



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

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Application of Pacific Gas and Electric Company  
for Authority to Establish Its Authorized Cost of  
Capital for Utility Operations for 2026.

Application No. 25-03-\_\_\_\_\_

(U 39 M)

**APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 M)  
FOR TEST YEAR 2026 COST OF CAPITAL**

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FOR TEST YEAR 2026 COST OF CAPITAL**

Pursuant to California Public Utilities Commission (“Commission”) Decision (“D.”) 24-10-008, Pacific Gas and Electric Company (“PG&E” or the “Company”) submits its Cost of Capital application for Test Year 2026 (the “Application”).

**I. INTRODUCTION**

This Application requests Commission approval of PG&E’s proposed cost of capital for Test Year 2026 for cost of equity, cost of preferred stock, and cost of long-term (“LT”) debt. The Application also requests Commission approval of a revenue credit to return the benefit of potential Department of Energy (“DOE”) loan draws to customers, and a temporary yield spread adjustment (“YSA”) to fairly compensate PG&E for its cost of short-term debt. The cost of capital and capital structure proposals detailed in this Application will provide key support for PG&E’s ability to make critical safety and reliability investments on behalf of the 16 million people we serve in Northern and Central California. Such critical investments will strengthen our ability to meet the growing challenge presented by climate change—including the significant challenge presented by increasing wildfire risk—and create an improved, sustainable energy future for our customers.

PG&E’s proposal for Test Year 2026 is summarized in Table 1-1:

**TABLE 1-1  
PROPOSED 2026 COST OF CAPITAL (COC)**

Line No.		2026		
		Cost	Capital Structure	Weighted Cost
1	Long-Term Debt	5.05%	47.7%	2.41%
2	Preferred Stock	5.52%	0.3%	0.02%
3	Common Equity	11.30%	52.0%	5.88%
4	Return on Rate Base			8.31%

In the five-year period 2024 to 2028, PG&E expects to fund approximately \$63 billion in essential energy infrastructure investments for the benefit of our customers and communities. As described in more detail in Chapter 1 – Introduction and Cost of Capital Proposal (M. Becker), PG&E’s ongoing commitment to stop catastrophic wildfires, to enhance electric grid resilience, and to achieve a carbon neutral system will account for a substantial portion of this total. PG&E is making substantial investments for our customers that are necessary to improve the safety, resiliency, and reliability of our service. The recent Southern California wildfires have made clear that key among these investments is continued wildfire mitigation and hardening. PG&E is committed to these efforts in line with the Legislature’s and CPUC’s goals through the required wildfire mitigation plan requirements, among others. As detailed in Chapter 1, the significant investments we have made thus far have been highly effective, but continued progress is needed.

These critical large-scale infrastructure projects will require significant amounts of external capital, at a time when the operating environment for California utilities is fundamentally and rapidly changing. Investors face uncertainty from exposure to liability and cost recovery that has been exacerbated by extreme weather events caused by climate change, chief among them the threat of catastrophic wildfires. These factors have increased the risk profile of California utilities and made attracting capital more costly.

The recent wildfires in Southern California have brought the severity and acuteness of the risk of wildfires back to the forefront for investors. Estimated damages in the media from the Southern California Fires range in the tens of billions of dollars. The immediate reaction from markets was a sharp drop in PG&E’s stock price and an increase in our bond yields. The medium and longer-term impact will be increased investor uncertainty and a sustained higher cost of capital until a state-level solution is found to ensure the durability of Assembly Bill (“AB”) 1054 and the California Wildfire Fund. The California legislature mitigated some of the financial risk of wildfires through the passage of AB 1054 and implementation of the California Wildfire Fund, but as the Southern California Fires have made clear, additional mitigation is needed. Specifically, the potential damages for the Southern California Fires has called into doubt the durability of the California Wildfire Fund, which has no mechanism to replenish the Fund once depleted or otherwise ensure its durability. Without a fix to this

issue, at minimum, investors will continue to view California electric utilities as high-risk, requiring a higher cost of capital to invest. Investors could decide to curtail or limit their investments in California utilities if the risk of recovering their investments is too great, just as certain home insurance companies pulled back from the California market due to concerns about their ability to recover their costs.

PG&E's requested Return on Equity ("ROE") of 11.3 percent is at the top of the zone of reasonableness to address this risk. The requested ROE balances the importance of investing in improvements to meet the significant upcoming infrastructure challenges with the necessity to set the ROE at a level that matches the return required by investors to the risks of investing in utilities in general and in PG&E in particular. The Commission's approval of the reasonable and appropriate overall rate of return on rate base ("ROR") will support investor confidence in PG&E's financial soundness and minimize long-term debt costs, factors which in turn are reflected in the rates paid by customers.

PG&E's guiding principle is working to address the triple bottom line of *people, planet, and prosperity*.

To deliver results for people, PG&E is committed to improving our safety performance by understanding our risks, prioritizing our work, using controls to reduce risks, and measuring and improving risk reduction. PG&E has developed an investment program aimed at improving safety, increasing electric and gas reliability, and improving customer satisfaction.

To deliver results for the planet, PG&E is committed to protecting and serving the environment. Integrating and managing climate change and other environmental considerations in our business strategies creates long-term value for PG&E and our employees, customers, and shareholders, as well as the communities we serve and other stakeholders.

To deliver results for prosperity, PG&E is committed to meeting our financial objectives and providing economic development opportunities and benefits in the communities we serve. Clean energy should be affordable for, and inclusive of, all economic backgrounds.

PG&E's operational approach ties these three bottom lines into a model that achieves safety at the least cost for customers. Successful execution of this approach should result in improved operational and financial results that will benefit customers and investors. The benefits for customers will include

lower overall costs for wildfire mitigation, improved credit quality and resulting lower interest costs, and more reliable service at affordable rates. Investors will also benefit from more stable cash flows and higher valuations of their investments.

The next few years are critical. PG&E's cost of capital proposal for Test Year 2026 reflects the necessity to set our ROE at a level that matches the return with the risks. Approving PG&E's proposal will support PG&E's financial health as we undertake the substantial and necessary investments for customers that will improve the safety and reliability of our service at the lowest cost to customers.

## **II. BACKGROUND AND PROCEDURAL HISTORY**

### **A. Cost of Capital Mechanism**

In D.08-05-035, the Commission adopted a uniform cost of capital mechanism ("CCM") for PG&E, Southern California Edison Company ("SCE"), and San Diego Gas & Electric Company ("SDG&E").<sup>1</sup> Pursuant to the CCM, cost of capital proceedings are scheduled on a three-year cycle, with full cost of capital applications due every third year for the following test year. In the interim years, the CCM authorizes two methods for setting a utility's cost of capital. One is a formula adjustment mechanism that operates when interest rates change by a specified amount ("Formula Adjustment Mechanism"). The other is an off-cycle cost of capital application based on an extraordinary or catastrophic event ("Extraordinary Event Application").<sup>2</sup>

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<sup>1</sup> The Commission subsequently approved adoption of the CCM for Southern California Gas Company ("SoCalGas") in D.13-03-015. The Commission continued the CCM in D.13-03-015, D.19-12-056, D.22-12-031, and D.24-10-008. *See* D.13-03-015, p.10 (Ordering Paragraph ("OP") 2) ("The Cost of Capital Mechanism established for [SCE, SDG&E, and PG&E] by Decision 08-05-035 shall continue unchanged."); D.19-12-056, p.55 (OP 7) ("The Cost of Capital Mechanism shall continue to be in effect through the 2020 Cost of Capital cycle for [SCE, PG&E, SDG&E, and SoCalGas]."); D.22-12-031, p. 54 (OP 6) ("The Cost of Capital Mechanism shall continue to be in effect through the 2023 Cost of Capital cycle for [SCE, PG&E, SDG&E, and SoCalGas] unless modified by subsequent Commission decision."); and D.24-10-008, pp.26, 31, 36 (OP 4) (modifying CCM to implement a 20% instead of 50% adjustment ratio effective January 1, 2025).

<sup>2</sup> *See* D.08-05-035, pp.21-22 (OP 2) (Formula Adjustment Mechanism); *id.* at p. 19 (Conclusion of Law ("COL") 6) (Extraordinary Event Application).

The Formula Adjustment Mechanism is designed to serve as a fair and reasonable proxy for the utilities' cost of capital between regularly scheduled applications.<sup>3</sup> The Formula Adjustment Mechanism works by comparing a benchmark interest rate with the current 12-month average of the applicable utility bond index, in order to “gauge changes in interest rates that also indicate changes in the equity costs of utilities.”<sup>4</sup> When the difference between the 12-month index average and the benchmark exceeds a 100 basis-point deadband, the Formula Adjustment Mechanism adjusts the utility's ROE either upward or downward by 20% of the difference between the index average and the benchmark.<sup>5</sup> Beginning in 2025, on July 15 of each year, the utilities must jointly file a Tier 1 informational Advice Letter that includes the current Cost of Capital Mechanism benchmark and the October through June average Moody's utility bond rate applicable to the respective utilities.<sup>6</sup> On October 15 of a year in which the Formula Adjustment Mechanism operates, “a Tier 2 advice letter is filed that updates the ROE and related rate adjustments to become effective January 1 of the following year” (“October 15 Advice Letter”).<sup>7</sup>

While the Formula Adjustment Mechanism was designed to streamline the cost of capital process by eliminating the need for annual cost of capital applications, the Commission affirmed that the utilities have a right to file an Extraordinary Event Application. Such applications may be filed “outside of the CCM process upon an extraordinary or catastrophic event that materially impacts their respective cost of capital and/or capital structure and impacts them differently than the overall financial markets.”<sup>8</sup>

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<sup>3</sup> *Id.* at p. 3 (explaining that the CCM was “adopted to maintain fair and reasonable capital structures and ROEs for the major energy utilities while reducing ROE proceedings and simplifying workload requirements and regulatory costs”).

<sup>4</sup> *Id.* at p. 18 (Finding of Fact 16); *see id.* at p. 20 (COL 14) (concluding that the CCM's equity adjustment ratio is designed “to compensate for major changes in interest rates that impact equity investments”). The twelve-month measurement period runs from October through September.

<sup>5</sup> *Id.* at pp. 21-22 (OP 2); D.24-10-008, p.36 (OP 4). If the Formula Adjustment Mechanism operates, long-term (“LT”) debt and preferred stock costs are also updated to reflect actual August month-end embedded costs in that year and forecasted interest rates. In addition, if the Formula Adjustment Mechanism operates, the 12-month average of the applicable utility bond index becomes the new benchmark. D.08-05-035 p. 21 (OP 2.e.).

<sup>6</sup> D.24-10-008, pp.27-28, 36 (OP 5).

<sup>7</sup> D.08-05-035, p.21 (OP 2.d.).

<sup>8</sup> D.08-05-035, p.19 (COL 6).



## **B. 2020 Cost of Capital Proceeding**

The utilities filed cost of capital applications in April 2019 for Test Year 2020 (the “2020 Cost of Capital Proceeding”).<sup>9</sup> In the 2020 Cost of Capital Proceeding, PG&E requested a 5 percent premium above the ROE for a utility with normal risk to account for the asymmetric risk of catastrophic wildfires.<sup>10</sup> On July 12, 2019, AB 1054 was signed into law by Governor Newsom. The utilities were directed to supplement the record with additional testimony regarding how AB 1054 transformed their risk profiles.<sup>11</sup> In response to AB 1054, PG&E modified its request to a 1 percent premium above the return on equity for a utility with normal risk to account for catastrophic wildfire risk.<sup>12</sup> In D.19-12-056, the Commission declined to authorize a specific wildfire risk adder, but set PG&E’s ROE for Test Year 2020 at 10.25 percent, which was at the upper end of the adopted range of reasonable returns.<sup>13</sup> The Commission recognized that it was appropriate to set PG&E’s ROE “at the upper end of the just and reasonable range,” and noted that PG&E’s ROE was “significantly higher than the 9.60% average ROEs granted to United States electric utilities during 2018.”<sup>14</sup> The Commission set PG&E’s cost of LT debt at 5.16 percent based on the debtor-in-possession financing then in place, resulting in an overall ROR of 7.81 percent.<sup>15</sup>

When PG&E emerged from Chapter 11 bankruptcy in July 2020, we updated our cost of LT debt from 5.16 percent to 4.17 percent to reflect interest rate savings that resulted from PG&E’s Plan of

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<sup>9</sup> See A.19-04-015, filed April 22, 2019. SCE, SDG&E, and SoCalGas also filed full cost of capital applications at that time.

<sup>10</sup> A.19-04-015, PG&E Application, p. 2, filed April 22, 2019. At the time of the application, PG&E had recorded significant wildfire-related liabilities from the 2017 and 2018 Northern California wildfires. *Id.* at p. 3. This informed PG&E’s decision to file for relief under Chapter 11 of the United States Bankruptcy Code on January 29, 2019.

<sup>11</sup> See D.19-12-056, p. 4.

<sup>12</sup> See D.19-12-056, p.28.

<sup>13</sup> *Id.* at pp. 54–55 (OP 2); see also *id.* at p. 37 (“We find that the passage of AB 1054 and other investor supportive policies in California have mitigated wildfire exposure faced by California’s utilities. Accordingly, the Commission will not authorize a specific wildfire risk premium in the adopted ROE.”). The Commission maintained PG&E’s equity ratio at 52 percent. *Id.* at pp. 54-55 (OP2).

