

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Order Instituting Rulemaking to Continue Implementation and Administration, and Consider Further Development of, California Renewables Portfolio Standard Program.

**Rulemaking 15-02-020
(Filed February 26, 2015)**

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E)
REPLY COMMENTS ON PROPOSED DECISION
IMPLEMENTING PROVISIONS OF GOVERNOR'S PROCLAMATION OF
A STATE OF EMERGENCY RELATED TO TREE MORTALITY AND
SENATE BILL 840 RELATED TO THE BIOENERGY FEED-IN TARIFF IN
THE RENEWABLES PORTFOLIO STANDARD PROGRAM**

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Dated: October 24, 2016

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I. INTRODUCTION.

Pursuant to Rule 14.3 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, Pacific Gas and Electric Company (“PG&E”) respectfully submits this reply to Parties’ opening comments regarding the Proposed Decision issued by Administrative Law Judge Simon on September 27, 2016 (“Proposed Decision”) implementing provisions of the Governor’s proclamation of a state of emergency related to tree mortality and Senate Bill 840.

II. PG&E SUPPORTS SCE’S AND SDG&E’S COMMENTS ON NON-BYPASSABLE CHARGES AND THE NEED FOR ADDITIONAL TIME TO FILE ADVICE LETTERS.

PG&E wishes to express its support of the comments submitted jointly by Southern California Edison Company (“SCE”) and San Diego Gas & Electric Company (“SDG&E”). In their joint comments, SCE and SDG&E state that “a nonbypassable charge is appropriate and should be part of the BioMAT program to be consistent with the legislative intent of SB 859.”¹ SCE and SDG&E further request that the Investor Owned Utilities (“IOUs”) be given at least 45 days to file

¹ *Opening Comments of Southern California Edison Company and San Diego Gas & Electric Company on Proposed Decision Implementing Provisions of Governor’s Proclamation of a State of Emergency Related to Tree Mortality and Senate Bill 840 Related to the Bioenergy Feed-In Tariff in the Renewables Portfolio Standard Program* (October 17, 2016) (“SCE and SDG&E Joint Opening Comments”), p. 3.

Tier 2 Advice Letters modifying their respective tariffs to implement the changes to the BioMAT program adopted by a Decision in this matter.²

PG&E supports both of these requests. As SCE and SDG&E observe, the Governor’s emergency proclamation benefits all California residents by addressing the threat of wildfires, but the costs of the BioMAT program, which helps implement the emergency proclamation, are borne exclusively by the IOUs’ customers.³ The Commission should address this equitable imbalance by adopting a non-bypassable charge.

PG&E also agrees the IOUs should be afforded at least 45 days to file conforming Advice Letters given the need for coordination among the IOUs. For this reason, the Commission should reject the request by Bioenergy Association of California that the Commission “begin monthly price adjustments on December 1, rather than February 1.”⁴ PG&E does not believe a December 1 start date is feasible given the additional time needed by the IOUs to coordinate the filing of Advice Letters, the time needed to work with technology partners to enable monthly auctions, and the time required to modify internal procedures to properly and accurately administer monthly auctions.

III. NON-REFUNDABLE PORTIONS OF DEPOSITS SHOULD NOT BE CREDITED TO ERRA.

Jan Reid proposes that deposits that are not returned to BioMAT applicants be credited to the Energy Resource Recovery Account (“ERRA”).⁵ The Proposed Decision allows for the return to BioMAT applicants of all but a small portion of the deposit, intended to cover administrative costs, if an applicant either executes a PPA or withdraws from the BioMAT queue. Therefore, the only portion of the deposit not subject to refund to the BioMAT applicant

² SCE and SDG&E Joint Opening Comments, p. 3.

³ SCE and SDG&E Joint Opening Comments, pp. 2-3.

⁴ *Bioenergy Association of California’s Comments on Proposed Decision Implementing Provisions of Governor’s Proclamation of a State of Emergency Related to Tree Mortality and Senate Bill 840 Related to the Bioenergy Feed-In Tariff in the Renewables Portfolio Standard Program* (October 17, 2016), p. 4.

⁵ *Comments of L. Jan Reid on Proposed Decision of ALJ Simon* (October 17, 2016), p. 3.

is the non-refundable fee, set at 10% of the system impact study fee (an amount that would currently be \$1,000).⁶ Because the Commission intends for this fee to offset a portion of the IOUs' administrative costs,⁷ it is not appropriate for it to be credited to ERRRA. Instead, this amount should be retained by the IOUs in a manner similar to the collection of the existing \$2/kW BioMAT application fee, known as the "PPR Fee."⁸

DATED: October 24, 2016

Respectfully submitted,

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⁶ Proposed Decision, pp. 22-23.

⁷ Proposed Decision, p. 22

⁸ PG&E's BioMAT Tariff, p. 5.

