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PRESS RELEASE

Docket #: A.13-12-012

CPUC SETS OPERATING COSTS FOR PG&E'S GAS TRANSMISSION AND STORAGE SERVICES

SAN FRANCISCO, June 23, 2016 - The California Public Utilities Commission (CPUC) today established the amount of ratepayer funds that Pacific Gas and Electric Company (PG&E) is authorized to use for operating and providing gas transmission and storage services to its customers for 2015-2017, balancing costs to customers with the need for safety related expenditures.

Today's decision sets PG&E's 2015 revenue to be recovered from consumers at \$908.355 million, an increase of \$192.976 million, or 27 percent, over PG&E's 2014 gas transmission and storage revenues. The decision results in the average residential customer bill for gas transmission and storage services rising from \$50.89 using rates effective January 1, 2015, to \$56.79 with rates that will be effective in 2018. This amount will decrease once the CPUC implements the \$850 million San Bruno-related penalty in the next phase of this case.

The decision ensures that needed system safety improvements are made, including inspecting, testing, and replacing pipeline. The CPUC will ensure that PG&E allocates the funds as ordered through ratemaking mechanisms, enforceable CPUC orders, and compliance reporting.

"Our decision today reflects the costs that PG&E needs to operate its natural gas and storage systems and to continue to make them as safe as possible. PG&E's pipeline system is massive. If its pipelines were stretched from California to New York and back again, there would still be pipeline remaining," said Commissioner Carla J. Peterman, the author of the decision. "We adopted recommendations to assign costs to shareholders and to reduce forecast costs in order to increase affordability without compromising needed safety investments."



The proposal voted on is available at

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M163/K861/163861020.PDF>.

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