<sup>14</sup> *Id.* at pp. 41–42.

<sup>15</sup> *Id.* at pp. 54–55 (OP 2).

Reorganization.<sup>16</sup> This adjustment in the cost of LT debt reduced PG&E’s overall ROR from 7.81 percent to 7.34 percent, resulting in estimated revenue requirement savings for customers of more than \$300 million in 2020 and 2021.<sup>17</sup>

**C. 2022 Cost of Capital Extraordinary Event Application**

On August 23, 2021, PG&E exercised its right to file an Extraordinary Event Application (the “2022 Cost of Capital Proceeding”).<sup>18</sup> SCE and SDG&E also filed Extraordinary Event Applications,<sup>19</sup> and the three applications were consolidated into a single proceeding.<sup>20</sup> PG&E’s application asked the Commission (i) to establish a cost of capital for Test Year 2022 and (ii) to modify the current three-year CCM cycle such that PG&E’s next regularly scheduled cost of capital application would be due in April 2024 for Test Year 2025. In the alternative, PG&E asked the Commission to suspend the CCM’s Formula Adjustment Mechanism for 2022. The Commission found that extraordinary circumstances existed as a result of the COVID-19 pandemic justifying relief from the Formula Adjustment Mechanism of the CCM.<sup>21</sup> The Commission suspended the operation of the CCM for 2022 and maintained the cost of capital for PG&E, SCE, and SDG&E that was authorized in D.19-12-056.<sup>22</sup>

**D. 2023 Cost of Capital Proceeding**

***Phase 1***

PG&E filed its most recent cost of capital application on April 20, 2022 for Test Year 2023 (the “2023 Cost of Capital Proceeding”).<sup>23</sup> In the 2023 Cost of Capital Proceeding, the Commission maintained PG&E’s equity ratio at 52.0 percent, its long-term debt ratio at 47.50 percent, and the

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<sup>16</sup> See Advice 4275-G/5887-E, submitted July 22, 2020; see also D.20-05-053 at p. 122 (OP 6).

<sup>17</sup> See Advice 4275-G/5887-E, submitted July 22, 2020, p. 3.

<sup>18</sup> See A.21-08-015 (PG&E application).

<sup>19</sup> See A.21-08-013 (SCE application); A.21-08-014 (SDG&E application).

<sup>20</sup> See A.21-08-013, et al., E-Mail Ruling Granting Joint Motion to Consolidate (Oct. 12, 2021).

<sup>21</sup> D.22-11-018, pp. 31-34.

<sup>22</sup> *Id.* at pp. 34-35.

<sup>23</sup> See A.22-04-008, filed April 22, 2022. SCE, SDG&E, and SoCalGas also filed full cost of capital applications at that time.

preferred equity ratio at 0.50 percent.<sup>24</sup> The Commission set PG&E's cost of common equity at 10.0 percent,<sup>25</sup> the cost of long-term debt at 4.31 percent, and the cost of preferred equity at 5.52 percent resulting in an overall ROR of 7.28 percent.<sup>26</sup> The Commission continued the CCM through the 2023 Test Year Cost of Capital Cycle subject to further order of the Commission and determined that it would consider the requests for clarification and modifications to the CCM proposed by the parties in a second phase of the proceeding.<sup>27</sup> Regarding PG&E's request for a YSA and the appropriate short-term interest rate applicable to under-collected and over-collected balances in balancing and memorandum accounts, the Commission determined that it did not have adequate evidence and directed the issue to the second phase of the proceeding.<sup>28</sup>

On October 13, 2023, PG&E, along with the other Joint Utilities, filed Advice Letters as a result of the CCM triggering in the October 2022 through September 2023 time period.<sup>29</sup> The Formula Adjustment Mechanism resulted in a 70 basis point increase to PG&E's cost of common equity to 10.70 percent. PG&E's cost of long-term debt was also revised to 4.66 percent resulting in an ROR of 7.80 percent. The Commission's Energy Division approved the Advice Letter, with an effective date of January 1, 2024, which the Commission approved in Resolution E-5306.<sup>30</sup>

### ***Phase 2***

In phase two of the 2023 Cost of Capital proceeding, the Commission issued D.24-10-008, which modified the Formula Adjustment Mechanism of the CCM on a prospective basis, effective January 1, 2025, from 50 percent to 20 percent of the difference between the index average and the

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<sup>24</sup> D.22-12-031, p. 53 (OP 1).

<sup>25</sup> This reflected the "mid-upper end of the just and reasonable range." *Id.* at p. 35.

<sup>26</sup> D.23-01-002, p. 1.

<sup>27</sup> D.22-12-031, pp. 43, 54 (OP 6).

<sup>28</sup> *Id.* at p. 41. The Commission denied a Petition for Modification of the phase one decision, which sought to suspend the CCM mechanism through the remainder of the cost of capital cycle (D.24-05-005), and a subsequent Application for Rehearing of the decision denying the Petition for Modification (D.24-10-031).

<sup>29</sup> *See* Advice 4813-G/7046-E.

<sup>30</sup> In D.24-11-025, the Commission denied certain parties' request for rehearing of the Commission's resolution.

benchmark.<sup>31</sup> This reduced PG&E’s cost of common equity from 10.70 percent to 10.28 percent and increased PG&E’s cost of long-term debt from 4.66 percent to 4.80 percent effective January 1, 2025.<sup>32</sup> The Commission also instituted a new informational Advice Letter process to inform the parties of a possible triggering of the CCM, requiring the utilities to jointly file on July 15 of each year (beginning in 2025) the current CCM benchmark and the October through June average Moody’s utility bond rate applicable to each of the respective utilities.<sup>33</sup> Lastly, the Commission modified the filing date for future cost of capital applications from April 20 to March 20.<sup>34</sup> The Commission made no other policy changes for future cost of capital cycles.<sup>35</sup> The Commission also held that, “[t]he issue of affordability as it relates to the cost of capital is subsumed under the *Hope* and *Bluefield* standards. Considerations of affordability beyond the *Hope* and *Bluefield* standards risk undermining them.”<sup>36</sup>

The Commission denied PG&E’s request for a YSA without prejudice to refiling once PG&E’s capital structure waiver expired. Specifically, the Commission considered the YSA in conjunction with PG&E’s financial condition and waiver from the Commission-approved regulatory capital structure.<sup>37</sup> The Commission determined that it was not clear that PG&E was insufficiently compensated for its financing costs when considered in conjunction with the capital structure waiver approved in D.20-05-053.<sup>38</sup> Thus, the Commission denied the YSA, but held that “PG&E may request the YSA again in a future proceeding after the 5-year capital structure waiver expires, if it still lacks access to Commercial Paper.”<sup>39</sup>

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<sup>31</sup> D.24-10-008, pp.26, 26-27, 36 (OP 4).

<sup>32</sup> *Id.* at pp. 28, 36 (OP 3). In accordance with the Commission’s Order on phase two, PG&E submitted an advice letter, which the Commission accepted, that modified its cost of common equity to 10.28 percent and its cost of long-term debt to 4.80 percent resulting in a 7.66 percent ROR. Advice 4996-G/7423-E.

<sup>33</sup> D.24-10-008, pp. 27, 36 (OP 5).

<sup>34</sup> *Id.* at pp. 35-36 (OP 1).

<sup>35</sup> D.24-10-008, p. 29.

<sup>36</sup> *Id.* at p. 30.

<sup>37</sup> *Id.* at p. 12.

<sup>38</sup> *Id.* at p. 13.

<sup>39</sup> *Id.*

### III. LEGAL STANDARDS

The legal standard for setting a fair rate of return was established by the United States Supreme Court in the *Bluefield* and *Hope* cases.<sup>40</sup> As articulated by the Commission in D.19-12-056:

The *Bluefield* decision states that a public utility is entitled to earn a return upon the value of its property employed for the convenience of the public . . . . Such return should be equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings attended by corresponding risks and uncertainties[] . . . [and] should also be reasonably sufficient to ensure confidence in the financial soundness of the utility, and adequate, under efficient management, to maintain and support its credit and to enable it to raise the money necessary for the proper discharge of its public duties.<sup>41</sup>

The Commission described *Hope* as reinforcing this standard and “emphasiz[ing] that such returns should be sufficient to cover capital costs of the business,” which “include[] debt service and equity dividends.”<sup>42</sup> Providing an opportunity to earn a return consistent with these principles is necessary to reflect the risks in the business; ultimately, PG&E must manage itself prudently to actually earn the authorized return.

In applying the *Bluefield* and *Hope* standards, the Commission “attempt[s] to set the ROE at a level of return commensurate with market returns on investments having corresponding risks and adequate to enable a utility to attract investors to finance the replacement and expansion of a utility’s facilities to fulfill its public utility service obligation.”<sup>43</sup> Evaluation of analytical financial models is “a starting point to arrive at a fair ROE.”<sup>44</sup> “In the final analysis,” however, “it is the application of informed judgment, not the precision of financial models, which is the key to selecting a specific ROE estimate.”<sup>45</sup> Application of this informed judgment involves considering “evidence on market

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<sup>40</sup> See, e.g., D.19-12-056, pp.15–16 (citing *Bluefield Waterworks & Improvement Co. v. Pub. Serv. Comm’n of W. Va.*, 262 U.S. 679 (1923) and *Fed. Power Comm’n v. Hope Nat. Gas Co.*, 320 U.S. 591 (1944)); D.00-06-040, pp.9–10 (same).

<sup>41</sup> See D.19-12-056, pp.15–16.

<sup>42</sup> *Id.* at p. 16.

<sup>43</sup> *Id.*

<sup>44</sup> D.12-12-034, p.18.

<sup>45</sup> D.19-12-056, p.25.

conditions, trends, creditworthiness, interest rate forecasts,” and “additional risk factors not specifically included in the financial models.”<sup>46</sup>

By establishing a reasonable and appropriate ROR for PG&E, the Commission supports investor confidence in PG&E’s financial soundness and minimizes long-term debt costs, factors which in turn are reflected in the rates paid by customers.

#### IV. COST OF CAPITAL PROPOSALS

As set forth above, the authorized ROR must be sufficient to: (i) attract the necessary capital for critical investments to provide safe and reliable service, (ii) maintain or improve PG&E’s credit quality to reduce financing costs borne by customers, and (iii) provide a fair return to shareholders. PG&E requests an ROR of 8.31 percent for Test Year 2026. The proposed ROR consists of a requested ROE of 11.30 percent, a cost of LT debt of 5.05 percent, and a cost of preferred stock of 5.52 percent. The proposed ROR is greater than the ROR of 7.66 percent currently approved in phase two of the 2023 Cost of Capital cycle, D.24-10-008.<sup>47</sup> As detailed in PG&E’s testimony, the increase is a result of several factors, including an increased interest rate environment from the last cost of capital cycle and heightened risk for investors as a result of the Southern California Fires. PG&E requests to maintain our currently authorized common equity ratio of 52 percent, with a slight decrease to the proportion of preferred stock from 0.5 percent to 0.3 percent and a slight increase to the long-term debt proportion from 47.5 percent to 47.7 percent.

PG&E’s proposal for Test Year 2026 is summarized in Table 1-1 set forth above and, for convenience, duplicated below:

**TABLE 1-1  
PROPOSED 2026 COST OF CAPITAL (COC)**

Line No.		2026		
		Cost	Capital Structure	Weighted Cost
1	Long-Term Debt	5.05%	47.7%	2.41%
2	Preferred Stock	5.52%	0.3%	0.02%
3	Common Equity	11.30%	52.0%	5.88%
4	Return on Rate Base			8.31%

<sup>46</sup> D.12-12-034, pp.28, 39.

<sup>47</sup> D.24-10-008, pp.28, 36 (OP 3); Advice 4996-G/7423-E.

For the reasons explained in Chapter 5 – Cost of Short-Term Debt (M. Klemann), PG&E also requests a YSA above the three-month non-financial commercial paper rate as reported in the Federal Reserve Statistical Release H.15 (Commercial Paper Rate)<sup>48</sup> that is presently authorized for the under-collected and over-collected balances in PG&E’s balancing and memorandum accounts. PG&E presents an illustrative calculation of the YSA based on PG&E’s actual cost of short-term debt over the twelve-month period from November 2024 to October 2025 as compared to the Commercial Paper Rate, which would result in a YSA of 116 basis points, or 1.16 percent. PG&E estimates that a YSA of 116 basis points would increase PG&E’s annual revenue requirements by approximately \$65 million.<sup>49</sup>

#### **A. Rate of Return on Equity**

PG&E’s ROE proposal is based on the financial modeling results of Ann Bulkley, as set forth in Chapter 2 – Return on Equity by Ann Bulkley. Ms. Bulkley, using data from a proxy group of regulated energy utilities, estimates the ROE for these utilities using three general methodologies: (1) risk positioning, which includes the Capital Asset Pricing Model (“CAPM”) and the Empirical Capital Asset Pricing Model (“ECAPM”); (2) risk premium; and (3) discounted cash flow (“DCF”). To corroborate her electric utility proxy results, Ms. Bulkley also applies these methodologies using a group of water and gas utilities, which are viewed as less risky than electric utilities.

