or administrative proceeding, to be illegal, duplicative or unnecessary costs that are demonstrably the product of discriminatory employment practices.

VIII. OTHER FILING REQUIREMENTS

PG&E believes this filing conforms to any rule of general applicability and to any Commission

²² *Southern California Edison Co.*, 136 FERC ¶ 61,074 at P 29 (2011) (granting waiver of full Period I and II data); *Pub. Serv. Elec. and Gas Co.*, 124 FERC ¶ 61,303 at PP 23-24 (2008) (granting waiver of Sections 35.13(d)(1)-(2), 35.13(d)(5), and 35.13(h)); *Okla. Gas & Elec. Co.*, 122 FERC ¶ 61,071 at P 41 (2008) (same); *Am. Elec. Power Serv. Corp.*, 120 FERC ¶ 61,205 at P 41 (2007) (granting waiver of Period I and II data); *Commonwealth Edison Co.*, 119 FERC ¶ 61,238 at PP 92-94 (2007) (granting waiver of Period I and II data and cost-of-service statements); *Trans-Allegheny Interstate Line Co.*, 119 FERC ¶ 61,219 at P 57 (2007) (same); *Duquesne Light Co.*, 118 FERC ¶ 61,087 at P 79 (2007) (granting waiver of Sections 35.13(d)(1)-(2) and 35.13(h)); *Idaho Power Co.*, 115 FERC ¶ 61,281 at P 20 (2006) (granting waiver of Period II data); *Allegheny Power Sys. Operating Cos.*, 111 FERC ¶ 61,308 at PP 55-56 (2005) (granting waiver of Period I and II data).

order specifically applicable to PG&E.

IX. ENCLOSURES

1. Certificate of Service;
2. List of Acronyms
3. eTariff Electronic Filing Package containing all required Tariff Record and Content Data, and metadata; and
4. PG&E is submitting the following exhibits along with this filing, which include WDT tariff records, testimony, workpapers, and other materials:

Exhibit No.	Title and Description
PGE-0001	Formula Rate Overview and Policy (Prepared Testimony of Valerie Metrakos)
PGE-0002	Distribution Investment Strategy and Prioritization (Prepared Testimony of Jason Yan)
PGE-0003	Wildfire Self Insurance (Prepared Testimony of Stephen Cairns)
PGE-0004	Wholesale Distribution Revenue Requirement and Wholesale Rates (Prepared Testimony of Eunice Li)
PGE-0005	Distribution Operations and Maintenance Expenses (Prepared Testimony of Nalini Webster)
PGE-0006	Unbundling O&M Expenses and Allocation Factors (Prepared Testimony of Eileen Liu)
PGE-0007	Administrative and General Expenses and Franchise Fee Factor (Prepared Testimony of Ivana Emilia Tamburrino)
PGE-0008	Electric Distribution Rate Base, Plant, and Depreciation Expense (Prepared Testimony of George Kataoka)
PGE-0009	Depreciation: Service Life and Net Salvage Estimates (Prepared Testimony of Ned W. Allis)
PGE-0010	Cash Working Capital, Prepayments, and Unfunded Reserves Included In Rate Base (Prepared Testimony of Dawna Lewski)

