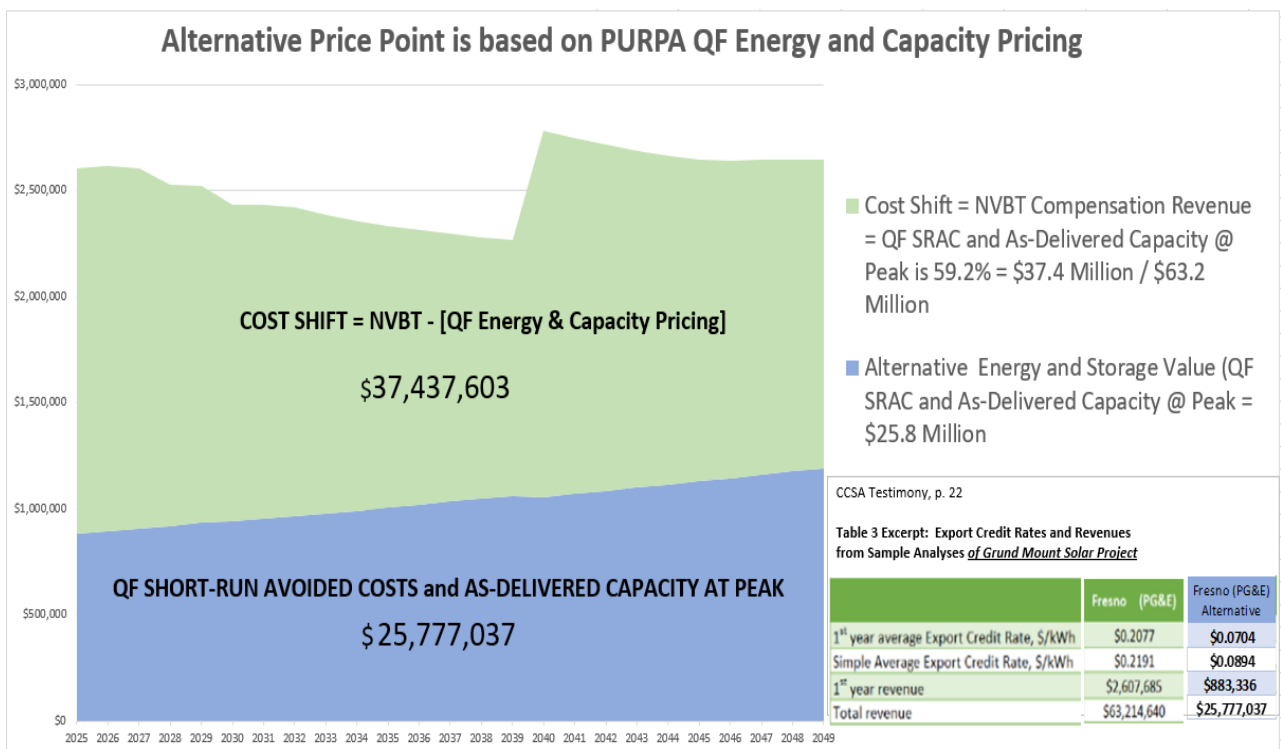


APPENDIX A

Pacific Gas & Electric Company's Comparison of the Net Value Billing Tariff with Compensation Using Public Utility Regulatory Policies Act (PURPA) Qualified Facility (QF) Exhibit PGE-04 at 5-7

Figure 1 below compares the proposed NVBT compensation presented in CCSA’s testimony (at Table 3)¹ for a ground mount solar facility in PG&E’s service territory with the compensation using Public Utility Regulatory Policies Act pricing for a qualified facility of the same size using CPUC-approved methodology. Specifically, PG&E utilizes its April 2023 short-run avoided cost energy costs of \$69.83/megawatt-hour (MWh) to estimate the energy value of the solar system output and the 2023 as-delivered capacity price at peak of \$65.381/MWh which have been escalated at 2 percent per year to calculate the capacity value over the years 2025 – 2049.²

**FIGURE 1
COST SHIFT UNDER NVBT COMPENSATION FOR A SINGLE PROJECT**



¹ Amended Prepared Direct Testimony of Mark Fulmer on Behalf of The Coalition for Community Solar Access (March 15, 2023), p. 22, Table 3.