Based on the application of these methodologies to the relevant proxy group, Ms. Bulkley estimates the ROE for an average-risk regulated electric utility to be within a range of 10.3 to 11.3 percent. Due to the above-average risk faced by PG&E as compared to the sample of investment grade and dividend paying utilities, Ms. Bulkley concludes that an authorized ROE at the top of this range, or 11.3 percent, represents a fair and reasonable ROE for PG&E. PG&E is not an investment-grade issuer, and only recently began paying a small dividend. Moreover, although PG&E’s requested ROE of 11.3 percent does not include an adder for the wildfire risk, as described in Chapter 1 –

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<sup>48</sup> See Federal Reserve, Selected Interest Rates (Daily) – H.15, available at: <https://www.federalreserve.gov/releases/h15/> (accessed Mar. 11, 2025).

<sup>49</sup> This estimate is based on applying the illustrative YSA of 116 basis points to the average of the balancing/memorandum account under-collected amounts for 2024–2025. The actual revenue requirement impact will depend on the final YSA set each year and recorded balances in the balancing and memorandum accounts.

Introduction and Cost of Capital Proposal (M. Becker) such risks should not be ignored in the absence of legislative or regulatory solutions to ensure the durability and replenishment of the California Wildfire Fund given the size of the potential damages as illustrated by the Southern California Fires. As such, PG&E is requesting an ROE at the top of the zone of reasonableness, similar to the ROE granted by the Commission in the 2020 Cost of Capital Proceeding after the 2017-2018 Northern California wildfires.<sup>50</sup>

## **B. Capital Structure**

PG&E is not requesting any change to our currently authorized regulatory capital structure of 52 percent for common equity, but we are requesting a slight change for preferred stock from 0.5 percent to 0.3 percent and a corresponding increase in long-term debt from 47.5 percent to 47.7 percent.<sup>51</sup> Since PG&E has not and does not intend to issue more preferred stock, its actual and projected ratio of preferred stock is expected to decline. The Commission previously approved a regulatory capital structure with 52 percent common equity for all three of the major electric utilities, indicating that a regulatory capital structure with at least that level of equity can represent an appropriate balance between the need to ensure the utilities maintain reasonable credit ratings and attract capital and the need to adequately protect ratepayers. Additionally, an equity ratio of at least 52 percent is needed to support an “A” credit rating from the rating agencies, the optimal credit rating for both PG&E and our customers.<sup>52</sup> Maintaining the current authorized regulatory capital structure is thus critical to facilitate PG&E’s long-term goal of returning to the optimal A category credit rating, which PG&E achieved prior to the devastating wildfires in 2017 and 2018 and resulting Chapter 11 proceeding.<sup>53</sup>

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<sup>50</sup> D.19-12-056, pp.41-42.

<sup>51</sup> In D.20-05-053, the Commission granted PG&E a five-year waiver of the capital structure requirement for “financing in place upon PG&E’s exit from bankruptcy.” D.20-05-053, p. 92. Consistent with D.20-05-053, PG&E is executing on our plan to deleverage and return to our authorized capital structure over time. The five-year waiver will expire in June 2025 and PG&E will not seek to extend that waiver.

<sup>52</sup> See Chapter 4, pp. 4-2 to 4-4.

<sup>53</sup> See S&P Global Ratings, *PG&E Corp.* (May 20, 2021), p. 15.



### **C. Cost of Long-Term Debt and Preferred Stock**

In accordance with the 2023 Cost of Capital Proceeding, PG&E's cost of LT debt is currently 4.80 percent.<sup>54</sup> Based on our current forecast, PG&E's cost of LT debt is projected to increase for Test Year 2026 to 5.05 percent. This forecast represents the average of PG&E's current forecasts for the cost of LT debt at the conclusion of 2025 and 2026, using the methodology described in Chapter 3 – Cost of Long-Term Debt and Preferred Stock (N. Manuel).

In addition to typical long-term debt secured in the market, PG&E may have access over this COC cycle to a lower cost of debt from the DOE. The DOE Loan agreement closed on January 17, 2025, with a total program size of up to \$15 Billion that could be drawn intermittently through 2031. While PG&E and the DOE have agreed on terms, the final magnitude and timing of the draws are ultimately controlled by the DOE, which is uncertain. If such draws are made, PG&E proposes to submit an advice letter that calculates the associated CPUC-jurisdictional interest cost benefit and return it to customers in the form of a revenue credit. As more specifically detailed in Chapter 3, PG&E proposes to provide this credit through the Annual Electric True-Up and Annual Gas True-Up filings in December for the following year, and would calculate the credit as the difference between the actual interest rate costs associated with the DOE Loan and the average of new issue interest rate costs in 2026 used to formulate the requested embedded cost of debt in this filing.

PG&E's embedded cost of preferred stock is projected to remain unchanged from the 2023 Cost of Capital Proceeding, at the contract price of 5.52 percent. No preferred stock transactions have occurred since the 2023 Cost of Capital Proceeding, and PG&E does not expect any issuances or redemptions of preferred stock for the remainder of 2025 or in 2026.

### **D. Cost of Short-Term Debt**

The current short-term interest rate applicable to the under-collected and over-collected balances in PG&E's balancing and memorandum accounts is the Commercial Paper Rate.<sup>55</sup> Because PG&E's current credit ratings preclude it from issuing commercial paper now or in the near term, the

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<sup>54</sup>Advice 4996-G/7423-E.

<sup>55</sup> See Federal Reserve, Selected Interest Rates (Daily) – H.15, available at: <https://www.federalreserve.gov/releases/h15/> (accessed Mar. 11, 2025).

Commercial Paper Rate is not a reasonable approximation of PG&E's cost to finance our balancing and memorandum accounts. In fact, PG&E incurred an estimated revenue shortfall (i.e., financing cost in excess of the Commercial Paper Rate) of approximately \$65 million over the twelve-month period from November 2023 to October 2024 based on our actual cost to finance these accounts as compared to the Commercial Paper Rate. This under-recovery of financing costs impedes PG&E's ability to earn our authorized rate of return and is inconsistent with cost-of-service ratemaking principles.

PG&E requests approval of a temporary YSA above the Commercial Paper Rate, to become effective as of January 1, 2026, to fairly compensate PG&E for our actual short-term financing cost. As described in more detail in Chapter 5 – Cost of Short-Term Debt (M. Klemann), PG&E proposes to set the YSA on an annual, prospective basis based on the average difference between the Commercial Paper Rate and PG&E's actual cost of short-term debt over a twelve-month measurement period from November through October. The Commercial Paper Rate plus the YSA would be the interest rate used to record interest in PG&E's balancing and memorandum accounts in each year the YSA is in effect. PG&E presents an illustrative calculation of the YSA based on a measurement period of November 2023 to October 2024, which would result in a YSA of 116 basis points (1.16 percent).

In the 2023 Cost of Capital Proceeding, the Commission denied PG&E's request for a similar YSA without prejudice to refile once PG&E's capital structure waiver expired. Specifically, the Commission denied the YSA, but held that "PG&E may request the YSA again in a future proceeding after the 5-year capital structure waiver [approved in D.20-05-053] expires, if it still lacks access to Commercial Paper."<sup>56</sup> The capital structure waiver approved in D.20-05-053 will expire June 1, 2025, and PG&E will not seek to extend that waiver. In addition, PG&E still lacks access to Commercial Paper. Therefore, in accordance with the phase two decision, PG&E renews its request for a YSA.

PG&E proposes to adjust the YSA each year to capture any changes in the Commercial Paper Rate and/or PG&E's actual cost of short-term debt. PG&E proposes to submit a Tier 2 advice letter by November 15 of each year to set the YSA to become effective as of January 1 of the following year. For

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<sup>56</sup> D.24-10-008, p.13.

2026, PG&E proposes to submit the Tier 2 advice letter within 30 days of the issuance of a decision in this proceeding approving the YSA, with the YSA to be effective as of January 1, 2026.

PG&E's request is consistent with prior Commission decisions adopting interest rate premiums for periods of time when SDG&E and SCE had actual short-term financing costs that were materially higher than the Commercial Paper Rate.<sup>57</sup> Consistent with the Commission's previous determination that deviations from the Commercial Paper Rate should balance shareholder and ratepayer interests, PG&E proposes to implement the YSA for under-collected and over-collected balances in our balancing and memorandum accounts. The YSA would end at such time as PG&E is able to issue Tier 1 commercial paper.<sup>58</sup> In the next regularly scheduled COC application, currently due in March 2028 for Test Year 2029, PG&E will update the Commission on our access to the commercial paper market.

#### **E. Cost of Capital Mechanism**

PG&E requests that the CCM and the Formula Adjustment Mechanism be maintained moving forward, as described in more detail in Chapter 1. The mechanism has generally resulted in rate stability and transparency for both customers and investors.

PG&E requests that the Commission affirm that this Application resets the three-year CCM cycle, such that PG&E's next regularly scheduled cost of capital application will be due in March 2028 for Test Year 2029. Consistent with D.13-03-015, PG&E also requests that the Commission affirm that the new benchmark applicable to PG&E for the 2026 CCM cycle will be the average of the Moody's long-term Baa rated utility bond index for the 12-month period ending September 30, 2025.

### **V. RATE IMPLEMENTATION**

#### **A. Revenue Requirement Changes**

On a 2026 test year basis, the proposed cost of capital will produce revenue requirement increases of approximately \$297 million and \$105 million from present rates for PG&E's electric

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<sup>57</sup> See D.91269, 3 CPUC 2d 197, 1980 Cal. PUC LEXIS 90, at \*6 (Jan. 29, 1980) (granting SDG&E's request for 50 basis point premium over three-month commercial paper rate "to reflect SDG&E's higher borrowing costs associated with its lower financial credit rating"); D.04-01-048, p.2 (authorizing SCE to recover "temporary premium of three-fourths the difference between the three-month commercial paper rate and SCE's actual cost of short-term financing for ERRAs undercollected balances").

<sup>58</sup> Under the rating methodology used by S&P and Moody's, PG&E would need a short-term credit rating of A1 from S&P and P1 from Moody's to issue Tier 1 commercial paper.

generation and distribution and gas distribution operations, respectively, assuming 2026 authorized rate base amounts from the 2023 GRC decision, as well as separately-funded rate base. The revenues for the gas transmission and storage operations will increase by approximately \$79 million, assuming 2023 authorized rate base amounts from the 2023 GRC decision, as well as separately-funded rate base.

As discussed in Section IV.D., PG&E requests approval of a short-term debt interest rate YSA for under-collected and over-collected balances in its balancing and memorandum accounts. PG&E estimates there would be an approximately \$65 million increase in the revenue requirement as a result of an interest rate YSA of 116 basis points. The actual revenue requirement impact will depend on the final YSA set each year and recorded balances in PG&E's balancing and memorandum accounts.

The overall revenue requirement increase from PG&E's cost of capital proposal, including YSA, is approximately \$546 million.

#### **B. PG&E's Present Rates**

PG&E's current rates and charges for electric utility generation and distribution, and for gas distribution, transmission and storage service, are contained in PG&E's electric and gas tariffs, schedules, and special contracts, which are on file with the Commission. These tariffs, schedules, and contracts were filed with and made effective by the Commission in its decisions, orders, resolutions, and acceptances of advice letter filings.

#### **C. PG&E's Rate Proposal**

PG&E proposes to implement any revenue requirement change resulting from a decision in this proceeding in gas and electric rates beginning January 1, 2026, assuming a Commission decision is issued in 2025 and in time to allow PG&E to implement rates on January 1, 2026. As authorized under current tariffs, PG&E will record the gas distribution, gas transmission and storage, electric distribution, and electric generation revenue requirements reflecting the 2026 cost of capital decision in the appropriate balancing and memorandum accounts as of January 1, 2026. Rates for each of these revenue requirements will be set based on the then-current approved revenue allocation and rate design methods separately approved for each line of business' revenue requirement.

With respect to implementation of the proposed short-term debt interest rate YSA, PG&E proposes to submit a Tier 2 advice letter by November 15 of each year to set the YSA to become

effective as of January 1 of the following year. For 2026, PG&E proposes to submit the Tier 2 advice letter within 30 days of the issuance of a decision in this proceeding approving the YSA, with the YSA to be effective as of January 1, 2026.

## **VI. COMPLIANCE WITH THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE**

### **A. Legal Name and Principal Place of Business (Rule 2.1(a))**

PG&E is, and since October 10, 1905, has been, an operating public utility corporation organized under California law. It is engaged principally in the business of furnishing electric and gas service in northern and central California. PG&E's mailing address for this matter is Post Office Box 1018, Oakland, California 94604-1018.

### **B. Correspondence and Communication (Rule 2.1(b))**

All correspondence, communications and service of papers regarding this Application should be directed to:

John P. Perkins III  
Attorney for PG&E  
Pacific Gas and Electric Company  
300 Lakeside Drive  
Oakland, CA 94612  
Telephone: (501) 551-4036  
Facsimile: (510) 898-9696  
E-Mail: John.Perkins@pge.com

Gregory Holisko  
Case Manager  
Pacific Gas and Electric Company  
300 Lakeside Drive  
Oakland, CA 94612  
Telephone: (408) 202-0580  
E-Mail: Gregory.Holisko@pge.com

### **C. Articles of Incorporation (Rule 2.2)**

A certified copy of PG&E's Amended and Restated Articles of Incorporation, effective June 22, 2020, was filed with the Commission on July 1, 2020, in A.20-07-002. These Articles are incorporated herein by reference.

**D. Balance Sheet and Income Statement (Rule 3.2(a)(2))**

Exhibit A of this Application presents PG&E's most recent balance sheet and income statement for the period ended December 31, 2024.

