

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 19, 2017

Advice Letter 4957-E and 4957-E-A

Erik Jacobson
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

**Subject: Schedule AG-ICE Second 25 Percent Escalation in Compliance
with D.15-12-039**

Dear Mr. Jacobson:

Advice Letter 4957-E and 4957-E-A are effective as of January 1, 2017.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division



Erik Jacobson
Director
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
Fax: 415-973-1448

November 16, 2016

Advice 4957-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Schedule AG-ICE Second 25 Percent Escalation in Compliance with
D.15-12-039**

Pacific Gas and Electric Company (PG&E) hereby submits for filing proposed revisions to Schedule AG-ICE – *Agricultural Internal Combustion Engine Conversion Incentive Rate, Expiration Transition Rate*. The proposed changes are required to implement the Schedule AG-ICE “Expiration Transition Rate” second twenty-five percent increase scheduled for January 1, 2017 granted by the California Public Utilities Commission (CPUC or Commission) in Decision (D.) 15-12-039 issued December 17, 2015. The affected tariff sheets being submitted as pro-forma tariffs in draft form are listed on the enclosed Attachment 1.

Purpose

The purpose of this advice letter is to revise the Schedule AG-ICE tariff to reflect the January 1, 2017 increase to the schedule-average rate adopted in D.15-12-039. Specifically, the currently effective total schedule-average rate on Schedule AG-ICE shall increase by 25 percent on January 1, 2017, while unbundled rate components will change as discussed herein.

Background

Ordering Paragraphs 1 and 2 of D.15-12-039 provide as follows:

“IT IS ORDERED that:

1. Decision 05-06-016 is modified to add a new Ordering Paragraph 8 as follows:

8. At the conclusion of the ten year AG-ICE program, Pacific Gas and Electric Company (PG&E) may implement a transition period to move existing AG-ICE customers to regular rate schedules available to agricultural customers by January 2018. PG&E shall

first increase the AG-ICE rate by 25 percent for the calendar year 2016, by another 25 percent for calendar year 2017, and then move customers to full regular agricultural rates in January 2018. The 2016 and 2017 transition rates shall only be available to customers who were on the AG-ICE rate in December 2015.

2. Pacific Gas and Electric Company (PG&E) shall file a Tier 1 advice letter within 45 days of the effective date of this decision to modify Schedule AG-ICE to include the Expiration Transition Rate components and tariff language necessary to implement this decision. PG&E's tariff language shall reflect then-current Schedule AG-5B non-generation and non-distribution energy charge revisions, and will finalize the offsetting revisions to the unbundled distribution demand charges and generation demand and energy charges necessary to yield the proposed 25 percent Schedule AG-ICE Transition total average rate on an annualized basis for 2016."

(D.15-12-039, Ordering Paragraphs 1 and 2, pages 8 to 9.)

The first 25 percent schedule-average increase to Schedule AG-ICE took effect on March 1, 2016, as approved in Advice 4782-E. Pursuant to Ordering Paragraph 1 above, the second 25 percent schedule-average increase to Schedule AG-ICE will apply to calendar year 2017.

Tariff Revisions

The proposed pro-forma tariff changes provided in Attachment 1 include the change to Schedule AG-ICE to accommodate the second 25 percent schedule-average increase adopted by D.15-12-039, as well as illustrative January 1, 2017 revisions to Schedule AG-ICE unbundled rate components.

The Schedule AG-ICE total bundled rates on January 1, 2017 will increase by a schedule-average 25 percent, and the component unbundled rates would be revised as follows. First, Schedule AG-ICE non-generation and non-distribution rate components are set equal to those projected for Schedule AG-5B in PG&E's Annual Electric True-Up (AET) Advice 4902-E-A for rates effective January 1, 2017. Second, Schedule AG-ICE distribution demand charges and generation demand charges are set at levels based on the methods used to set illustrative rates in Appendix D of the November 3, 2015 Petition that culminated in D.15-12-039, as well as the methods used in Advice 4782-E. Finally, generation energy charges are revised on a residual basis as needed to offset changes to all other energy rate components, as necessary to comply with the authorized second 25 percent schedule-average increase.

