Docket No.: A.23-06-001

Exhibit No.: CalCCA-04

Date: September 26, 2023

Sponsor/Witness: Eric Lee (SCE)

EXHIBIT CALCCA-04

Select Passages of Prepared Testimony from A.22-05-012
(PG&E's 2024 ERRA Forecast Case)

September 26, 2023

Application: 23-05-
(U 39 E)
Exhibit No.:
Date: May 15, 2023
Witness(es): Various

PACIFIC GAS AND ELECTRIC COMPANY

2024 ENERGY RESOURCE RECOVERY ACCOUNT AND GENERATION NON-BYPASSABLE CHARGES FORECAST AND GREENHOUSE GAS FORECAST REVENUE RETURN AND RECONCILIATION

PREPARED TESTIMONY

PUBLIC VERSION

PACIFIC GAS AND ELECTRIC COMPANY
2024 ENERGY RESOURCE RECOVERY ACCOUNT AND GENERATION NON-BYPASSABLE CHARGES FORECAST AND GREENHOUSE GAS FORECAST REVENUE RETURN AND RECONCILIATION
PREPARED TESTIMONY

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PREPARED TESTIMONY

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CHAPTER 9

POWER CHARGE INDIFFERENCE ADJUSTMENT AND ONGOING COMPETITION TRANSITION CHARGE

PACIFIC GAS AND ELECTRIC COMPANY
CHAPTER 9
POWER CHARGE INDIFFERENCE ADJUSTMENT AND ONGOING COMPETITION TRANSITION CHARGE

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3. Renewable Energy Credits

California Pub. Util. Code Sections 399.11-399.33 established a requirement that 60 percent of total retail sales of electricity in California be from eligible renewable energy resources by December 31, 2030. The renewable and environmental attributes associated with eligible RPS energy are recognized through a certificate, issued by the Western Renewable Energy Generation Information System, commonly known as Renewable Energy Credits (REC).

As part of the RPS Program, PG&E is required to submit an Annual RPS Compliance Report to report the utility's progress towards reaching the RPS compliance requirements, as implemented by D.12-06-038, and subsequent decisions. Compliance with the RPS Program is measured in eligible RECs retired towards RPS compliance and evaluated on a multi-year compliance period basis.

For 2024, as a result of the voluntary allocation and market offer (VAMO) process ordered by D.21-05-030 and further described in Chapter 4 and above in this chapter, PG&E forecasts that its bundled customer Net Physical RPS Position (i.e., for 2024, forecast 2024 RPS-eligible generation less allocation and/or market offer activity) will be less than PG&E's RPS compliance target for 2024. As such, PG&E proposes an extension of the minimum retained RPS methodology implemented and approved by the Commission for 2023. That is, to assign remaining 2021 and 2022 RECs, and available prior year RECs on a last-in, first-out basis to meet its bundled customer 2024 RPS compliance target. As described below, PG&E's methodology for 2024 rate-setting is consistent with RPS compliance rules, which permit excess generation from a current RPS compliance period to be applied to PG&E's bundled customer 2024 RPS annual deficit, and for any further deficits to draw from prior year RPS excess procurement amounts.

a. Minimum Retained Requirement Volume

In D.20-02-047, addressing PG&E's 2020 ERRA Forecast Application, the Commission established that the annual RPS target quantities provided in D.11-12-020 for calculating the RPS compliance period requirement served as appropriate minimum quantities for PG&E to consider for its annual retained RPS volumes as part of the PABA true-up.[33] PG&E was ordered to record an accounting entry to reduce the PABA and increase the ERRA based on an estimate of PG&E's 2019 RPS shortfall. While D.11-12-020 established annual minimum quantities applicable to the third RPS compliance period in effect at the time D.20-02-047 was issued, D.19-06-023 established minimum quantities for the current 2021-2024 compliance period.[34]

Table 9-4 below shows both the total annual net RPS generation volumes for the current RPS compliance period up through 2023 as well as the applicable years from the prior compliance period needed in order to meet the forecasted minimum retained RPS entry for 2024. In PG&E's pre-2023 ERRA Forecast proceedings, PG&E's ERRA revenue requirement was calculated to recover the full RPS market value associated with PG&E's forecasted annual RPS generation volumes, net of forecasted third party sales. Column G of Table 9-4 shows the net physical RPS position for all pre-2023 years except that 2019 exceeded the minimum RPS requirement or annual RPS compliance target. Accordingly, no adjustment entries were necessary for these years.