**E. Statement of Presently Effective Rates (Rule 3.2(a)(2))**

PG&E's presently effective electric rates as of March 1, 2025 are attached as Exhibit B to this Application. PG&E's presently effective gas rates as of January 1, 2025, are attached as Exhibit C to this Application.

**F. Statement of Proposed Increases or Changes in Rates (Rule 3.2(a)(3))**

The proposed changes are set forth in Exhibits D and E of this Application. In accordance with D.22-08-023 Ordering Paragraphs 5 and 6, PG&E provides the required affordability metrics and analysis in Exhibit G of this Application.

**G. General Description of Property and Equipment (Rule 3.2(a)(4))**

A detailed description of PG&E's property and equipment by class as of December 31, 2020, together with the depreciation and amortization reserves applicable to each such class of property and equipment, was included in PG&E's exhibits submitted in support of PG&E's amended 2023 GRC filing, A.21-06-021, filed on March 10, 2022, which is incorporated herein by reference.

**H. Summary of Earnings and Revenues (Rule 3.2(a)(5) and Rule 3.2(a)(6))**

A summary of 2023 recorded revenues, rate bases, expenses and rate of return for PG&E's Electric Department, Gas Department, and all operating departments was filed with the Commission on September 6, 2024, in PG&E's first amended Application, A.23-12-014, and is incorporated herein by reference.

**I. Statement of Election of Method of Computing Depreciation Deduction for Federal Income Tax (Rule 3.2(a)(7))**

A statement of the method of computing the depreciation deduction for federal income tax purposes was included in Attachment I to PG&E's amended 2023 GRC Phase I Application, A.21-06-021, filed on March 10, 2022, which is incorporated herein by reference.

**J. Most Recent Proxy Statement (Rule 3.2(a)(8))**

PG&E's most recent proxy statement, dated April 4, 2024, was filed on May 15, 2024, in A.24-05-009, and incorporated herein by reference.

**K. Type of Rate Change Requested (Rule 3.2(a)(10))**

The proposed rate change reflects changes in PG&E's cost of capital for equity and debt, and maintenance of the currently authorized capital structure.

**L. Categorization (Rule 2.1(c))**

PG&E proposes that this Application be categorized as a "ratesetting proceeding" within the meaning of Rule 1.3(g) of the Commission's Rules of Practice and Procedure.

**M. Need for Hearing (Rule 2.1(c))**

PG&E anticipates that evidentiary hearings will be requested. PG&E's proposed schedule is set forth in subsection R below.

**N. Statutory Authority**

PG&E submits this Application pursuant to Public Utilities Code sections 451, 454, 728, 729, 740.4, and 795, the Commission's Rules of Practice and Procedure, and prior decisions, orders, and resolutions of the Commission, including D.08-05-035 and D.24-10-008.

**O. Issues to Be Considered (Rule 2.1(c))**

The principal issues to be considered in this proceeding are:

1. What should PG&E's authorized rate of return on equity capital be for its electric distribution and generation operations, and its gas distribution, transmission, and storage operations for Test Year 2026?
2. What should PG&E's authorized cost of long-term debt be for Test Year 2026?
3. What should PG&E's authorized cost of preferred stock be for Test Year 2026?
4. What should PG&E's adopted utility capital structure be for Test Year 2026?
5. Should the Commission continue the Cost of Capital Mechanism adopted in D.08-05-035?
6. Should a revenue credit be approved as the difference between the actual interest rate costs associated with the Department of Energy Loan and the average of new issue interest rate costs in 2026 used to formulate the requested embedded cost of debt in this filing?

7. Should a temporary yield spread adjustment over the three-month commercial paper rate applicable to under-collected and over-collected balances in PG&E's balancing and memorandum accounts be authorized based on PG&E's actual cost of short-term debt?

**P. Relevant Safety Considerations (Rule 2.1(c))**

In D.16-01-017, the Commission adopted an amendment to Rule 2.1(c) requiring utilities' applications to clearly state the relevant safety considerations. The Commission has previously explained that the "[s]afe and reliable provision of utilities at predictable rates promotes public safety."<sup>59</sup> Safety is the highest priority for PG&E in all our activities. PG&E has considered safety in connection with this Application and our Test Year 2026 cost of capital proposal. Because this Application is to authorize a cost of capital sufficient to attract capital, which PG&E must do to provide safe and reliable utility service, PG&E submits that our proposals will promote the provision of safe and reliable service.

**Q. Notice and Service of Application (Rule 3.2(b)-(d))**

Within 20 days after filing this Application, PG&E will mail a notice stating in general terms the proposed revenues, rate changes and ratemaking mechanisms required in this Application to the parties listed in Exhibit F, including the State of California and cities and counties served by PG&E. The application and testimony are also being served on the parties of record in PG&E's 2023 GRC Phase I (A.21-06-021), and PG&E's most recent Cost of Capital proceedings (A. 22-04-008, A.21-08-015 and A.19-04-015).

PG&E will publish in newspapers of general circulation in each county in its service area a notice of filing this Application. Within 45 days of filing this Application, PG&E will also include notices with the regular bills mailed to all customers affected by the proposed changes.

**R. Proposed Schedule (Rule 2.1(c))**

PG&E proposes the following schedule for this proceeding based on the Commission's 2023 Cost of Capital cycle phase two decision adopting a March 20, 2025, application filing deadline.<sup>60</sup>

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<sup>59</sup> D.14-12-053, pp.12–13.

<sup>60</sup> D.24-10-008, p. 7.



<b>Activity</b>	<b>Date</b>
Application Filed	March 20, 2025
Protests and Responses Due	30 days from the date the notice of the filing of the Application appears in the Daily Calendar; approximately April 21, 2025
Reply to Protests / Responses Due (approximate deadline)	10 days from the deadline for filing Protests / Responses; approximately May 1, 2025
Prehearing Conference	As soon as practicable
The Public Advocates Office and Intervenor Testimony	June 16, 2025
Rebuttal Testimony	July 21, 2025
Late-Filed Exhibit (cost of debt update)	August 1, 2025
Evidentiary Hearings	August 4-6, 2025
Opening Briefs	September 3, 2025
Reply Briefs	September 17, 2025
Proposed Decision	November 14, 2025
Final Decision	No later than December 31, 2025

**VII. RELIEF REQUESTED**

PG&E has served this Application and accompanying testimony as stated above and in the accompanying certificate of service. PG&E is ready to proceed with our showing in support of the proposals set forth herein.

WHEREFORE, Pacific Gas and Electric Company respectfully requests the Commission to issue appropriate orders:

1. Establishing PG&E’s cost of capital for Test Year 2026 as follows:
  - Authorizing 11.30 percent as the cost of equity capital for PG&E’s electric distribution and generation operations, and its gas distribution, transmission and storage operations.

- Authorizing 5.05 percent as PG&E’s cost of long-term debt.
  - Authorizing 5.52 percent as PG&E’s cost of preferred stock.
  - Authorizing a utility capital structure for regulatory purposes of 52 percent equity, 47.7 percent debt, and 0.3 percent preferred stock.
  - Authorizing continuation of the Cost of Capital Mechanism.
  - Affirming that the new benchmark applicable to PG&E for the 2026 CCM cycle will be the average of the Moody’s Investors Service long-term Baa rated utility bond index for the 12-month period ending September 30, 2025.
  - Resetting the three-year Cost of Capital Mechanism cycle such that PG&E’s next regularly scheduled cost of capital application is due in March 2028 for Test Year 2029.
2. Authorizing a revenue credit through the Annual Electric True-Up and Annual Gas True-Up filings calculated as the difference between the actual interest rate costs associated with the Department of Energy Loan and the average of new issue interest rate costs in 2026 used to formulate the requested embedded cost of debt in this filing.
  3. Authorizing a yield spread adjustment for PG&E above the three-month commercial paper rate to be applicable to under- and over-collected balances in PG&E’s balancing and memorandum accounts that currently record interest at the three-month commercial paper rate, with such adjustment to be set on an annual, prospective basis based on the average difference between the commercial paper rate and PG&E’s actual cost of short-term debt over a twelve-month measurement period from November through October; to be effective as of January 1 each year; and to end when PG&E is able to issue Tier 1 commercial paper.
  4. Granting PG&E such other and further relief as the Commission finds to be just and reasonable.

Respectfully submitted,

JOHN P. PERKINS III

BY: John P. Perkins, III  
JOHN P. PERKINS III

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Oakland, CA 94612  
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E-Mail: John.Perkins@pge.com

Dated: March 20, 2025

Attorney for  
PACIFIC GAS AND ELECTRIC COMPANY

**VERIFICATION**

I, the undersigned, say:

I am an officer of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized to make this verification for that reason; I have read the foregoing “Application of Pacific Gas and Electric Company (U 39 M) for Test Year 2026 Cost of Capital,” and I am informed and believe the matters therein are true and on that ground I allege that the matters stated therein are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Oakland, California this 20th day of March 2025.

*/s/ Margaret K. Becker*

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MARGARET K. BECKER  
Vice President and Treasurer  
Pacific Gas and Electric Company

**PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT A**

**PACIFIC GAS AND ELECTRIC COMPANY**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(in millions)

	Year ended December 31,		
	2024	2023	2022
<b>Operating Revenues</b>			
Electric	\$ 17,811	\$ 17,424	\$ 15,060
Natural gas	6,608	7,004	6,620
<b>Total operating revenues</b>	<b>24,419</b>	<b>24,428</b>	<b>21,680</b>
<b>Operating Expenses</b>			
Cost of electricity	2,261	2,443	2,756
Cost of natural gas	1,192	1,754	2,100
Operating and maintenance	11,787	11,913	9,725
SB 901 securitization charges, net	33	1,267	608
Wildfire-related claims, net of recoveries	94	64	237
Wildfire Fund expense	383	567	477
Depreciation, amortization, and decommissioning	4,189	3,738	3,856
<b>Total operating expenses</b>	<b>19,939</b>	<b>21,746</b>	<b>19,759</b>
<b>Operating Income</b>	<b>4,480</b>	<b>2,682</b>	<b>1,921</b>
Interest income	589	593	162
Interest expense	(2,781)	(2,485)	(1,658)
Other income, net	319	293	595
<b>Income Before Income Taxes</b>	<b>2,607</b>	<b>1,083</b>	<b>1,020</b>
Income tax benefit	(105)	(1,461)	(1,206)
<b>Net Income</b>	<b>2,712</b>	<b>2,544</b>	<b>2,226</b>
Preferred stock dividend requirement	14	14	14
<b>Income Available for Common Stock</b>	<b>\$ 2,698</b>	<b>\$ 2,530</b>	<b>\$ 2,212</b>

See accompanying Notes to the Consolidated Financial Statements.

**PACIFIC GAS AND ELECTRIC COMPANY**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(in millions)

	Year ended December 31,		
	2024	2023	2022
<b>Net Income</b>	<b>\$ 2,712</b>	<b>\$ 2,544</b>	<b>\$ 2,226</b>
<b>Other Comprehensive Income (Loss)</b>			
Pension and other postretirement benefit plans obligations (net of taxes of \$3, \$5, and \$2, at respective dates)	(8)	(12)	6
Net unrealized gain (losses) on available-for-sale securities (net of taxes of \$0, \$4, and \$3, respectively)	1	7	(5)
<b>Total other comprehensive income (loss)</b>	<b>(7)</b>	<b>(5)</b>	<b>1</b>
<b>Comprehensive Income</b>	<b>\$ 2,705</b>	<b>\$ 2,539</b>	<b>\$ 2,227</b>

See accompanying Notes to the Consolidated Financial Statements.

**PACIFIC GAS AND ELECTRIC COMPANY**  
**CONSOLIDATED BALANCE SHEETS**  
(in millions)

	Balance at	
	December 31, 2024	December 31, 2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 705	\$ 442
Restricted cash and restricted cash equivalents (includes \$263 million and \$282 million related to VIEs at respective dates)	272	294
Accounts receivable		
Customers (net of allowance for doubtful accounts of \$418 million and \$445 million at respective dates) (includes \$1.9 billion and \$1.7 billion related to VIEs, net of allowance for doubtful accounts of \$418 million and \$445 million at respective dates)	2,220	2,048
Accrued unbilled revenue (includes \$1.3 billion and \$1.1 billion related to VIEs at respective dates)	1,487	1,254
Regulatory balancing accounts	7,227	5,660
Other (net of allowance for doubtful accounts of \$35 million and \$35 million at respective dates)	1,810	1,495
Regulatory assets	234	300
Inventories		
Gas stored underground and fuel oil	52	65
Materials and supplies	768	805
Wildfire Fund asset	301	450
Wildfire self-insurance asset	905	—
Other	998	1,374
<b>Total current assets</b>	<b>16,979</b>	<b>14,187</b>
<b>Property, Plant, and Equipment</b>		
Electric	86,639	80,345
Gas	31,623	29,830
Construction work in progress	4,458	4,452
Financing lease ROU asset and other	814	787
<b>Total property, plant, and equipment</b>	<b>123,534</b>	<b>115,414</b>
Accumulated depreciation	(35,304)	(33,093)
<b>Net property, plant, and equipment</b>	<b>88,230</b>	<b>82,321</b>
<b>Other Noncurrent Assets</b>		
Regulatory assets	15,561	17,189
Customer credit trust	377	233
Nuclear decommissioning trusts	3,833	3,574
Operating lease ROU asset	519	598
Wildfire Fund asset	4,070	4,297
Income taxes receivable	—	22
Other (includes noncurrent accounts receivable of \$82 million and \$0 related to VIEs, net of noncurrent allowance for doubtful accounts of \$18 million and \$0 at respective dates)	3,697	2,934
<b>Total other noncurrent assets</b>	<b>28,057</b>	<b>28,847</b>
<b>TOTAL ASSETS</b>	<b>\$ 133,266</b>	<b>\$ 125,355</b>

See accompanying Notes to the Consolidated Financial Statements.