The attached Schedule AG-ICE rate changes are not the final result, and therefore are provided in draft form. PG&E will supersede this Schedule AG-ICE advice letter with a

supplemental advice letter containing final Schedule AG-ICE total and unbundled rates based on those for Schedule AG-5B in the late December 2016 advice letter that PG&E will be filing to implement the general January 1, 2017 supplemental AET rate change affecting all electric customers. The supplemental Schedule AG-ICE advice letter will finalize the offsetting revisions to the unbundled generation energy charges necessary to yield the proposed second 25 percent Schedule AG-ICE total average rate change.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than December 6, 2016, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-1448
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E requests this Tier 1 advice letter be approved effective January 1, 2017, in conjunction with the supplemental advice letter for final Schedule AG-ICE total and unbundled rate values to be effective January 1, 2017.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for A.11-04-007 and A.13-04-012. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

Erik Jacobson
Director, Regulatory Relations

Attachment

Attachment 1 – Pro Forma Tariffs

cc: Service List A.04-11-007, A.13-04-012

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 E)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Yvonne Yang

Phone #: (415) 973-2094

E-mail: Qxy1@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: **4957-E**

Tier: 1

Subject of AL: **Schedule AG-ICE Second 25 Percent Escalation in Compliance with D.15-12-039**

Keywords (choose from CPUC listing): Compliance

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.15-12-039

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: _____

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: _____

Resolution Required? Yes No

Requested effective date: **January 1, 2017**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): 25% increase to the AG-ICE participants

Estimated system average rate effect (%): 25% increase to the AG-ICE participants

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

California Public Utilities Commission
Energy Division
EDTariffUnit
505 Van Ness Ave., 4th Flr.
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

Attachment 1
Pro Forma Tariffs



ELECTRIC SCHEDULE AG-ICE Sheet 3
 AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE
 RATE - EXPIRATION TRANSITION RATE

RATES: Total bundled service charges are calculated using the total rates shown below.

TOTAL RATES

Total Customer/Meter Charge Rates		
Customer Charge (\$ per meter per day)	\$1.31417	
TOU Meter Charge (\$ per meter per day)	\$0.19713	
Total Demand Rates (\$ per kW)		
Secondary		
Maximum Peak Demand Summer	\$6.95	(l)
Maximum Demand Summer	\$8.99	(l)
Maximum Demand Winter	\$0.00	
Primary		
Maximum Peak Demand Summer	\$6.95	(l)
Maximum Demand Summer	\$7.85	(l)
Maximum Demand Winter	\$0.00	
Transmission		
Maximum Peak Demand Summer	\$6.95	(l)
Maximum Demand Summer	\$2.74	(l)
Maximum Demand Winter	\$0.00	
Total Energy Rates (\$ per kWh)		
Peak Summer	\$0.18415	(l)
Part-Peak Summer	\$0.14364	(l)
Off-Peak Summer	\$0.07366	(l)
Part-Peak Winter	\$0.14732	(l)
Off-Peak Winter	\$0.07366	(l)

(Continued)

Advice Letter No: 4957-E
 Decision No. 15-12-039

Issued by
Steven Malnight
 Senior Vice President
 Regulatory Affairs

Date Filed _____
 Effective _____
 Resolution No. _____



ELECTRIC SCHEDULE AG-ICE Sheet 4
AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE
RATE - EXPIRATION TRANSITION RATE

RATES:
 (Cont'd.)

Total bundled service charges shown on customers' bills are unbundled according to the component rates shown below.

UNBUNDLING OF TOTAL RATES

Customer/Meter Charge Rates: Customer/Meter charge rates provided in the Total Rate section above are assigned entirely to the unbundled distribution component.

Demand Rates by Component (\$ per kW)

Generation:

Secondary

Maximum Peak Demand Summer	\$3.62
Maximum Demand Summer	\$3.39
Maximum Demand Winter	\$0.00

Primary

Maximum Peak Demand Summer	\$3.62
Maximum Demand Summer	\$2.60
Maximum Demand Winter	\$0.00

Transmission

Maximum Peak Demand Summer	\$3.62
Maximum Demand Summer	\$1.95
Maximum Demand Winter	\$0.00

Distribution:**

Secondary

Maximum Peak Demand Summer	\$3.33	(I)
Maximum Demand Summer	\$5.60	(I)
Maximum Demand Winter	\$0.00	

Primary

Maximum Peak Demand Summer	\$3.33	(I)
Maximum Demand Summer	\$5.25	(I)
Maximum Demand Winter	\$0.00	

Transmission

Maximum Peak Demand Summer	\$3.33	(I)
Maximum Demand Summer	\$0.79	(I)
Maximum Demand Winter	\$0.00	

** Distribution and New System Generation Charges are combined for presentation on customer bills.

(Continued)



ELECTRIC SCHEDULE AG-ICE Sheet 5
 AGRICULTURAL INTERNAL COMBUSTION ENGINE CONVERSION INCENTIVE
 RATE - EXPIRATION TRANSITION RATE

RATES:
 (Cont'd.)