Consistent with the methodology proposed and adopted in PG&E's 2023 ERRA Forecast proceeding, an adjustment entry was necessary for 2023 due to the VAMO mechanism ordered by D.21-05-030 and detailed in PG&E's testimony. PG&E forecasted that the impact from the allocation/and or market offer of its DL share of the PCIA-eligible portfolio would result in PG&E's 2023 net physical position being less than its annual RPS target established in D.19-06-023. Given the forecast deficit, the following sections describe the methodology PG&E proposed and the Commission adopted for 2023 rate-setting and PG&E's proposal for 2024 rate-setting to determine: (1) how many additional RECs to apply for bundled customer RPS compliance as part

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33 D.20-02-047, p. 13-14. This minimum retained amount was reinforced in D.20-12-012, p. 5 (stating "thus, the Decision merely stated that PG&E should procure "no less than," i.e., a minimum of 31 percent of retail sales by 2019. (D.20-02-047 p. 13.) PG&E fails to show how this conclusion is either unlawful or incorrect.").

34 D.19-06-023, p. 11, OP 1 adopts RPS procurement quantity requirements for the years 2021 – 2024.

of the PCIA revenue requirement calculation; and (2) how the value of those additional RECs utilized for bundled customer RPS compliance will be allocated across PCIA vintages within the RPS compliance period.[35]

1) 2023 Methodology

Pursuant to Senate Bill (SB) 2 enacted in 2011, the legislature established multi-year compliance periods for RPS compliance beginning with 2011 through 2013.[36] The total quantity of RPS-eligible procurement required for a compliance period is referred to as the "procurement quantity requirement." D.11-12-020, approved by the Commission on December 1, 2011, set the RPS procurement quantity requirements for the first three RPS compliance periods, culminating in 2020. Pursuant to COL 6 in D.11-12-020, retail sellers are not required to demonstrate a specific quantity of procurement for any intervening year in a compliance period. Rather, as stated in COL 7, retail sellers are required to show compliance with the procurement quantity requirement for a compliance period by procuring the cumulative quantity of RPS-eligible resources required for that compliance period.[37] In other words, regardless of shortfalls in any particular year or years within a compliance period, retail sellers can demonstrate compliance with the procurement quantity requirement by procuring the cumulative quantity of RPS-eligible resources for that compliance period during any time throughout that compliance period. Therefore, should there be a shortfall in RPS-eligible

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35 PG&E's methodology addresses the need for a tracking framework identified in D.20-02-047.

36 Pursuant to Section 399.15(b)(1) of SB 2 "(1) Each retail seller shall procure a minimum quantity of eligible renewable energy resources for each of the following compliance periods: (A) January 1, 2011, to December 31, 2013, inclusive. (B) January 1, 2014, to December 31, 2016, inclusive. (C) January 1, 2017, to December 31, 2020, inclusive."

37 COL 5 in D.11-12-020 established that reasonable progress for compliance periods 2014-2016 and 2017-2020 should be determined by means of quantitative targets for the intervening years. D.11-12-020 established the intervening years quantitative targets using a straight-line method and such straight-line method continued to apply in the RPS compliance targets established by D.19-06-023.

procurement for an intervening year in a compliance period, that shortfall can first be made up with excess procurement during other intervening years of that same compliance period.

The same RPS compliance period requirement methodology was established for post-2020 RPS compliance periods by SB 100 enacted in 2018 and implemented by the Commission in D.19-06-023. Like prior RPS compliance periods, an RPS procurement shortfall in one year can first be satisfied by prior year excess in the current compliance period. For 2023, PG&E can apply 2021 and 2022 RECs, as both of those years fall in the fourth compliance period spanning from 2021 through 2024.

Given the interdependence of RPS compliance between years in a particular RPS compliance period, PG&E proposed the following methodology to determine how many additional RECs generated prior to 2023 within the fourth compliance period are applied for bundled customer RPS compliance as part of the 2023 PCIA revenue requirement calculation. The methodology also addressed how those RECs will be allocated across PCIA vintages within the applicable RPS compliance period.