² See PG&E’s Website for, “Prices for Qualifying Facilities & Eligible Combined Heat & Power Facilities”: Available at: [Prices for Qualifying Facilities & Eligible Combined Heat and Power Facilities \(pge.com\)](https://www.pge.com/pricing/qualifying-facilities).

In Figure 1, the revenue stream for a PURPA qualifying facility that is compliant with FERC and CAISO tariffs is \$25.8 million over 25 years, which is 40.8 percent of CCSA’s NVBT compensation of \$63.2 million. That results in a cost shift of \$37.4 million or 59.2 percent.

If the 59.2 percent cost shift is extended to Southern California Edison Company and San Diego Gas & Electric Company’s service areas—using CCSA’s Table 3 analysis presenting a simple average levelized price per project and CCSA’s estimate that 1 GW of projects in California could be deployed in the first two years of the program³—the cost shift impact to California over the life of 200 projects that are five megawatts (MW) in size is \$8.1 billion dollars, as shown in Line 19 of Table 1 below.

**TABLE 1
NVBT COST SHIFT OVER 25 YEARS**

Line No.	NVBT Compensation for 200 MW of Projects built in California over the Projects' 25-Year life						
1	Assumptions: 1 GW of Projects built in first 2 years, (CCSA DR_001, Q11, included in PG&E's Rebuttal Attachment B)						
2	PG&E, SCE, and SDG&E are responsible for 47%, 43%, and 10% respectively of the total 200 projects.						
3	Projects are 5 MW of Solar paired with 5 MW of 4 Hour batteries						
4	MW Allocation to IOUs			47%	43%	10%	
	Buildout for 2025 and 2026	MW Buildout Assumptions	Total Projects @ 5MW Each	SCE Project Allocation	PG&E Project Allocation	SDG&E Project Allocation	Total
5	Year 1	500	100	47	43	10	100
6	Year 2	500	100	47	43	10	100
7	Total	1000	200	94	86	20	200
SCE's Projects							
	Buildout for 2025 and 2026	# of Projects	# of MW	1st year Project Revenue per Project	1st year Project Revenue for All Projects	25-Year Revenue per Project	25-Year Revenue for All Projects
8	Year 1	47	235	\$2,915,057	\$137,007,679	\$70,203,583	\$3,299,568,401
9	Year 2	47	235	\$2,916,230	\$137,062,810	\$70,203,583	\$3,299,568,401
10	2-Year Cost Commitment	94	470	\$5,831,287	\$274,070,489		\$6,599,136,802
PG&E's Projects							
	Buildout for 2025 and 2026	# of Projects	# of MW	1st year Project Revenue per Project	1st year Project Revenue for All Projects	25-Year Revenue per Project	25-Year Revenue for All Projects
11	Year 1	43	215	\$2,607,685	\$112,130,455	\$63,214,640	\$2,718,229,520
12	Year 2	43	215	\$2,615,683	\$112,474,369	\$63,214,640	\$2,718,229,520
13	2-Year Cost Commitment	86	430	\$5,223,368	\$224,604,824		\$5,436,459,040
SDG&E's Projects							
	Buildout for 2025 and 2026	# of Projects	# of MW	1st year Project Revenue per Project	1st year Project Revenue for All Projects	25-Year Revenue per Project	25-Year Revenue for All Projects
14	Year 1	10	50	\$3,329,376	\$33,293,760	\$79,561,829	\$795,618,290
15	Year 2	10	50	\$3,315,997	\$33,159,970	\$79,561,829	\$795,618,290
16	2-Year Cost Commitment	20	100	\$6,645,373	\$66,453,730		\$1,591,236,580
17	Lines 10 + 13 + 16			Total NVBT Expense for Community Renewable Program over 25-year life, built during First 2-Years		\$13,626,832,422	
18	Line 17 x QF Price as % of NVBT (PG&E)			QF SRAC and As-Delivered Capacity on Peak = 40.8% of NVBT		\$5,559,747,628	
19	Line 17 - Line 18			Cost Shift Potential @ 59.2%		\$8,067,084,794	

³ CCSA’s Supplemental Response to PG&E Data Request PGE-CCSA_001-Q11, dated April 3, 2023. See PG&E’s Rebuttal Testimony (April 7, 2023), Appendix B.

(END OF APPENDIX A)