UNBUNDLING OF TOTAL RATES
 (Cont'd.)

Energy Rates by Component (\$ per kWh)

Generation:		
Peak Summer	\$0.14206	(I)
Part-Peak Summer	\$0.10155	(I)
Off-Peak Summer	\$0.03157	(I)
Part-Peak Winter	\$0.10523	(I)
Off-Peak Winter	\$0.03157	(I)
Transmission*	\$0.01442	(I)
Transmission Rate Adjustments*	\$0.00560	(I)
Reliability Services*	\$0.00015	
Public Purpose Programs	\$0.01181	(I)
Nuclear Decommissioning	\$0.00150	(I)
Competition Transition Charges	\$0.00109	(R)
Energy Cost Recovery Amount	(\$0.00001)	(I)
DWR Bond Charge	\$0.00556	(I)
New System Generation Charge**	\$0.00197	(I)
California Climate Credit (all usage)***	(\$0.00157)	(I)

* Transmission, Transmission Rate Adjustments, and Reliability Service charges are combined for presentation on customer bills.

** Distribution and New System Generation Charges are combined for presentation on customer bills.

*** Only customers that qualify as Small Businesses – California Climate Credit under Rule 1 are eligible for the California Climate Credit.

(Continued)

**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

AT&T	Division of Ratepayer Advocates	Office of Ratepayer Advocates
Albion Power Company	Don Pickett & Associates, Inc.	OnGrid Solar
Alcantar & Kahl LLP	Douglass & Liddell	Pacific Gas and Electric Company
Anderson & Poole	Downey & Brand	Praxair
Atlas ReFuel	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
BART	Evaluation + Strategy for Social Innovation	SCD Energy Solutions
Barkovich & Yap, Inc.	G. A. Krause & Assoc.	SCE
Bartle Wells Associates	GenOn Energy Inc.	SDG&E and SoCalGas
Braun Blaising McLaughlin & Smith, P.C.	GenOn Energy, Inc.	SPURR
Braun Blaising McLaughlin, P.C.	Goodin, MacBride, Squeri, Schlotz & Ritchie	San Francisco Water Power and Sewer
CENERGY POWER	Green Charge Networks	Seattle City Light
CPUC	Green Power Institute	Sempra Energy (Socal Gas)
California Cotton Ginners & Growers Assn	Hanna & Morton	Sempra Utilities
California Energy Commission	ICF	SoCalGas
California Public Utilities Commission	International Power Technology	Southern California Edison Company
California State Association of Counties	Intestate Gas Services, Inc.	Spark Energy
Calpine	Kelly Group	Sun Light & Power
Casner, Steve	Ken Bohn Consulting	Sunshine Design
Center for Biological Diversity	Leviton Manufacturing Co., Inc.	Tecogen, Inc.
City of Palo Alto	Linde	TerraVerde Renewable Partners
City of San Jose	Los Angeles County Integrated Waste Management Task Force	TerraVerde Renewable Partners, LLC
Clean Power	Los Angeles Dept of Water & Power	Tiger Natural Gas, Inc.
Clean Power Research	MRW & Associates	TransCanada
Coast Economic Consulting	Manatt Phelps Phillips	Troutman Sanders LLP
Commercial Energy	Marin Energy Authority	Utility Cost Management
Cool Earth Solar, Inc.	McKenna Long & Aldridge LLP	Utility Power Solutions
County of Tehama - Department of Public Works	McKenzie & Associates	Utility Specialists
Crossborder Energy	Modesto Irrigation District	Verizon
Crown Road Energy, LLC	Morgan Stanley	Water and Energy Consulting
Davis Wright Tremaine LLP	NLine Energy, Inc.	Wellhead Electric Company
Day Carter Murphy	NRG Solar	Western Manufactured Housing Communities Association (WMA)
Defense Energy Support Center	Nexant, Inc.	YEP Energy
Dept of General Services	ORA	