1) For a year in which there is a net shortfall and the remaining surplus RPS balance from the prior year(s) within the applicable RPS compliance period is greater than the ERRA year shortfall, an accounting adjustment will be made only to those years.
2) The adjustment will be weighted across the applicable RPS generation surplus years based on the remaining amount of surplus available for each year.

The proposed allocation methodology for 2023 was consistent with PG&E’s 2021 and 2022 ERRA Forecast applications where the ERRA revenue requirement included the full retained REC value of the RPS generation less forecasted RPS Sales for each year. Therefore, customers who were part of PG&E’s bundled customer base in each ERRA year were charged for all surplus RPS generation (i.e., RPS generation which exceeds the imputed annual compliance obligation and forecast sales). It is precisely those customers that earlier procured surplus RPS generation that benefit from an accounting adjustment for 2023 rate-setting.

2) 2024 Methodology

Following the methodology laid out above, the minimum retained RPS entry for 2024 will first credit remaining excess RECs from 2021 and 2022 before applying additional crediting to excess RECs available from years before 2021. As noted above, PG&E proposes to utilize a last-in first-out approach to meet these deficits. PG&E recommends this approach for its simplicity and for its consistency with RPS compliance rules allowing for any further deficits to draw from prior year excess RPS procurement amounts.

The following sections present the implementation of this methodology.

3) Historical Initial Annual Net Renewables Portfolio Standard Positions

In order to determine how accounting adjustments will address PG&E's forecast 2024 RPS deficit, PG&E must first establish how much surplus RPS generation exists from the same compliance period as well as the amounts of surplus RPS generation from applicable years in the prior compliance period. To do so, a net available RPS quantity for each applicable year must first be calculated. This information is presented in Table 9-4, with column A showing the delivery year, which also represents the applicable ERRA Forecast year. Columns B, C, and D include the net physical RPS position, unsold RPS volumes, and PG&E bundled sales, respectively. RPS generation for 2023 includes both actual RPS generation as well as forecasted data. Forecasted RPS generation data for part of 2023 and all of 2024 is calculated using PG&E's RPS stochastic forecasting model.[38] More details on this model and how generation forecasts are calculated can be found below.

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[38] Consistent with the RPS Stochastic Model used in PG&E's Final 2022 RPS Procurement Plan.

TABLE 9-4
ANNUAL AVAILABLE RPS GENERATION

Line No.	(A) Delivery Year	(B) Net Physical RPS Position[b] (MWh)	(C) Unsold RPS	(D) Bundled Sales (MWh)	(E) Annual RPS Compliance Target (%)	(F) = (D * E) Annual RPS Compliance Target (MWh)	(G) = (B - C - F) Net Available Compliance Period RPS Generation (MWh)
1	2018	18,934,717	–	48,832,111	29%	14,161,312	4,773,405
2	2019	10,444,565	–	35,956,100	31%	11,146,391	(701,826)
3	2020	12,271,881	–	35,838,070	33%	11,826,563	445,318
4	2021	17,250,635	–	33,149,379	36%	11,850,903	5,399,732
5	2022[a]	13,737,610	–	28,776,746	39%	11,079,047	2,658,563
6	2023	10,003,832	4,090,485	30,544,937	41%	12,599,786	(6,686,439)
7	2024	7,269,735	–	28,831,236	44%	12,685,744	(5,416,009)

(a) Values for delivery year 2022 will be updated during PG&E's 2024 ERRA Forecast Application Fall Update based on PG&E's final 2022 RPS compliance report.

(b) Net Physical RPS position is RPS generation less RPS Sales.

Columns E and F include the annual RPS compliance target percentages and quantities respectively that need to be met by PG&E. The quantities included in Table 9-4 reflect rules and requirement quantities applicable to the current RPS compliance period, as laid out in D.19-06-023.[39] In D.19-06-023, the Commission maintained RPS target quantities that are ultimately based on a straight-line trend to reach each compliance period's RPS target.

With data captured annually for recorded RPS generation, Bundled Sales and RPS requirement targets, the net available RPS compliance period generation quantity in each year can be calculated by subtracting Columns C and F from Column B. The next section details how the net available RPS compliance period generation quantities from Table 9-4 have been adjusted for any prior minimum retained RPS entries.