Exhibit No.	Title and Description
PGE-0011	Income and Property Taxes (Prepared Testimony of Amara Hayashida)
PGE-0012	Costs of Debt and Preferred Stock (Prepared Testimony of Irene Liu)
PGE-0013	Rate of Return on Equity (Prepared Testimony of Adrien M. McKenzie)
PGE-0014	Capital Structure (Prepared Testimony of Divya Raman)
PGE-0015	INTENTIONALLY LEFT BLANK
PGE-0016	Payroll Taxes, Business Taxes, and San Francisco Gross Receipts Tax (Prepared Testimony of Sanjay Solanki)
PGE-0017	Revenue Credits (Prepared Testimony of Eileen Liu)
PGE-0018	Non-Rate Terms and Conditions Changes (Prepared Testimony of Michael Porter)
PGE-0019	Officer's Attestation
PGE-0020	List of Statements and Schedules with Sponsoring Witnesses
PGE-0021	Wholesale Distribution Tariff (Clean and Redline)
PGE-0022	Working Populated Model
PGE-0023	Workpapers Supporting PGE-0011 and Schedule 1-DRR
PGE-0024	Workpapers Supporting PGE-0008 and Schedule 7-PlantInService
PGE-0025	Workpapers Supporting PGE-0008 and Schedule 10-AccDep
PGE-0026	Workpapers Supporting PGE-0008 and Schedule 11-Depreciation
PGE-0027	Workpapers Supporting PGE-0009 and Schedule 12-DepRates
PGE-0028	Workpapers Supporting PGE-0005 and Schedule 18-OandM
PGE-0029	Workpapers Supporting PGE-0007 and Schedule 19-AandG
PGE-0030	Workpapers Supporting PGE-0006 and Schedule 24-Allocators
PGE-0031	Workpapers Supporting PGE-0007 and Schedule 25-RevenueFeeFactors

Exhibit No.	Title and Description
PGE-0032	Workpapers Supporting PGE-0011 and Schedule 14-ADIT
PGE-0033	Workpapers Supporting PGE-0012, PGE-0014 and Schedule 5-CostofCap-1,2,3
PGE-0034	Workpaper Supporting PGE-0010, Schedule 16-UnfundedReserves
PGE-0035	Workpaper Supporting PGE-0004, Schedule 26-NP and S
PGE-0036	Workpapers Supporting PGE-0008, Schedule 6-PlantJurisdiction

Revisions to the WDT:

WDT Section	Title
2	Definitions
10.2	Term and Termination
10.4	Contract Demand
13.1	Application
13.2	Initial Application
14.3	System Impact Study Procedures
14.4	Facilities Study Procedures
Appendix I: Attachment 1	Protocols
Appendix I: Attachment 2	Model

X. SERVICE

Copies of this filing have been served on CCSF, PORT, PWRPA, Shelter Cove, Western, WPA, CAISO, and California Public Utilities Commission. Electronic copies of this filing will be provided via email as a courtesy to the official service list in Docket Nos. ER20-2878, ER22-619, and ER22-620. In addition, upon request, a copy of this filing is available for public inspection at PG&E's principal office located at 300 Lakeside Dr., Oakland, California.

XI. CORRESPONDENCE

PG&E requests that all correspondence, pleadings, and other communications concerning this filing be served upon the following:

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Ms. Debbie-Anne Reese

October 25, 2024

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XII. CONCLUSION

PG&E respectfully requests that the Commission accept the revisions proposed to PG&E's WDT in this filing and make them effective as requested above.

Respectfully submitted,

/s/ Alexandra J. Ward

Alexandra J. Ward

Attorney for

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Attachments and Enclosures

WDT4 ACRONYM LIST

A

A&G	Administrative and General
AB	Assembly Bill
ADIT	Accumulated Deferred Income Taxes
ADITC	Accumulated Deferred Investment Tax Credits
AFSI	Adjusted Financial Statement Income
AFUDC	Allowance for Funds Used During Construction
AGA	American Gas Association
ASC	Accounting Standard Codification
ASL	Average Service Life
ASU	Accounting Standard Update
ATA	Annual True-up Adjustment

B

BPD	Business Plan Deployment
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C

CAISO	California Independent System Operator Corporation
CAMT	Corporate Alternative Minimum Tax
CAPM	Capital Asset Pricing Model
CBR	Cost-Benefit Ratio
CCSF	City and County of San Francisco
CFR	Code of Federal Regulations
CGI	Common, General, and Intangible Plant
COO	Cost of Ownership
CPI	Consumer Price Index
CPUC	California Public Utilities Commission
CTR	Composite Tax Rate
CWIP	Construction Work in Progress

