Attachment 1

Bronkall, Bob

From:	Norimoto, Tamon <txni@pge.com></txni@pge.com>
Sent:	Tuesday, July 6, 2021 4:10 PM
То:	Bronkall, Bob
Subject:	Rule 20A Status Notice

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Dear Sir or Madam of Humboldt County:

The purpose of this letter is to notify you that pursuant to California Public Utilities Commission <u>Decision 21-06-013</u> (Decision), Humboldt County is considered **ACTIVE** and therefore your Rule 20A Work Credits will not be reallocated to other communities. Your Rule 20A Work Credit balance as of June 15, 2021 is **2,189,860**. You will be receiving your last annual Rule 20A Work Credit Allocation in 2022.

What are Rule 20A Work Credits?

Utilities such as PG&E allocate Rule 20A Work Credits to communities to convert overhead electric infrastructure to underground infrastructure. Once a community has identified a project that is in the public interest and passed a municipal resolution forming an underground district, the community can initiate the project with the utility. To fund the project, the community may utilize its accrued annual Rule 20A Work Credits.

NOTE: Pursuant to the Decision, communities can no longer borrow future Work Credits.

What is Reallocation?

The Decision states, "In <u>Resolution E-4971</u>, the Commission explained the work credit reallocation policy that 'Rule 20A allows for reallocation of work credits from inactive communities to communities in need.' The Commission further explained the implications of Rule 20A Section 2.c, as follows: 'When amounts are not expended or carried over for the community to which they are initially allocated, they shall be assigned when additional participation on a project is warranted or be reallocated to communities with active undergrounding programs.'"

What can I do to prevent my Work Credits from being reallocated?

Pursuant to <u>Resolution E-4971</u>, "The CPUC considers any community to be active and not subject to reallocation if it satisfies any of the following criteria:

- 1. Formally adopts an undergrounding district ordinance which expires at completion of work within the district boundaries; or
- 2. Has started or completed construction of an undergrounding conversion project within the last 8 years, defined as 2011 or later; or
- 3. Has received Rule 20A allocations from the utility for only 5 years or fewer due to recent incorporation.

Inactive communities shall be defined as communities that fail to meet any of the above criteria."

NOTE: PG&E defines the last 8 years as 2013 or later.

If you believe that you have been identified in error as an inactive community or interested in forming an underground district, please contact your liaison, Lizette Burtis, at Lizette.Burtis@pge.com.

Sincerely,