**PACIFIC GAS AND ELECTRIC COMPANY**  
**CONSOLIDATED BALANCE SHEETS**  
(in millions, except share amounts)

	<b>Balance at</b>	
	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Short-term borrowings	\$ 1,523	\$ 3,971
Long-term debt, classified as current (includes \$222 million and \$176 million related to VIEs at respective dates)	2,146	1,376
Accounts payable		
Trade creditors	2,745	2,307
Regulatory balancing accounts	3,169	1,669
Other	729	820
Operating lease liabilities	85	80
Financing lease liabilities	577	259
Interest payable (includes \$91 million and \$67 million related to VIEs at respective dates)	667	621
Wildfire-related claims	916	1,422
Other	3,331	4,391
<b>Total current liabilities</b>	<b>15,888</b>	<b>16,916</b>
<b>Noncurrent Liabilities</b>		
Long-term debt (includes \$10.1 billion and \$10.5 billion related to VIEs at respective dates)	47,958	46,376
Regulatory liabilities	19,417	19,444
Pension and other postretirement benefits	741	405
Asset retirement obligations	5,444	5,512
Deferred income taxes	3,632	2,436
Operating lease liabilities	434	518
Financing lease liabilities	4	554
Other	4,198	3,670
<b>Total noncurrent liabilities</b>	<b>81,828</b>	<b>78,915</b>
<b>Shareholders' Equity</b>		
Preferred stock	258	258
Common stock, \$5 par value, authorized 800,000,000 shares; 800,000,000 shares outstanding at respective dates	1,322	1,322
Additional paid-in capital	35,930	30,570
Reinvested earnings	(1,940)	(2,613)
Accumulated other comprehensive loss	(20)	(13)
<b>Total shareholders' equity</b>	<b>35,550</b>	<b>29,524</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 133,266</b>	<b>\$ 125,355</b>

See accompanying Notes to the Consolidated Financial Statements.



**PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT B**

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

RESIDENTIAL RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE E-1			1
2	MINIMUM BILL (\$/MONTH)	\$12.27	\$12.27	2
3	ES UNIT DISCOUNT (\$/UNIT/MONTH)	\$0.82	\$0.82	3
4	ET UNIT DISCOUNT (\$/UNIT/MONTH)	\$3.54	\$3.54	4
5	ES/ET MINIMUM RATE LIMITER (\$/KWH)	\$0.04892	\$0.04892	5
6	ENERGY (\$/KWH)			6
7	TIER 1 (Baseline Quantity - BQ)	\$0.40730	\$0.40730	7
8	TIER 2 - All usage > 100% of BQ	\$0.51031	\$0.51031	8
*****				
9	SCHEDULE E-TOU-C (Default TOU Rate for E-1 Customers)			9
10	MINIMUM BILL (\$/MONTH)	\$12.27	\$12.27	10
11	ON-PEAK ENERGY (\$/KWH)	\$0.62569	\$0.50086	11
12	PART-PEAK ENERGY (\$/KWH)	\$0.50269	\$0.47086	12
13	BASELINE CREDIT (\$/KWH)	(\$0.10301)	(\$0.10301)	13
*****				
14	SCHEDULE EM-TOU			14
15	MINIMUM BILL (\$/MONTH)	\$12.27	\$12.27	15
16	METER CHARGE (\$/MONTH)	\$7.70	\$7.70	16
17	ON-PEAK ENERGY (\$/KWH)			17
18	TIER 1 (Baseline Quantity - BQ)	\$0.52268	n/a	18
19	TIER 2 - All usage > 100% of BQ	\$0.62569	n/a	19
20	PART-PEAK ENERGY (\$/KWH)			20
21	TIER 1 (Baseline Quantity - BQ)	\$0.00000	\$0.39785	21
22	TIER 2 - All usage > 100% of BQ	\$0.00000	\$0.50086	22
23	OFF-PEAK ENERGY (\$/KWH)			23
24	TIER 1 (Baseline Quantity - BQ)	\$0.39968	\$0.36785	24
25	TIER 2 - All usage > 100% of BQ	\$0.50269	\$0.47086	25
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

OPTIONAL RESIDENTIAL RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	D-CARE (Previously Low Income "L" Rates)			1
2	MINIMUM BILL (\$/MONTH) - 50% DISCOUNT	\$6.14	\$6.14	2
3	EML-TOU METER CHARGE(\$/MONTH)	\$0.00	\$0.00	3
4	BASE SERVICES CHARGE (\$/MONTH) - 50% DISCOUNT	\$7.50	\$7.50	4
5	ALL ENERGY (% DISCOUNT)	-35.00%	-35.00%	5
*****				
6	SCHEDULE E-TOU-B			6
7	MINIMUM BILL (\$/MONTH)	\$12.27	\$12.27	7
8	ON-PEAK ENERGY (\$/KWH)	\$0.58672	\$0.45009	8
9	OFF-PEAK ENERGY (\$/KWH)	\$0.46366	\$0.41129	9
*****				
10	SCHEDULE E-TOU-D			10
11	MINIMUM BILL (\$/MONTH)	\$12.27	\$12.27	11
12	ON-PEAK ENERGY (\$/KWH)	\$0.57149	\$0.48189	12
13	OFF-PEAK ENERGY (\$/KWH)	\$0.43653	\$0.44328	13
*****				
14	SCHEDULE E-ELEC			14
15	BASE SERVICES CHARGE (\$/MONTH)	\$15.00	\$15.00	15
16	ON-PEAK ENERGY (\$/KWH)	\$0.61418	\$0.38266	16
17	PART-PEAK ENERGY (\$/KWH)	\$0.45230	\$0.36057	17
18	OFF-PEAK ENERGY (\$/KWH)	\$0.39562	\$0.34671	18
*****				
19	SCHEDULE EV: RATE A			19
20	MINIMUM BILL (\$/MONTH)	\$12.27	\$12.27	20
21	ON-PEAK ENERGY (\$/KWH)	\$0.72891	\$0.54631	21
22	PART-PEAK ENERGY (\$/KWH)	\$0.48480	\$0.41430	22
23	OFF-PEAK ENERGY (\$/KWH)	\$0.37225	\$0.34257	23
*****				
24	SCHEDULE EV: RATE B			24
25	EV-B METER CHARGE (\$/MONTH)	\$1.50	\$1.50	25
26	ON-PEAK ENERGY (\$/KWH)	\$0.72572	\$0.54318	26
27	PART-PEAK ENERGY (\$/KWH)	\$0.48161	\$0.41117	27
28	OFF-PEAK ENERGY (\$/KWH)	\$0.36906	\$0.33944	28
*****				
29	SCHEDULE EV2: RATE A			29
30	MINIMUM BILL (\$/MONTH)	\$12.27	\$12.27	30
31	ON-PEAK ENERGY (\$/KWH)	\$0.62277	\$0.49566	31
32	PART-PEAK ENERGY (\$/KWH)	\$0.51228	\$0.47896	32
33	OFF-PEAK ENERGY (\$/KWH)	\$0.31026	\$0.31027	33
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

SMALL L&P RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE A-1			1
2	CUSTOMER CHARGE: SINGLE-PHASE (\$/MO.)	\$10.00	\$10.00	2
3	CUSTOMER CHARGE: POLYPHASE (\$/MO.)	\$25.00	\$25.00	3
4	ENERGY (\$/KWH)	\$0.46240	\$0.40542	4
*****				
5	SCHEDULE A-1 TOU			5
6	CUSTOMER CHARGE: SINGLE-PHASE (\$/MO.)	\$10.00	\$10.00	6
7	CUSTOMER CHARGE: POLYPHASE (\$/MO.)	\$25.00	\$25.00	7
8	ENERGY (\$/KWH)			8
9	ON-PEAK	\$0.46509		9
10	PART-PEAK	\$0.46509	\$0.41750	10
11	OFF-PEAK	\$0.44038	\$0.41692	11
*****				
12	SCHEDULE A-6			12
13	CUSTOMER CHARGE: SINGLE-PHASE (\$/MO.)	\$10.00	\$10.00	13
14	CUSTOMER CHARGE: POLYPHASE (\$/MO.)	\$25.00	\$25.00	14
18	ENERGY (\$/KWH)			18
19	ON-PEAK	\$0.52308		19
20	PART-PEAK	\$0.48157	\$0.42004	20
21	OFF-PEAK	\$0.42909	\$0.41900	21
*****				
22	SCHEDULE A-15			22
23	CUSTOMER CHARGE (\$/MONTH)	\$10.00	\$10.00	23
24	FACILITY CHARGE (\$/MONTH)	\$25.00	\$25.00	24
25	ENERGY (\$/KWH)	\$0.46161	\$0.42092	25
*****				
26	SCHEDULE TC-1			26
27	CUSTOMER CHARGE (\$/MONTH)	\$15.00	\$15.00	27
28	ENERGY (\$/KWH)	\$0.37851	\$0.37851	28
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

SMALL L&P RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
*****				
1	SCHEDULE B-1			1
2	CUSTOMER CHARGE: SINGLE-PHASE (\$/MO.)	\$10.00	\$10.00	2
3	CUSTOMER CHARGE: POLYPHASE (\$/MO.)	\$25.00	\$25.00	3
4	ENERGY (\$/KWH)			4
5	ON-PEAK	\$0.51044	\$0.43502	5
6	PART-PEAK	\$0.46121		6
7	OFF-PEAK	\$0.44040	\$0.41890	7
8	SUPER OFF-PEAK		\$0.40248	8
*****				
9	SCHEDULE B-6			9
10	CUSTOMER CHARGE: SINGLE-PHASE (\$/MO.)	\$10.00	\$10.00	10
11	CUSTOMER CHARGE: POLYPHASE (\$/MO.)	\$25.00	\$25.00	11
12	ENERGY (\$/KWH)			12
13	ON-PEAK	\$0.68214	\$0.43545	13
14	OFF-PEAK	\$0.42452	\$0.39186	14
15	SUPER OFF-PEAK		\$0.35578	15
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

MEDIUM L&P RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
*****				
1	SCHEDULE A-10			1
2	CUSTOMER CHARGE (\$/MONTH)	\$371.42	\$371.42	2
3	MAXIMUM DEMAND CHARGE (\$/KW/MO)			3
4	SECONDARY VOLTAGE	\$25.69	\$25.69	4
5	PRIMARY VOLTAGE	\$24.84	\$24.84	5
6	TRANSMISSION VOLTAGE	\$13.95	\$13.95	6
7	ENERGY CHARGE (\$/KWH)			7
8	SECONDARY VOLTAGE	\$0.28325	\$0.24565	8
9	PRIMARY VOLTAGE	\$0.25934	\$0.22414	9
10	TRANSMISSION VOLTAGE	\$0.17083	\$0.15370	10
*****				
11	SCHEDULE A-10 TOU			11
12	CUSTOMER CHARGE (\$/MONTH)	\$371.42	\$371.42	12
13	MAXIMUM DEMAND CHARGE (\$/KW/MO)			13
14	SECONDARY VOLTAGE	\$25.69	\$25.69	14
15	PRIMARY VOLTAGE	\$24.84	\$24.84	15
16	TRANSMISSION VOLTAGE	\$13.95	\$13.95	16
17	ENERGY CHARGE (\$/KWH)			17
18	SECONDARY			18
19	ON PEAK	\$0.29701		19
20	PARTIAL PEAK	\$0.29701	\$0.24655	20
21	OFF-PEAK	\$0.27023	\$0.24584	21
22	PRIMARY			22
23	ON PEAK	\$0.27383		23
24	PARTIAL PEAK	\$0.27383	\$0.22471	24
25	OFF-PEAK	\$0.24851	\$0.22404	25
26	TRANSMISSION			26
27	ON PEAK	\$0.18597		27
28	PARTIAL PEAK	\$0.18597	\$0.15408	28
29	OFF-PEAK	\$0.16132	\$0.15342	29
*****				
30	SCHEDULE B-10			30
31	CUSTOMER CHARGE (\$/MONTH)	\$371.42	\$371.42	31
32	MAXIMUM DEMAND CHARGE (\$/KW/MO)			32
33	SECONDARY VOLTAGE	\$22.71	\$22.71	33
34	PRIMARY VOLTAGE	\$21.89	\$21.89	34
35	TRANSMISSION VOLTAGE	\$14.21	\$14.21	35
36	ENERGY CHARGE (\$/KWH)			36
37	SECONDARY			37
38	ON-PEAK	\$0.36806	\$0.29179	38
39	PART-PEAK	\$0.30637		39
40	OFF-PEAK	\$0.27380	\$0.25631	40
41	SUPER OFF-PEAK		\$0.21997	41
42	PRIMARY			42
43	ON-PEAK	\$0.34209	\$0.26924	43
44	PART-PEAK	\$0.28379		44
45	OFF-PEAK	\$0.25295	\$0.23560	45
46	SUPER OFF-PEAK		\$0.19926	46
47	TRANSMISSION			47
48	ON-PEAK	\$0.23643	\$0.18338	48
49	PART-PEAK	\$0.17969		49
50	OFF-PEAK	\$0.14962	\$0.15055	50
51	SUPER OFF-PEAK		\$0.11421	51
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