D

D.	Decision
D.C.	District of Columbia
DCF	Discounted Cash Flow
DRR	Distribution Revenue Requirement
DTA	Deferred Tax Asset
DWR	Department of Water Resources

E

ED	Electric Distribution
EDP	Electric Distribution Plant
EEL	Edison Electric Institute
EIA	Energy Information Administration

WDT4 ACRONYM LIST

EOM	End-of-Month
EOY	End-of-Year
EPS	Earnings Per Share
EPSS	Enhanced Power Safety Settings
EP&R	Emergency Preparedness and Response
ER	Equity Rate
ET	Electric Transmission
EVM	Enhanced Vegetation Management
E-wide	Enterprise Wide

F

FASB	Financial Accounting Standards Board
FEP	FERC Electric Proceedings
FERC	Federal Energy Regulatory Commission
FOMC	Federal Open Market Committee
FPA	Federal Power Act
FPD	Flowthrough and Permanent Tax Deductions

G

GDP	Gross Domestic Product
GO	General Order
GRC	General Rate Case

H

HFTD	High Fire Threat District
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I

IBES	Institutional Brokers' Estimate System [of I/B/E/S International,Inc.]
IGP	Integrated Grid Planning
IOU	Investor Owned Utility
IRA	Inflation Reduction Act of 2022
IRC	Internal Revenue Code
IRU	Indefeasible Right of Use
ISO	Independent System Operator
IT	Information Technology

J

K

KPI	Key Performance Indicator
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L

LTD	Long-Term Disability
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WDT4 ACRONYM LIST

M

MAT	Maintenance Activity Types
MCI	Microwave Communications, Inc.
MISO TOs	Midcontinent Independent System Operator, Inc.
Moody's	Moody's Investors Service
MRTU	Market Redesign Technology Upgrade
MW	megawatt
MWC	Major Work Categories

N

NARUC	National Association of Regulatory Utility Commissioners
NETO	New England Transmission Owners
NOL	Net Operating Losses
NP&S	Non-Tariff New Product and Services

O

OATT	Open Access Transmission Tariff
O&M	Operations and Maintenance
OP	Ordering Paragraph

P

PBOP	Post-Retirement Benefits Other Than Pensions
PCE	Personal Consumption Expenditure Price Index
PDO	Petition of Declaratory Order
PERS	Pacific Energy Risk Solutions, LLC
POR	Plan of Reorganization
PSPS	Public Safety Power Shutoffs
PWRPA	Power and Water Resources Pooling Authority

Q

R

RA	Recorded Adjusted
RB	Rate Base
RBPPF	Risk Based Portfolio Prioritization Framework
ROE	Return on Equity
RTO	Regional Transmission Organization
RY	Rate Year

S

S&P	Standard & Poor's, Inc.
SCADA	Supervisory Control and Data Acquisition
SEC	Securities and Exchange Commission
SFAS	Statement of Financial Accounting Standards

WDT4 ACRONYM LIST

SFGR	San Francisco Gross Receipts
SIS	System Impact Study
SME	Subject Matter Experts
SPR	Simulated Plant Record
SSA	Social Security Administration
STIP	Short Term Incentive Plan

T

TCJA	Tax Cuts and Jobs Act of 2017
TO	Transmission Owner

U

U.S.	United States
UCC	Unbundled Cost Category

V

VP	Vice President
Value Line	The Value Line Investment Survey

W

WAPA	Western Area Power Administration
WDT	Wholesale Distribution Tariff
WP	Workpaper
WPA	Westside Power Authority
WRO	Work at the Request of Others
WSOC	Wildfire Safety Operations Center

Y

Z

Zacks	Zacks Investment Research
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CERTIFICATE OF SERVICE

I hereby caused the foregoing document to be served upon the following, pursuant to 18 C.F.R. § 385.2010 of the Commission's Rules.

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Dated at San Francisco, California, this 25th day of October, 2024.

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