4) Historical Minimum Renewables Portfolio Standard Entries

As referenced above, the CPUC established the minimum retained RPS requirement in D.20-02-047, with 2019 being the first

39 D.12-06-038: Decision Setting Compliance Rules for the RPS Program. https://docs.cpuc.ca.gov/WORD_PDF/FINAL_DECISION/169704.pdf.

effective year of this requirement. In order to satisfy this requirement for 2019, PG&E recorded accounting entries crediting earlier PCIA vintages through PABA. For 2021 and 2022, no minimum retained RPS entries were necessary as PG&E's bundled RPS position exceeded the annual target in each of those years. For 2023, PG&E is recording accounting entries crediting PABA vintages 2021 and 2022 based on the CPUC approved methodology described above. Table 9-5 provides the adjusted net RPS position for each applicable year in Column D by accounting for all prior year minimum RPS entries (Column C).

TABLE 9-5
HISTORICAL MINIMUM RETAINED RPS ENTRIES

Line No.	(A) Delivery/ Vintage Year	(B) Net Available Compliance Period RPS Generation (MWH)	(C) Applied Prior Year Minimum RPS Entry[(a)]	(D) Adjusted Net RPS Position
1	2018	4,773,405	–	4,773,405
2	2019	(701,826)	701,826	–
3	2020	445,318	–	445,318
4	2021	5,399,732	(4,480,473)	919,258
5	2022	2,658,563	(2,205,966)	452,598
6	2023	(6,686,439)	6,686,439	–
7	Total	5,888,753	701,826	6,590,579

(a) Minimum retained RPS entry for 2019 credited pre-2018 PCIA vintages.

The adjusted net RPS position then serves as the basis for weighting the forecasted minimum RPS entry for 2024 presented below.

5) Determination of Additional Retained Renewable Energy Credits for 2024

Following the methodology laid out above, the minimum retained RPS entry for 2024 will first credit 2021 and 2022 based on their respective Adjusted Net RPS Position volumes and debit

ERRA for 1,371,856 MWh (919,258 MWh plus 452,598 MWh). Since there remains a net RPS deficit for 2024 after accounting for the 2021 and 2022 volumes, additional crediting is required to utilize earlier years' RECs with available Adjusted Net RPS Position volumes. As noted above, PG&E proposes to utilize a last-in first-out approach to meet these deficits. PG&E recommends this approach for its simplicity and for its consistency with RPS compliance rules allowing for any further deficits to draw from prior year RPS excess procurement amounts. The results of the forecasted entries are shown in Table 9-6 below.

TABLE 9-6
2024 MINIMUM RETAINED RPS ENTRY

Line No.	(A) Delivery Year	(B) Pre-2024 Adjusted Net RPS Position	(C) Minimum 2024 Entry	(D) = (B + C) Post-2024 Adjusted Net RPS Position
1	2018	4,773,405	(3,598,835)	1,174,570
2	2019	–	–	–
3	2020	445,318	(445,318)	–
4	2021	919,258	(919,258)	–
5	2022	452,598	(452,598)	–
6	2023	–	–	–
7	2024	(5,416,009)	5,416,009	–
8	Total	1,174,570	–	1,174,570

PG&E will update the forecasted 2024 minimum retained RPS entry in its Fall Update based on updated portfolio forecast assumptions.[40] The entries associated with the 2024 minimum retained RPS will be true-ed up through the applicable balancing accounts and presented as part of PG&E's 2024 ERRA Compliance Review Application.

40 PG&E's Fall Update may also be impacted by any changes that may arise as a result of a PCIA rulemaking regarding Minimum Retained RPS.