E-19 FIRM RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
*****				
1	SCHEDULE E-19 T FIRM			1
2	CUSTOMER CHARGE > 500 KW (\$/MONTH)	\$3,637.59	\$3,637.59	2
3	CUSTOMER CHARGE < 500 KW (\$/MONTH)	\$371.42	\$371.42	3
4	TOU METER CHARGE - RATES V & X (\$/MONTH)	\$371.42	\$371.42	4
5	TOU METER CHARGE - RATE W (\$/MONTH)	\$371.42	\$371.42	5
6	DEMAND CHARGE (\$/KW/MONTH)			6
7	ON-PEAK	\$17.74		7
8	PARTIAL PEAK	\$17.74	\$0.00	8
9	MAXIMUM	\$18.47	\$18.47	9
10	ENERGY CHARGE (\$/KWH)			10
11	ON-PEAK	\$0.10987		11
12	PARTIAL-PEAK	\$0.10987	\$0.09918	12
13	OFF-PEAK	\$0.10239	\$0.09831	13
*****				
14	SCHEDULE E-19 P FIRM			14
15	CUSTOMER CHARGE > 500 KW (\$/MONTH)	\$2,761.98	\$2,761.98	15
16	CUSTOMER CHARGE < 500 KW (\$/MONTH)	\$371.42	\$371.42	16
17	TOU METER CHARGE - RATES V & X (\$/MONTH)	\$371.42	\$371.42	17
18	TOU METER CHARGE - RATE W (\$/MONTH)	\$371.42	\$371.42	18
19	DEMAND CHARGE (\$/KW/MONTH)			19
20	ON-PEAK	\$22.84		20
21	PARTIAL PEAK	\$18.82	\$0.00	21
22	MAXIMUM	\$35.50	\$35.50	22
23	ENERGY CHARGE (\$/KWH)			23
24	ON-PEAK	\$0.12246		24
25	PARTIAL-PEAK	\$0.12246	\$0.11209	25
26	OFF-PEAK	\$0.11522	\$0.11124	26
*****				
27	SCHEDULE E-19 S FIRM			27
28	CUSTOMER CHARGE > 500 KW (\$/MONTH)	\$1,863.65	\$1,863.65	28
29	CUSTOMER CHARGE < 500 KW (\$/MONTH)	\$371.42	\$371.42	29
30	TOU METER CHARGE - RATES V & X (\$/MONTH)	\$371.42	\$371.42	30
31	TOU METER CHARGE - RATE W (\$/MONTH)	\$371.42	\$371.42	31
32	DEMAND CHARGE (\$/KW/MONTH)			32
33	ON-PEAK	\$26.79		33
34	PARTIAL PEAK	\$21.30	\$0.00	34
35	MAXIMUM	\$45.68	\$45.68	35
36	ENERGY CHARGE (\$/KWH)			36
37	ON-PEAK	\$0.13862		37
38	PARTIAL-PEAK	\$0.13862	\$0.12790	38
39	OFF-PEAK	\$0.13114	\$0.12701	39
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

B-19 FIRM RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
*****				
1	SCHEDULE B-19 T FIRM			1
2	CUSTOMER CHARGE (\$/MONTH)	\$3,933.20	\$3,933.20	2
3	TOU METER CHARGE - RATE V (\$/MONTH)	\$371.42	\$371.42	3
4	DEMAND CHARGE (\$/KW/MONTH)			4
5	ON-PEAK	\$20.36	\$1.96	5
6	PARTIAL PEAK	\$5.09		6
7	MAXIMUM	\$19.11	\$19.11	7
8	ENERGY CHARGE (\$/KWH)			8
9	ON-PEAK	\$0.16828	\$0.16711	9
10	PARTIAL-PEAK	\$0.15098		10
11	OFF-PEAK	\$0.11416	\$0.11497	11
12	SUPER OFF-PEAK		\$0.03828	12
*****				
13	SCHEDULE B-19 P FIRM			13
14	CUSTOMER CHARGE (\$/MONTH)	\$2,860.38	\$2,860.38	14
15	TOU METER CHARGE - RATE V (\$/MONTH)	\$371.42	\$371.42	15
16	DEMAND CHARGE (\$/KW/MONTH)			16
17	ON-PEAK	\$45.80	\$2.33	17
18	PARTIAL PEAK	\$9.92		18
19	MAXIMUM	\$32.00	\$32.00	19
20	ENERGY CHARGE (\$/KWH)			20
21	ON-PEAK	\$0.18881	\$0.16507	21
22	PARTIAL-PEAK	\$0.14798		22
23	OFF-PEAK	\$0.11247	\$0.11291	23
24	SUPER OFF-PEAK		\$0.03870	24
*****				
25	SCHEDULE B-19 S FIRM			25
26	CUSTOMER CHARGE (\$/MONTH)	\$1,920.94	\$1,920.94	26
27	TOU METER CHARGE - RATE V (\$/MONTH)	\$371.42	\$371.42	27
28	DEMAND CHARGE (\$/KW/MONTH)			28
29	ON-PEAK	\$55.76	\$3.20	29
30	PARTIAL PEAK	\$12.21		30
31	MAXIMUM	\$40.90	\$40.90	31
32	ENERGY CHARGE (\$/KWH)			32
33	ON-PEAK	\$0.21867	\$0.18454	33
34	PARTIAL-PEAK	\$0.16493		34
35	OFF-PEAK	\$0.12692	\$0.12677	35
36	SUPER OFF-PEAK		\$0.04927	36
*****				



PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

LARGE L&P RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE E-20 T FIRM			1
2	CUSTOMER CHARGE (\$/MONTH)-FIRM	\$9,432.09	\$9,432.09	2
3	DEMAND CHARGE (\$/KW/MONTH)			3
4	ON-PEAK	\$22.22		4
5	PARTIAL PEAK	\$22.22	\$0.00	5
6	MAXIMUM	\$18.55	\$18.55	6
7	ENERGY CHARGE (\$/KWH)			7
8	ON-PEAK	\$0.11402		8
9	PARTIAL-PEAK	\$0.11402	\$0.10359	9
10	OFF-PEAK	\$0.10672	\$0.10274	10
*****				
11	SCHEDULE E-20 P FIRM			11
12	CUSTOMER CHARGE (\$/MONTH)	\$3,487.67	\$3,487.67	12
13	DEMAND CHARGE (\$/KW/MONTH)			13
14	ON-PEAK	\$27.51		14
15	PARTIAL PEAK	\$22.10	\$0.00	15
16	MAXIMUM	\$40.96	\$40.96	16
17	ENERGY CHARGE (\$/KWH)			17
18	ON-PEAK	\$0.12930		18
19	PARTIAL-PEAK	\$0.12930	\$0.11890	19
20	OFF-PEAK	\$0.12202	\$0.11805	20
*****				
21	SCHEDULE E-20 S FIRM			21
22	CUSTOMER CHARGE (\$/MONTH)	\$3,412.93	\$3,412.93	22
23	DEMAND CHARGE (\$/KW/MONTH)			23
24	ON-PEAK	\$27.19		24
25	PARTIAL PEAK	\$20.74	\$0.00	25
26	MAXIMUM	\$45.01	\$45.01	26
27	ENERGY CHARGE (\$/KWH)			27
28	ON-PEAK	\$0.13075		28
29	PARTIAL-PEAK	\$0.13075	\$0.12020	29
30	OFF-PEAK	\$0.12341	\$0.11932	30
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

LARGE L&P RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE B-20 T FIRM			1
2	CUSTOMER CHARGE (\$/MONTH)-FIRM	\$10,844.16	\$10,844.16	2
3	DEMAND CHARGE (\$/KW/MONTH)			3
4	ON-PEAK	\$30.09	\$4.02	4
5	PARTIAL PEAK	\$7.17		5
6	MAXIMUM	\$19.41	\$19.41	6
7	ENERGY CHARGE (\$/KWH)			7
8	ON-PEAK	\$0.17965	\$0.17075	8
9	PARTIAL-PEAK	\$0.14648		9
10	OFF-PEAK	\$0.10945	\$0.10380	10
11	SUPER OFF-PEAK		\$0.03693	11
12	SCHEDULE B-20 P FIRM			12
13	CUSTOMER CHARGE (\$/MONTH)	\$3,620.40	\$3,620.40	13
14	DEMAND CHARGE (\$/KW/MONTH)			14
15	ON-PEAK	\$53.64	\$3.26	15
16	PARTIAL PEAK	\$11.06		16
17	MAXIMUM	\$37.86	\$37.86	17
18	ENERGY CHARGE (\$/KWH)			18
19	ON-PEAK	\$0.20458	\$0.17163	19
20	PARTIAL-PEAK	\$0.15281		20
21	OFF-PEAK	\$0.11671	\$0.11680	21
22	SUPER OFF-PEAK		\$0.03902	22
23	SCHEDULE B-20 S FIRM			23
24	CUSTOMER CHARGE (\$/MONTH)	\$3,524.92	\$3,524.92	24
25	DEMAND CHARGE (\$/KW/MONTH)			25
26	ON-PEAK	\$50.19	\$3.22	26
27	PARTIAL PEAK	\$10.81		27
28	MAXIMUM	\$43.05	\$43.05	28
29	ENERGY CHARGE (\$/KWH)			29
30	ON-PEAK	\$0.20832	\$0.17965	30
31	PARTIAL-PEAK	\$0.16020		31
32	OFF-PEAK	\$0.12220	\$0.12189	32
33	SUPER OFF-PEAK		\$0.04451	33

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

STANDBY RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
*****				
1	SCHEDULE S - TRANSMISSION			1
2	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$2.77	\$2.77	2
3	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$2.35	\$2.35	3
4	ENERGY (\$/KWH)			4
5	ON-PEAK	\$0.18360		5
6	PART-PEAK	\$0.15490	\$0.15941	6
7	OFF-PEAK	\$0.11693	\$0.13025	7
*****				
8	SCHEDULE S - PRIMARY			8
9	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$17.59	\$17.59	9
10	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$14.95	\$14.95	10
11	ENERGY (\$/KWH)			11
12	ON-PEAK	\$1.35950		12
13	PART-PEAK	\$0.57055	\$0.24605	13
14	OFF-PEAK	\$0.17215	\$0.19106	14
*****				
15	SCHEDULE S - SECONDARY			15
16	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$17.59	\$17.59	16
17	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$14.95	\$14.95	17
18	ENERGY (\$/KWH)			18
19	ON-PEAK	\$1.35617		19
20	PART-PEAK	\$0.56722	\$0.24272	20
21	OFF-PEAK	\$0.16882	\$0.18773	21
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

STANDBY RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE S CUSTOMER AND METER CHARGES			1
2	RESIDENTIAL			2
3	CUSTOMER CHARGE (\$/MO)	\$5.00	\$5.00	3
4	TOU METER CHARGE (\$/MO)	\$3.90	\$3.90	4
5	AGRICULTURAL			5
6	CUSTOMER CHARGE (\$/MO)	\$27.60	\$27.60	6
7	TOU METER CHARGE (\$/MO)	\$6.00	\$6.00	7
8	SMALL LIGHT AND POWER (less than or equal to 75 kW)			8
9	SINGLE PHASE CUSTOMER CHARGE (\$/MO)	\$10.00	\$10.00	9
10	POLY PHASE CUSTOMER CHARGE (\$/MO)	\$25.00	\$25.00	10
11	METER CHARGE (\$/MO)	\$6.12	\$6.12	11
12	MEDIUM LIGHT AND POWER (>75 kW, <500 kW)			12
13	CUSTOMER CHARGE (\$/MO)	\$371.42	\$371.42	13
14	METER CHARGE (\$/MO)	\$5.40	\$5.40	14
15	MEDIUM LIGHT AND POWER (>500kW, <1000kW)			15
16	TRANSMISSION CUSTOMER CHARGE (\$/MO)	\$3,637.59	\$3,637.59	16
17	PRIMARY CUSTOMER CHARGE (\$/MO)	\$2,761.98	\$2,761.98	17
18	SECONDARY CUSTOMER CHARGE (\$/MO)	\$1,863.65	\$1,863.65	18
19	LARGE LIGHT AND POWER (> 1000 kW)			19
20	TRANSMISSION CUSTOMER CHARGE (\$/MO)	\$9,432.09	\$9,432.09	20
21	PRIMARY CUSTOMER CHARGE (\$/MO)	\$3,487.67	\$3,487.67	21
22	SECONDARY CUSTOMER CHARGE (\$/MO)	\$3,412.93	\$3,412.93	22
23	REDUCED CUSTOMER CHARGES (\$/MO)			23
24	SMALL LIGHT AND PWR (< 75 kW) SINGLE PHASE	\$10.00	\$10.00	24
25	MED LIGHT AND PWR (Res Capacity >75 kW and <500 kW) S	\$37.57	\$37.57	25
26	MED LIGHT AND PWR (Res Capacity > 500 kW and < 1000 kW) S	\$240.93	\$240.93	26

