**ELECTRIC AND GAS RATE INCREASE ALERT EFFECTIVE JANUARY 1, 2020**

**PG&E -** The CPUC approved gas transmission and storage revenue requirement changes for PG&E from 2019 to 2022 in Gas Transmission and Storage (GT&S) decision D.19-09-025, resulting in rate and bill impacts beginning on January 1, 2020. Additionally, FERC approved dockets ER19-13-000 and ER20-100-000 to be implemented in rates on January 1, 2020. PG&E’s consolidated rate change for 2020 is delayed until its 2020 sales forecast is approved in the 2020 ERRA Forecast proceeding, A.19-06-001.

**Combined Estimated Electric Bill Impacts of All Requested Rate Changes Effective January 1, 2020**

|  |  |
| --- | --- |
| Combined Estimated Electric Bill Impacts | PG&E – January 1, 2020[[1]](#footnote-1) |
| * Residential non-CARE electric bill | $128.63 |
| * Residential non-CARE electric bill increase | $3.28 or 2.71% |
| * Residential CARE electric bill | $75.595 |
| * Residential CARE electric bill increase | $2.10 |

**PG&E Advice Letter 5727-E Highlights:**

* + On January 1, 2020 PG&E’s FERC Approved Transmission Revenue Requirement will increase from $1.963 billion in 2019 to $2.249 billion in 2020, an increase of 14.6%.

* + PG&E 5727-E implements the DWR Bond rate increase from $0.00503 to $0.00580 pursuant to D.19-12-007.

**Combined Estimated Gas Bill Impacts of All Requested Rate Changes Effective January 1, 2020:[[2]](#footnote-2)**

|  |  |
| --- | --- |
| Combined Estimated Gas Bill Impacts | PG&E – January 1, 2020[[3]](#footnote-3) |
| * Residential non-CARE gas bill | $47.74 |
| * Residential non-CARE gas bill increase | $1.03 or 2.2% |
| * Residential CARE gas bill | $37.53 |
| * Residential CARE gas bill increase | $0.45 or 1.2% |

Below are the gas rate change components and highlights:

1. **PG&E GT&S Highlights**:

* On January 1, 2020, PG&E’s GT&S revenue requirement will increase $99.6 million due to higher spending to maintain the safe operation of its gas system.
* Disallowed $104 million in proposed expenses and $87 million in capital expenditures as being unreasonable with most of the amount for transmission pipeline projects.
* Disallowed $304 million in past transmission pipeline replacements the utility undertook in 2015 through 2018 because the costs exceeded CPUC authorized amounts.
* Authorized PG&E to seek a sale of two gas storage fields (Pleasant Creek and Los Medanos). If they are unsold, the utility may decommission them to save customers the expense of upgrading the facilities.

1. **PG&E Annual Gas True-up filing (Advice Letter 4200-G) Highlights:**

* On January 1, 2020, PG&E’s gas transportation rates will change to incorporate a $23 million increase in the utility’s 2020 gas transportation revenue requirement that totals $3.668 billion.
* $16 million increase in revenue requirements used for maintaining gas distribution lines and a $5.6 million increase resulting from D.19-12-056, which approved the utility’s cost of capital for 2020.
* $8 million decrease in PG&E’s gas transportation balancing account undercollections and $80 million decrease to fund gas public purpose program costs such as energy efficiency.[[4]](#footnote-4)

1. Bill impacts computed using monthly average of 500 kWh. [↑](#footnote-ref-1)
2. Includes procurement rate changes effective 1/1/20 in AL 4199, Purpose Program Surcharge in AL 4174-G, and annual gas true-up in AL 4200-G. Note that gas procurement rates vary on a monthly basis. These gas bill impacts are only representative of procurement rates for 1/1/20. [↑](#footnote-ref-2)
3. Bill impacts computed using monthly average of 32 therms and based on gas commodity procurement cost as of 1/1/20.

   Amount of gas bill depends upon actual quantity of therms used by customer. [↑](#footnote-ref-3)
4. Gas Public Purpose Surcharges for 2020 implemented in AL 4174-G [↑](#footnote-ref-4)