TABLE 9-8
IOU TOTAL PORTFOLIO SUMMARY
PURSUANT TO D.17-08-026, AND MODIFIED TO COMPLY WITH OP 3 OF D.18-10-019 AND D.21-03-051

Line No.		Ongoing CTC-Eligible Portfolio	PPCP	UOG Legacy and Vintaged PCIA Portfolio							
				UOG Legacy	2009	2010	2011	2012	2013	2014	2015
1.	CRS Eligible Portfolio Costs ($000)	$208,328	$1,199	$1,885,293	$1,894,250	$463,257	$139,471	$168,258	$60,947	$6,622	$12,371
2.	CRS Eligible Non-Renewable Supply at Generation Meter (GWh)	1,633	0	24,806	13,576	1,290	754	1,115	547	51	118
3.	CRS Eligible Renewable Supply at Generation Meter (GWh)	112	13	310	2,673	1,898	615	716	436	56	79
4.	CRS Eligible Total Net Qualifying Capacity (MW)										
5.	CRS Eligible System NQC (System only, No flex or local)	113	1	1,118	136	29	16	35	11	1	2
6.	CRS Eligible Local NQC - PG&E (System and local, with or without flex)	236	0	1,904	885	91	31	209	3	1	1
7.	CRS Eligible Local NQC - SCE (System and local, with or without flex)	0	0	0	0	22	0	1	0	1	4
8.	CRS Eligible Flexible NQC (System and flex only, No local)	0	0	368	920	0	0	0	0	0	0

To comply with D. 18-10-019, OP 3 and subsequent direction from the CPUC's Energy Division, PG&E, in October 2018, submitted revisions to the confidential version of PG&E's uniform common spreadsheet template for calculation of the PCIA rates. The table above reflects one of the worksheets included in the template.

TABLE 9-8
IOU TOTAL PORTFOLIO SUMMARY
PURSUANT TO D.17-08-026, AND MODIFIED TO COMPLY WITH OP 3 OF D.18-10-019 AND D.21-03-051
(CONTINUED)

Line No.		UOG Legacy and Vintaged PCIA Portfolio								IOU Total Portfolio
		2016	2017	2018	2019	2020	2021	2022	2023	
1.	CRS Eligible Portfolio Costs ($000)	$2,469	$11,786	($0)	$46,268	$8	$84,589	$0	$403	$4,985,518
2.	CRS Eligible Non-Renewable Supply at Generation Meter (GWh)	21	95	0	0	0	0	0	0	44,005
3.	CRS Eligible Renewable Supply at Generation Meter (GWh)	26	115	0	0	0	70	0	11	7,130
4.	CRS Eligible Total Net Qualifying Capacity (MW)									
5.	CRS Eligible System NQC (System only, No flex or local)	0	3	0	0	0	3	0	2	1,470
6.	CRS Eligible Local NQC - PG&E (System and local, with or without flex)	1	82	0	401	0	2	0	0	3,846
7.	CRS Eligible Local NQC - SCE (System and local, with or without flex)	0	0	0	119	0	0	0	0	147
8.	CRS Eligible Flexible NQC (System and flex only, No local)	0	0	0	338	0	2,392	0	0	4,018

To comply with D. 18-10-019, OP 3 and subsequent direction from the CPUC's Energy Division, PG&E, in October 2018, submitted revisions to the confidential version of PG&E's uniform common spreadsheet template for calculation of the PCIA rates. The table above reflects one of the worksheets included in the template.

TABLE 9-9
INDIFFERENCE CALCULATION INPUTS AND SOURCES
PURSUANT TO D.17 08 026, AND
MODIFIED TO COMPLY WITH OP 3 OF D.18-10-019 AND D.21-03-051

Line No.	Description	Source of Data	Value
1.	On Peak Energy Index ($/MWh)	Table 4-1	[redacted]
2.	Off Peak Energy Index ($/MWh)	Table 4-1	[redacted]
3.	On Peak Load Weight (%)	2022 Recorded Bundled Load - On Peak Hours	58.4%
4.	Off Peak Load Weight (%)	2022 Recorded Bundled Load - Off Peak Hours	41.6%
5.	Load Weighted Average Price ($/MWh)	Line 1 x Line 3 + Line 2 x Line 4	[redacted]
6.	Green/RPS Adder ($/MWh)	2023 authorized Benchmark	$12.63
7.	Green Benchmark ($/MWh)	Line 6 + Line 5	[redacted]
8.	System RA Benchmark ($/kW-Year)	2023 authorized Benchamrk ($7.39 kW-Month x 12)	$88.68
9.	Local RA Benchmark ($/kW-Year) - PG&E	2023 authorized Benchamrk ($6.93 kW-Month x 12)	$83.16
10.	Local RA Benchmark ($/kW-Year) - SCE	2024 authorized Benchamrk ($6.74 kW-Month x 12)	$80.88
11.	Flexible RA Benchmark ($/kW-Year)	2023 authorized Benchamrk ($7.15 kW-Month x 12)	$85.80
12.	Revenue Fee and Uncollectible Factor	Advice 4512-G/6373-E	0.010811

