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KRISTINA TEDESCO
JOE PAUL GONZALEZ COUNTY CLERK
BY: *Kristina Tedesco*

February 1, 2017

TO: STATE, CITY AND LOCAL OFFICIALS

NOTIFICATION OF PACIFIC GAS AND ELECTRIC COMPANY'S APPLICATION REQUESTING APPROVAL TO CHANGE RATES FOR THE 2018-2022 DEMAND RESPONSE PROGRAMS (A.17-01-012)

On January 17, 2017, Pacific Gas and Electric Company (PG&E) filed an application with the California Public Utilities Commission (CPUC) requesting approval to change rates for Demand Response (DR) programs. The CPUC requires all utilities to file an application to authorize and fund DR programs. Per this requirement, PG&E filed application number A.17-01-012 requesting approval of its DR programs and activities for the period of 2018 through 2022.

Background

DR programs increase electric reliability and can reduce PG&E's total power purchase costs by incentivizing electric customers to reduce electric usage during periods of relatively high demand or high prices. DR programs also provide options for customers to control their energy bills.

Funding authorization for these programs is scheduled to end in 2017. PG&E is requesting a total of \$353 million over the five-year program cycle to continue providing DR programs for our customers. The cost to ratepayers will be \$72.0 million in 2018, \$70.2 million in 2019, \$69.6 million in 2020, \$70.1 million in 2021, and \$70.7 million in 2022. This application will be examined by the CPUC to determine if costs are reasonable and eligible for recovery from customers. If approved, the application would extend DR programs through 2022 and PG&E will continue to collect these costs in rates from all electric customers.

How will PG&E's application affect me?

Most customers receive bundled electric service from PG&E, meaning they receive electric generation, transmission and distribution services. If approved, the application would decrease rates compared to rates currently in effect and PG&E would continue to offer DR programs. In 2018, the year of the largest revenue requirement, the bill for a typical residential Non-CARE customer using 500 kWh per month would decrease from \$99.13 to \$99.04 or 0.1%.

How will PG&E's application affect non-bundled customers?

Direct Access and Community Choice Aggregation customers only receive electric transmission and distribution services from PG&E. In 2018, the year of the largest revenue requirement, the rates for these customers would decrease from 9.50 cents per kWh to 9.49 cents per kWh or 0.1% on the PG&E share of their rates.

Another category of non-bundled customers is Departing Load customers that 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. PG&E's application will minimally impact Departing Load customers with a 0.036% average reduction to rates.

How do I find out more about PG&E's proposals?

If you have questions about PG&E's filing, please contact PG&E at 1-800-743-5000. For TDD/TTY (speech-hearing impaired), call 1-800-652-4712. Para más detalles llame al 1-800-660-6789 • 詳情請致電 1-800-893-9555. If you would like a copy of PG&E's filing and exhibits, please write to PG&E at the address below:

Pacific Gas and Electric Company
2018-2022 Demand Response (A.17-01-012)
P.O. Box 7442
San Francisco, CA 94120

A copy of PG&E's filing and exhibits is also available for review at the CPUC's Central Files Office by appointment only. For more information, contact aljcentralfilesid@cpuc.ca.gov or 1-415-703-2045. PG&E's application (without exhibits) is available on the CPUC's website at www.cpuc.ca.gov.

CPUC process

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are formal parties in the case can participate.

After considering all proposals and evidence presented during the hearings, the assigned Judge will issue a proposed decision which may adopt PG&E's proposal, modify it or deny it. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Office of Ratepayer Advocates (ORA) may review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call **1-415-703-1584**, email **ora@cpuc.ca.gov** or visit ORA's website at **www.ora.ca.gov**.

Stay informed

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: **http://subscribecpuc.cpuc.ca.gov/**. If you would like to learn how you can participate in the proceeding, have informal comments about the application, or have questions about the CPUC processes, you may access the CPUC's Public Advisor Office (PAO) webpage at **http://consumers.cpuc.ca.gov/pao/**.

You may also contact the PAO as follows:

Email: **public.advisor@cpuc.ca.gov**

Mail: CPUC

Public Advisor's Office
505 Van Ness Avenue, Room 2103
San Francisco, CA 94102

Call: **1-866-849-8390** (toll-free) or **1-415-703-2074**

TTY: **1-866-836-7825** (toll-free) or **1-415-703-5282**

If you are writing or emailing the Public Advisor's Office, please include the proceeding number (2018-2022 Demand Response, A.17-01-012). All comments will be circulated to the Commissioners, the assigned Judge and appropriate CPUC staff, and become public record.