To comply with D. 18-10-019, OP 3 and subsequent direction from the CPUC's Energy Division, PG&E, in October 2018, submitted revisions to the confidential version of PG&E's uniform common spreadsheet template for calculation of the PCIA rates. The table above reflects one of the worksheets included in the template.

TABLE 9-10
INDIFFERENCE AMOUNT CALCULATION, PURSUANT TO D.17-08-026, AND MODIFIED TO COMPLY WITH OP 3 OF D.18-10-019 AND D.21-03-051

Line No.	Description	Equation	Unit	Ongoing CTC-Eligible	PPCP	UOG Legacy and Vintaged PCIA							
						UOG Legacy	2009	2010	2011	2012	2013	2014	2015
	Cost of Portfolio												
1.	Portfolio Total Cost	Table 9-8, Line 1	$000	208,328	1,199	1,885,293	1,894,250	463,257	139,471	168,258	60,947	6,622	12,371
2.	CRS Eligible Non-Renewable Supply at Generation Meter	Table 9-8, Line 2	GWh	1,633	0	24,806	13,576	1,290	754	1,115	547	51	118
3.	CRS Eligible Renewable Supply at Generation Meter	Table 9-8, Line 3	GWh	112	13	310	2,673	1,898	615	716	436	56	79
4.	CRS Eligible System NQC	Table 9-8, Line 5	MW	113	1	1,118	136	29	16	35	11	1	2
5.	CRS Eligible Local NQC - PG&E	Table 9-8, Line 6	MW	236	0	1,904	885	91	31	209	3	1	1
6.	CRS Eligible Local NQC - SCE	Table 9-8, Line 7	MW	0	0	0	0	22	0	1	0	1	4
7.	CRS Eligible Flexible NQC	Table 9-8, Line 8	MW	0	0	368	920	0	0	0	0	0	0
8.	**Portfolio Unit Cost**	**Line 1 / (Line 2 + Line 3)**	**$/MWh**	**$119**	**$90**	**$75**	**$117**	**$145**	**$102**	**$92**	**$62**	**$62**	**$63**
9.	**Market Value of Portfolio**												
10.	**Market Value of Brown Portfolio**												
11.	Non-Renewable Energy	Line 2	GWh	1,633	0	24,806	13,576	1,290	754	1,115	547	51	118
12.	Weighted Average Brown Benchmark	Table 9-9, Line 5	$/MWh	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
13.	**Market Value of Brown Portfolio**	**Line 10 x Line 11**	**$000**	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
14.	**Market Value of Green Portfolio**												
15.	Renewable Energy	Line 3	GWh	112	13	310	2,673	1,898	615	716	436	56	79
16.	Weighted Average Green Benchmark	Table 9-9, Line 7	$/MWh	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
17.	**Market Value of Green Portfolio**	**Line 14 x Line 15**	**$000**	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
18.	**Capacity Adder**												
19.	Average Monthly System NQC	Line 4	MW	113	1	1,118	136	29	16	35	11	1	2
20.	System RA Benchmark	Table 9-9, Line 8	$/kW-Year	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68
21.	Average Monthly Local Area NQC (PG&E)	Line 5	MW	236	0	1,904	885	91	31	209	3	1	1
22.	Local RA Benchmark (PG&E)	Table 9-9, Line 9	$/kW-Year	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16
23.	Average Monthly Local Area NQC (SCE)	Line 6	MW	0	0	0	0	22	0	1	0	1	4
24.	Local RA Benchmark (SCE)	Table 9-9, Line 10	$/kW-Year	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88
25.	Average Monthly Flexible NQC	Line 7	MW	0	0	368	920	0	0	0	0	0	0
26.	Flexible RA Benchmark	Table 9-9, Line 11	$/kW-Year	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80
27.	**Market Value of Capacity**	**Sum (Lines 19x20,21x22,23x24,25x26)**	**$000**	**$29,687**	**$95**	**$288,999**	**$164,645**	**$11,876**	**$4,012**	**$20,566**	**$1,228**	**$190**	**$542**
28.	**Portfolio Market Value**	**Line 12 + Line 16 + Line 27**	$000	**$178,090**	**$1,380**	**$2,408,921**	**$1,567,356**	**$304,401**	**$127,123**	**$183,941**	**$89,526**	**$9,906**	**$18,102**
29.	**Indifference Amount**												
30.	**Portfolio Total Cost**	**Line 1**	$000	**$208,328**	**$1,199**	**$1,885,293**	**$1,894,250**	**$463,257**	**$139,471**	**$168,258**	**$60,947**	**$6,622**	**$12,371**
31.	**Portfolio Market Value**	**Line 28**	$000	**$178,090**	**$1,380**	**$2,408,921**	**$1,567,356**	**$304,401**	**$127,123**	**$183,941**	**$89,526**	**$9,906**	**$18,102**
32.	**Total Indifference Amount (Unadjusted)**	**Line 30 - Line 31**	$000	**$30,239**	**($182)**	**($523,629)**	**$326,894**	**$158,856**	**$12,347**	**($15,683)**	**($28,578)**	**($3,284)**	**($5,731)**
33.	**DWR Revenue Requirement**		$000										
34.	**PCIA Minimum Retained REC Value Adjustment**		$000										
35.	**Adjusted Indifference Amount**	**Sum (Lines 32:34)**	$000	**$30,239**	**($182)**	**($523,629)**	**$326,894**	**$158,856**	**$12,347**	**($15,683)**	**($28,578)**	**($3,284)**	**($5,731)**
36.	**Revenue Franchise Fees & Uncollectibles (RF&U)**	**Advice 4512-G/6373-E**	$000	**$327**	**($2)**	**($5,661)**	**$3,534**	**$1,717**	**$133**	**($170)**	**($309)**	**($36)**	**($62)**
37.	**Adjusted Indifference Amount with RF&U**	**Line 35 + Line 36**	$000	**$30,565**	**($184)**	**($529,290)**	**$330,428**	**$160,573**	**$12,481**	**($15,852)**	**($28,887)**	**($3,319)**	**($5,793)**
38.	**Cummulative Adjusted Indifference Amount with RF&U**		$000	**$30,565**	**($184)**	**($529,290)**	**($198,862)**	**($38,289)**	**($25,808)**	**($41,660)**	**($70,547)**	**($73,867)**	**($79,660)**

To comply with D. 18-10-019, OP 3 and subsequent direction from the CPUC's Energy Division, PG&E, in October 2018, submitted revisions to the confidential version of PG&E's uniform common spreadsheet template for calculation of the PCIA rates. Lines 1 through 35 of the above table reflects thos included in one of the worksheets of the template.

Totals may not add due to rounding

TABLE 9-10
INDIFFERENCE AMOUNT CALCULATION, PURSUANT TO D.17-08-026, AND MODIFIED TO COMPLY WITH OP 3 OF D.18-10-019 AND D.21-03-051
(CONTINUED)

Line No.	Description	Equation	Unit	UOG Legacy and Vintaged PCIA 2016	2017	2018	2019	2020	2021	2022	2023
	Cost of Portfolio										
1.	Portfolio Total Cost	Table 9-8, Line 1	$000	2,469	11,786	(0)	46,268	8	84,589	0	403
2.	CRS Eligible Non-Renewable Supply at Generation Meter	Table 9-8, Line 2	GWh	21	95	0	0	0	0	0	0
3.	CRS Eligible Renewable Supply at Generation Meter	Table 9-8, Line 3	GWh	26	115	0	0	0	70	0	11
4.	CRS Eligible System NQC	Table 9-8, Line 5	MW	0	3	0	0	0	3	0	2
5.	CRS Eligible Local NQC - PG&E	Table 9-8, Line 6	MW	1	82	0	401	0	2	0	0
6.	CRS Eligible Local NQC - SCE	Table 9-8, Line 7	MW	0	0	0	119	0	0	0	0
7.	CRS Eligible Flexible NQC	Table 9-8, Line 8	MW	0	0	0	338	0	2,392	0	0
8.	**Portfolio Unit Cost**	**Line 1 / (Line 2 + Line 3)**	**$/MWh**	**$53**	**$56**	**$0**	**$0**	**$0**	**$1,206**	**$0**	**$35**
9.	**Market Value of Portfolio**										
10.	**Market Value of Brown Portfolio**										
11.	Non-Renewable Energy	Line 2	GWh	21	95	0	0	0	0	0	0
12.	Weighted Average Brown Benchmark	Table 9-9, Line 5	$/MWh	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
13.	**Market Value of Brown Portfolio**	**Line 10 x Line 11**	**$000**	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
14.	**Market Value of Green Portfolio**										
15.	Renewable Energy	Line 3	GWh	26	115	0	0	0	70	0	11
16.	Weighted Average Green Benchmark	Table 9-9, Line 7	$/MWh	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
17.	**Market Value of Green Portfolio**	**Line 14 x Line 15**	**$000**	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
18.	**Capacity Adder**										
19.	Average Monthly System NQC	Line 4	MW	0	3	0	0	0	3	0	2
20.	System RA Benchmark	Table 9-9, Line 8	$/kW-Year	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68	$88.68
21.	Average Monthly Local Area NQC (PG&E)	Line 5	MW	1	82	0	401	0	2	0	0
22.	Local RA Benchmark (PG&E)	Table 9-9, Line 9	$/kW-Year	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16	$83.16
23.	Average Monthly Local Area NQC (SCE)	Line 6	MW	0	0	0	119	0	0	0	0
24.	Local RA Benchmark (SCE)	Table 9-9, Line 10	$/kW-Year	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88	$80.88
25.	Average Monthly Flexible NQC	Line 7	MW	0	0	0	338	0	2,392	0	0
26.	Flexible RA Benchmark	Table 9-9, Line 11	$/kW-Year	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80	$85.80
27.	**Market Value of Capacity**	**Sum (Lines 19x20,21x22,23x24,25x26)**	**$000**	**$98**	**$7,150**	**$0**	**$71,941**	**$0**	**$205,653**	**$0**	**$183**
28.	**Portfolio Market Value**	**Line 12 + Line 16 + Line 27**	$000	**$4,369**	**$26,253**	**$0**	**$71,941**	**$0**	**$212,449**	**$0**	**$1,288**
29.	**Indifference Amount**										
30.	**Portfolio Total Cost**	**Line 1**	$000	**$2,469**	**$11,786**	**($0)**	**$46,268**	**$8**	**$84,589**	**$0**	**$403**
31.	**Portfolio Market Value**	**Line 28**	$000	**$4,369**	**$26,253**	**$0**	**$71,941**	**$0**	**$212,449**	**$0**	**$1,288**
32.	**Total Indifference Amount (Unadjusted)**	**Line 30 - Line 31**	$000	**($1,900)**	**($14,467)**	**($0)**	**($25,674)**	**$8**	**($127,860)**	**$0**	**($885)**
33.	**DWR Revenue Requirement**		$000								
34.	**PCIA Minimum Retained REC Value Adjustment**		$000			($45,453)	$0	($5,624)	($11,610)	($5,716)	$0
35.	**Adjusted Indifference Amount**	**Sum (Lines 32:34)**	$000	**($1,900)**	**($14,467)**	**($45,453)**	**($25,674)**	**($5,616)**	**($139,470)**	**($5,716)**	**($885)**
36.	**Revenue Franchise Fees & Uncollectibles (RF&U)**	**Advice 4512-G/6373-E**	$000	**($21)**	**($156)**	**($491)**	**($278)**	**($61)**	**($1,508)**	**($62)**	**($10)**
37.	**Adjusted Indifference Amount with RF&U**	**Line 35 + Line 36**	$000	**($1,921)**	**($14,623)**	**($45,945)**	**($25,951)**	**($5,677)**	**($140,978)**	**($5,778)**	**($895)**
38.	**Cummulative Adjusted Indifference Amount with RF&U**		$000	**($81,581)**	**($96,204)**	**($142,149)**	**($168,100)**	**($173,777)**	**($314,755)**	**($320,533)**	**($321,428)**

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