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

STANDBY RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
*****				
1	SCHEDULE SB - TRANSMISSION			1
2	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$2.47	\$2.47	2
3	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$2.10	\$2.10	3
4	ENERGY (\$/KWH)			4
5	ON-PEAK	\$0.16376	\$0.15906	5
6	PART-PEAK	\$0.15179		6
7	OFF-PEAK	\$0.13847	\$0.13971	7
8	SUPER OFF-PEAK		\$0.09549	8
*****				
9	SCHEDULE SB - PRIMARY			9
10	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$17.90	\$17.90	10
11	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$15.22	\$15.22	11
12	ENERGY (\$/KWH)			12
13	ON-PEAK	\$0.84105	\$0.24396	13
14	PART-PEAK	\$0.48596		14
15	OFF-PEAK	\$0.21730	\$0.21846	15
16	SUPER OFF-PEAK		\$0.17431	16
*****				
17	SCHEDULE SB - SECONDARY			17
18	CONTRACT CAPACITY CHARGE (\$/KW/MO.)	\$17.90	\$17.90	18
19	EFFECTIVE RESERVATION CHARGE (\$/KW/MO.)	\$15.22	\$15.22	19
20	ENERGY (\$/KWH)			20
21	ON-PEAK	\$0.83772	\$0.24063	21
22	PART-PEAK	\$0.48263		22
23	OFF-PEAK	\$0.21397	\$0.21513	23
24	SUPER OFF-PEAK		\$0.17098	24
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

STANDBY RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE SB CUSTOMER CHARGES			1
2	RESIDENTIAL			2
3	CUSTOMER CHARGE (\$/MO)	\$5.00	\$5.00	3
4	AGRICULTURAL			4
5	CUSTOMER CHARGE (\$/MO)	\$27.87	\$27.87	5
6	SMALL LIGHT AND POWER (less than or equal to 50 kW)			6
7	SINGLE PHASE CUSTOMER CHARGE (\$/MO)	\$10.00	\$10.00	7
8	POLY PHASE CUSTOMER CHARGE (\$/MO)	\$25.00	\$25.00	8
9	MEDIUM LIGHT AND POWER (>75 kW, <500 kW)			9
10	CUSTOMER CHARGE (\$/MO)	\$371.42	\$371.42	10
11	MEDIUM LIGHT AND POWER (>500kW, <1000kW)			11
12	TRANSMISSION CUSTOMER CHARGE (\$/MO)	\$3,933.20	\$3,933.20	12
13	PRIMARY CUSTOMER CHARGE (\$/MO)	\$2,860.38	\$2,860.38	13
14	SECONDARY CUSTOMER CHARGE (\$/MO)	\$1,920.94	\$1,920.94	14
15	LARGE LIGHT AND POWER (> 1000 kW)			15
16	TRANSMISSION CUSTOMER CHARGE (\$/MO)	\$10,844.16	\$10,844.16	16
17	PRIMARY CUSTOMER CHARGE (\$/MO)	\$3,620.40	\$3,620.40	17
18	SECONDARY CUSTOMER CHARGE (\$/MO)	\$3,524.92	\$3,524.92	18
19	REDUCED CUSTOMER CHARGES (\$/MO)			19
20	SMALL LIGHT AND PWR (< 75 kW) SINGLE PHASE	\$10.00	\$10.00	20
21	MED LIGHT AND PWR (Res Capacity >75 kW and <500 kW) S	\$37.57	\$37.57	21
22	MED LIGHT AND PWR (Res Capacity > 500 kW and < 1000 kW) S	\$240.93	\$240.93	22

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PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

AGRICULTURAL RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE AG-1A			1
2	CUSTOMER CHARGE (\$/MONTH)	\$17.47	\$17.47	2
3	CONNECTED LOAD CHARGE (\$/hp/MONTH)	\$14.23	\$9.89	3
4	ENERGY CHARGE (\$/KWH)	\$0.35980	\$0.31051	4
*****				
5	SCHEDULE AG-RA			5
6	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$17.47	\$17.47	6
9	CONNECTED LOAD CHARGE (\$/hp/MONTH)	\$11.60	\$8.66	9
10	ENERGY (\$/KWH)			10
11	ON-PEAK	\$0.35328		11
12	PART-PEAK		\$0.30560	12
13	OFF-PEAK	\$0.35149	\$0.30489	13
*****				
14	SCHEDULE AG-VA			14
15	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$17.47	\$17.47	15
18	CONNECTED LOAD CHARGE (\$/hp/MONTH)	\$11.29	\$8.20	18
19	ENERGY (\$/KWH)			19
20	ON-PEAK	\$0.35842		20
21	PART-PEAK		\$0.31031	21
22	OFF-PEAK	\$0.35664	\$0.30960	22
*****				
23	SCHEDULE AG-4A			23
24	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$17.47	\$17.47	24
27	CONNECTED LOAD CHARGE (\$/hp/MONTH)	\$12.06	\$9.04	27
28	ENERGY (\$/KWH)			28
29	ON-PEAK	\$0.39671		29
30	PART-PEAK		\$0.34135	30
31	OFF-PEAK	\$0.39496	\$0.34063	31
*****				
32	SCHEDULE AG-5A			32
33	CUSTOMER CHARGE - RATES A & D (\$/MONTH)	\$17.47	\$17.47	33
36	CONNECTED LOAD CHARGE (\$/hp/MONTH)	\$21.03	\$12.67	36
37	ENERGY (\$/KWH)			37
38	ON-PEAK	\$0.30724		38
39	PART-PEAK		\$0.27481	39
40	OFF-PEAK	\$0.30579	\$0.27410	40
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

AGRICULTURAL RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE AG-1B			1
2	CUSTOMER CHARGE (\$/MONTH)	\$23.23	\$23.23	2
3	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			3
4	SECONDARY VOLTAGE	\$23.75	\$18.01	4
5	PRIMARY VOLTAGE DISCOUNT	\$2.13	\$1.56	5
6	ENERGY CHARGE (\$/KWH)	\$0.29477	\$0.21408	6
*****				
7	SCHEDULE AG-RB			7
8	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$23.23	\$23.23	8
11	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$7.87		11
12	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			12
13	SECONDARY VOLTAGE	\$20.34	\$16.19	13
14	PRIMARY VOLTAGE DISCOUNT	\$0.78	\$0.89	14
15	ENERGY CHARGE (\$/KWH)			15
16	ON-PEAK	\$0.33374		16
17	PART-PEAK		\$0.30273	17
18	OFF-PEAK	\$0.33213	\$0.30202	18
*****				
19	SCHEDULE AG-VB			19
20	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$23.23	\$23.23	20
23	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$6.70		23
24	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			24
25	SECONDARY VOLTAGE	\$20.61	\$16.65	25
26	PRIMARY VOLTAGE DISCOUNT	\$1.07	\$1.02	26
27	ENERGY CHARGE (\$/KWH)			27
28	ON-PEAK	\$0.31410		28
29	PART-PEAK		\$0.28421	29
30	OFF-PEAK	\$0.31247	\$0.28350	30
*****				



PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

AGRICULTURAL RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE AG-4B			1
2	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$23.23	\$23.23	2
5	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$4.50		5
6	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			6
7	SECONDARY VOLTAGE	\$21.25	\$15.99	7
8	PRIMARY VOLTAGE DISCOUNT	\$2.21	\$0.99	8
9	ENERGY CHARGE (\$/KWH)			9
10	ON-PEAK	\$0.33508		10
11	PART-PEAK		\$0.30421	11
12	OFF-PEAK	\$0.33351	\$0.24658	12
*****				
13	SCHEDULE AG-4C			13
14	CUSTOMER CHARGE - RATES C & F (\$/MONTH)	\$65.44	\$65.44	14
17	DEMAND CHARGE (\$/KW/MONTH)			17
18	ON-PEAK	\$8.78		18
19	PART-PEAK	\$7.77	\$2.47	19
20	MAXIMUM	\$16.99	\$16.99	20
21	PRIMARY VOLTAGE DISCOUNT			21
22	ON-PEAK	\$0.87		22
23	MAXIMUM		\$0.73	23
24	TRANSMISSION VOLTAGE DISCOUNT			24
25	ON-PEAK	\$3.23		25
26	PART-PEAK	\$2.22	\$2.47	26
27	MAXIMUM	\$12.74	\$12.74	27
28	ENERGY CHARGE (\$/KWH)			28
29	ON-PEAK	\$0.24711		29
30	PART-PEAK	\$0.24658	\$0.22393	30
31	OFF-PEAK	\$0.23478	\$0.22322	31
*****				
32	SCHEDULE AG-5B			32
33	CUSTOMER CHARGE - RATES B & E (\$/MONTH)	\$36.36	\$36.36	33
36	ON-PEAK DEMAND CHARGE (\$/KW/MONTH)	\$10.94		36
37	MAXIMUM DEMAND CHARGE (\$/KW/MONTH)			37
38	SECONDARY VOLTAGE	\$31.69	\$21.49	38
39	PRIMARY VOLTAGE DISCOUNT	\$3.98	\$0.74	39
40	TRANSMISSION VOLTAGE DISCOUNT	\$15.58	\$10.01	40
41	ENERGY CHARGE (\$/KWH)			41
42	ON-PEAK	\$0.22801		42
43	PART-PEAK		\$0.21082	43
44	OFF-PEAK	\$0.22725	\$0.21014	44
*****				

PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

AGRICULTURAL RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
1	SCHEDULE AG-5C			1
2	CUSTOMER CHARGE - RATES C & F (\$/MONTH)	\$161.58	\$161.58	2
5	DEMAND CHARGE (\$/KW/MONTH)			5
6	ON-PEAK	\$18.07		6
7	PART-PEAK	\$15.99	\$3.68	7
8	MAXIMUM	\$15.60	\$15.60	8
9	PRIMARY VOLTAGE DISCOUNT			9
10	ON-PEAK	\$1.73		10
11	MAXIMUM		\$1.37	11
12	TRANSMISSION VOLTAGE DISCOUNT			12
13	ON-PEAK	\$6.62		13
14	PART-PEAK	\$4.54	\$0.00	14
15	MAXIMUM	\$15.00	\$15.00	15
16	ENERGY CHARGE (\$/KWH)			16
17	ON-PEAK	\$0.18896		17
18	PART-PEAK	\$0.18854	\$0.18147	18
19	OFF-PEAK	\$0.18200	\$0.18076	19

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PACIFIC GAS AND ELECTRIC COMPANY  
 PRESENT ELECTRIC RATES as of  
 Saturday, March 1, 2025

STREETLIGHTING RATES

LINE NO.		3/1/25 RATES SUMMER	3/1/25 RATES WINTER	LINE NO.
*****				
1	SCHEDULE LS-1			1
2	ENERGY CHARGE (\$/KWH)	\$0.35449	\$0.35449	2
*****				
3	SCHEDULE LS-2			3
4	ENERGY CHARGE (\$/KWH)	\$0.35449	\$0.35449	4
*****				
5	SCHEDULE LS-3			5
6	SERVICE CHARGE (\$/METER/MO.)	\$7.50	\$7.50	6
7	ENERGY CHARGE (\$/KWH)	\$0.35449	\$0.35449	7
*****				
8	SCHEDULE OL-1			8
9	ENERGY CHARGE (\$/KWH)	\$0.36730	\$0.36730	9
*****				

**PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT C**

# PACIFIC GAS AND ELECTRIC COMPANY

## COMPARISON OF GAS TRANSPORTATION RATES

Rate Schedules	09/01/2024 <sup>(2)</sup>	Average Rate No PPP	01/01/2025 <sup>(1)</sup>	% Chg from September 1, 2024	Average Rate No PPP	% Chg from September 1, 2024
<b>Comparison of Gas Accord Tariffs - Current rates - Effective January 1, 2025. See Noncore AL 5014-G</b>						
<b>Gas Schedule G-AA</b>						
Path	Usage Rate		Usage Rate	From 9/1/24		% Chg From 9/1/24
Redwood to On-System (Per Dth)	\$0.6808		\$0.7282	6.97%		
Baja to On-System (Per Dth)	\$0.8058		\$0.8533	5.89%		
Silverado to On-System (Per Dth)	\$0.4815		\$0.5087	5.65%		
Mission to On-System (Per Dth)	\$0.0000		\$0.0000	0.00%		
<b>Gas Schedule G-AAOFF</b>						
Path	Usage Rate		Usage Rate			
Redwood to Off-System (Per Dth)	\$0.6808		\$0.7282	6.97%		
Baja to Off-System (Per Dth)	\$0.8058		\$0.8533	5.89%		
Silverado to Off-System (Per Dth)	\$0.6808		\$0.7282	6.97%		
Mission to Off-System (Per Dth)	\$0.6808		\$0.7282	6.97%		
Mission to Off-System Storage Withdrawals (Per Dth)	\$0.0000		\$0.0000	0.00%		
<b>Gas Schedule G-AFT</b>						
	Reservation Rate		Reservation Rate			
Path	MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to On-System (Per Dth)	\$10.9826	\$17.2237	\$11.4483	\$18.4235	4.24%	6.97%
Redwood to On-System Core Procurement Groups Only (Per Dth)	\$10.9794	\$17.2795	\$11.4046	\$18.3387	3.87%	6.13%
Baja to On-System (Per Dth)	\$12.9997	\$20.3871	\$13.4140	\$21.5869	3.19%	5.89%
Baja to On-System Core Procurement Groups Only (Per Dth)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	0.00%	0.00%
Silverado to On-System (Per Dth)	\$7.3509	\$12.1815	\$7.5482	\$12.8695	2.68%	5.65%
Mission to On-System (Per Dth)	\$7.3509	\$12.1815	\$7.5482	\$12.8695	2.68%	5.65%
	Usage Rate		Usage Rate			
Path	MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to On-System (Per Dth)	\$0.2063	\$0.0011	\$0.2305	\$0.0012	11.74%	7.46%
Redwood to On-System Core Procurement Groups Only (Per Dth)	\$0.2086	\$0.0015	\$0.2296	\$0.0016	10.04%	6.52%
Baja to On-System (Per Dth)	\$0.2441	\$0.0013	\$0.2701	\$0.0014	10.61%	6.37%
Baja to On-System Core Procurement Groups Only (Per Dth)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	0.00%	0.00%
Silverado to On-System (Per Dth)	\$0.1596	\$0.0008	\$0.1757	\$0.0008	10.13%	5.72%
Mission to On-System (Per Dth)	\$0.1596	\$0.0008	\$0.1757	\$0.0008	10.13%	5.72%
Mission to On-System Storage Withdrawals (Conversion option from Firm ON-System Redwood or Baja Path only)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	0.00%	0.00%
<b>Gas Schedule G-AFTOFF</b>						
	Reservation Rate		Reservation Rate			
Path	MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to Off-System (Per Dth)	\$10.9826	\$17.2237	\$11.4483	\$18.4235	4.24%	6.97%
Baja to Off-System (Per Dth)	\$12.9997	\$20.3871	\$13.4140	\$21.5869	3.19%	5.89%
Silverado to Off-System (Per Dth)	\$10.9826	\$17.2237	\$11.4483	\$18.4235	4.24%	6.97%
Mission to Off-System (Per Dth)	\$10.9826	\$17.2237	\$11.4483	\$18.4235	4.24%	6.97%
	Usage Rate		Usage Rate			
Path	MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to Off-System (Per Dth)	\$0.2063	\$0.0011	\$0.2305	\$0.0012	11.74%	7.46%
Baja to On-System (Per Dth)	\$0.2441	\$0.0013	\$0.2701	\$0.0014	10.61%	6.37%
Silverado to Off-System (Per Dth)	\$0.2063	\$0.0011	\$0.2305	\$0.0012	11.74%	7.46%
Mission to Off-System (Per Dth)	\$0.2063	\$0.0011	\$0.2305	\$0.0012	11.74%	7.46%
<b>Gas Schedule G-BAL</b>						
Self-Balancing Credit Paragraph Section	\$0.0558		\$0.0561	0.54%		
<b>Gas Schedule G-CFS</b>						
Reservation Charge per Dth per month	\$0.4105		\$0.4134	0.71%		
<b>Gas Schedule G-LEND</b>						
Minimum Rate (per transaction)	\$57.00		\$57.00	0.00%		
Maximum Rate (per Dth per day)	\$1.1650		\$1.1650	0.00%		
<b>Gas Schedule G-NAS</b>						
Injection Maximum Rates (Per Dth/Day)	\$5.7236		\$5.7236	0.00%		
Withdrawal Maximum Rates (Per Dth/Day)	\$26.1629		\$26.1629	0.00%		
<b>Gas Schedule G-NFS</b>						
Injection Maximum Rates (Per Dth/Day)	\$5.7236		\$5.7236	0.00%		
Inventory (Per Dth)	\$3.5541		\$3.5541	0.00%		
Withdrawal Maximum Rates (Per Dth/Day)	\$26.1629		\$26.1629	0.00%		
<b>Gas Schedule G-PARK</b>						
Minimum Rate (per transaction)	\$57.00		\$57.00	0.00%		
Maximum Rate (per Dth per day)	\$1.1650		\$1.1650	0.00%		
<b>Gas Schedule G-SFS <sup>(3)</sup></b>						
Reservation Charge per Dth per month	\$0.0000		\$0.0000	0.00%		
<b>Gas Schedule G-SFT <sup>(4)</sup></b>						
	Reservation Rate		Reservation Rate			
Path	MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to On-System (Per Dth)	\$13.1791	\$20.6684	\$13.7379	\$22.1083	4.24%	6.97%
Baja to On-System (Per Dth)	\$15.5996	\$24.4645	\$16.0967	\$25.9043	3.19%	5.89%
Baja to On-System Core Procurement Groups Only (Per Dth)	\$15.5855	\$24.5287	\$16.0445	\$25.7997	2.95%	5.18%
Silverado to On-System (Per Dth)	\$8.8211	\$14.6179	\$9.0579	\$15.4434	2.68%	5.65%
Mission to On-System (Per Dth)	\$8.8211	\$14.6179	\$9.0579	\$15.4434	2.68%	5.65%
Redwood to On-System Core Procurement Groups Only (Per Dth)	\$13.1752	\$20.7354	\$13.6855	\$22.0064	3.87%	6.13%
	Usage Rate		Usage Rate			
Path	MFV Rates	SFV Rates	MFV Rates	SFV Rates		
Redwood to On-System (Per Dth)	\$0.2475	\$0.0013	\$0.2766	\$0.0014	11.74%	7.46%
Baja to On-System (Per Dth)	\$0.2930	\$0.0015	\$0.3241	\$0.0016	10.61%	6.37%
Baja to On-System Core Procurement Groups Only (Per Dth)	\$0.2961	\$0.0021	\$0.3229	\$0.0022	9.05%	5.77%
Silverado to On-System (Per Dth)	\$0.1915	\$0.0009	\$0.2109	\$0.0010	10.13%	5.72%
Mission to On-System (Per Dth)	\$0.1915	\$0.0009	\$0.2109	\$0.0010	10.13%	5.72%
Redwood to On-System Core Procurement Groups Only (Per Dth)	\$0.2503	\$0.0018	\$0.2755	\$0.0019	10.04%	6.52%
<b>Gas Schedule G-XF</b>						
SFV Reservation Rates (Per Dth Per Month)	5.2630		\$5.6407	7.18%		
SFV Usage Rates (Per Dth)	0.0001		\$0.0001	7.18%		

**Our Note:** Billing Table is zero, Service no longer offered under ad still shown on Tariff until the sever

- Notes:**
- 1) Rates are based on 1/1/2025 - Noncore, AL 5014-G for noncore tariffs and AL 5012-G for core tariffs.
  - 2) Rates are based on 9/1/2024 - Noncore, AL 4966-G for noncore tariffs and AL 4962-G for core tariffs.
  - 3) Service no longer offered under adopted NGSS, however, previous January 2020 rate of \$0.3930 still shown on Tariff until the seven-year step-down period is adopted.
  - 4) Effective November 1, 2020, Advice Letter 4327-G, New Component: Redwood to On-System Core Procurement Groups Only (Per Dth).

# PACIFIC GAS AND ELECTRIC COMPANY

## COMPARISON OF GAS TRANSPORTATION RATES

Rate Schedules	09/01/2024 <sup>(2)</sup>	Average Rate No PPP	01/01/2025 <sup>(1)</sup>	% Chg from September 1, 2024	Average Rate No PPP	% Chg from September 1, 2024
<b>Comparison of Core Schedules:</b>						
<b>Residential (G-1, GM, GS, GT)</b>						
<u>Transportation Charge (\$/Therm)</u>						
Tier 1	\$1.94995	\$2.10602	\$2.11999	8.72%	\$2.28301	8.4% Avg. Summer (Apr-Oct)
Tier 2	\$2.44371	\$2.09472	\$2.63697	7.91%	\$2.27144	8.4% Avg. Winter (Jan-Mar, Nov-Dec)
Average Rate from RTP		\$2.09821			\$2.27502	8.4% Avg. Annual
California Natural Gas Climate Credit	(\$85.46)		(\$67.03)			
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678		\$0.14753			
<b>Residential Natural Gas Vehicle (G1-NGV)</b>						
Customer Charge	\$0.41425		\$0.41425	0.00%		
Transportation Charge (\$/therm) implemented 2/1/06	\$1.24490		\$1.39445	12.01%		
California Natural Gas Climate Credit	(\$85.46)		(\$67.03)			
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678		\$0.14753			
<b>Small Commercial (G-NR1)</b>						
Customer Charge 0 - 5.0 therms (\$/day)	\$0.27048		\$0.27048	0.00%		
Customer Charge 5.1 - 16.0 therms (\$/day)	\$0.52106		\$0.52106	0.00%		
Customer Charge 16.1 - 41.0 therms (\$/day)	\$0.95482		\$0.95482	0.00%		
Customer Charge 41.1 - 123.0 therms (\$/day)	\$1.66489		\$1.66489	0.00%		
Customer Charge >123.1 therms (\$/day)	\$2.14936		\$2.14936	0.00%		
<u>Transportation Charge (\$/Therm)</u>						
Summer (1st 4,000)	\$1.30455	\$1.31411	\$1.39354	6.82%	\$1.39349	6.0% Avg. Summer
Summer (Excess)	\$0.78638		\$0.80350	2.18%		
Winter (1st 4,000)	\$1.51810	\$1.46693	\$1.63306	7.57%	\$1.56780	6.9% Avg. Winter
Winter (Excess)	\$0.91511		\$0.94160	2.90%		
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678	\$1.39918	\$0.14753		\$1.49052	6.5% Avg. Annual
<b>Large Commercial (G-NR2)</b>						
Customer Charge (\$/Day)	\$4.95518		\$4.95518	0.00%		
<u>Transportation Charge (\$/Therm)</u>						
Summer (1st 4,000)	\$1.30455	\$0.84067	\$1.39354	6.82%	\$0.86475	2.9% Avg. Summer
Summer (Excess)	\$0.78638		\$0.80350	2.18%		
Winter (1st 4,000)	\$1.51810	\$0.97337	\$1.63306	7.57%	\$1.00785	3.5% Avg. Winter
Winter (Excess)	\$0.91511		\$0.94160	2.90%		
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678	\$0.89789	\$0.14753		\$0.92644	3.2% Avg. Annual
<b>Residential Transport-Only (G-CT)</b>						
<u>Transportation Charge (\$/Therm)</u>						
Tier 1	\$1.94995		\$2.11999	8.72%		
Tier 2	\$2.44371		\$2.63697	7.91%		
California Natural Gas Climate Credit	(\$85.46)		(\$67.03)			
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678		\$0.14753			
<b>Small Commercial Transport-Only (G-CT)</b>						
<u>Transportation Charge (\$/Therm)</u>						
Summer (1st 4,000)	\$1.30455		\$1.39354	6.82%		
Summer (Excess)	\$0.78638		\$0.80350	2.18%		
Winter (1st 4,000)	\$1.51810		\$1.63306	7.57%		
Winter (Excess)	\$0.91511		\$0.94160	2.90%		
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678		\$0.14753			
<b>Large Commercial Transport-Only (G-CT)</b>						
<u>Transportation Charge (\$/Therm)</u>						
Summer (1st 4,000)	\$1.30455		\$1.39354	6.82%		
Summer (Excess)	\$0.78638		\$0.80350	2.18%		
Winter (1st 4,000)	\$1.51810		\$1.63306	7.57%		
Winter (Excess)	\$0.91511		\$0.94160	2.90%		
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678		\$0.14753			
<b>Natural Gas Vehicle - Uncompressed (G-NGV1)</b>						
Customer Charge (\$/Day)	\$0.44121		\$0.44121	0.00%		
Transportation Charge (\$/Therm)	\$0.94226	\$0.94313	\$0.97682	3.67%	\$0.97768	3.7%
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678		\$0.14753			
<b>Natural Gas Vehicle - Compressed (G-NGV2)</b>						
Customer Charge (\$/Day)	\$0.00		\$0.00	0.00%		
Transportation Charge (\$/Therm)	\$2.42472	\$2.42472	\$2.63759	8.78%	\$2.63759	8.8%
Greenhouse Gas Compliance Cost <sup>3</sup>	\$0.19678		\$0.14753			
<b>G-PPP CORE CUSTOMERS</b>						
Residential Non-Care	\$0.11051		\$0.14324	29.62%		
Residential CARE	\$0.06070		\$0.08425	38.80%		
Small Commercial	\$0.09693		\$0.12802	32.07%		
Large Commercial	\$0.08184		\$0.10363	26.63%		
Natural Gas Vehicle	\$0.05218		\$0.06181	18.46%		

**Notes:**

- Rates are based on 1/1/2025 - Noncore, AL 5014-G for noncore tariffs and AL 5012-G for core tariffs.
- Rates are based on 9/1/2024 - Noncore, AL 4966-G for noncore tariffs and AL 4962-G for core tariffs.
- Covered Entities (i.e., customers that currently have a direct obligation to pay for allowances directly to the Air Resources Board for their Greenhouse Gas (GHG) emissions) will see a line item credit on their bill equal to \$0.14753 per therm times their monthly billed volumes.

# PACIFIC GAS AND ELECTRIC COMPANY

## COMPARISON OF GAS TRANSPORTATION RATES

Rate Schedules	09/01/2024 <sup>(2)</sup>	Average Rate No PPP	01/01/2025 <sup>(1)</sup>	% Chg from September 1, 2024	Average Rate No PPP	% Chg from September 1, 2024
<b>Comparison of Noncore Schedules</b>						
<b>Industrial (G-NT)</b>						
<u>Customer Access Charge (\$/Day)</u>						
0 to 5,000 therms	\$1.46400		\$1.80690	23.4%		
5,001 to 10,000 therms	\$4.36110		\$5.38258	23.4%		
10,001 to 50,000 therms	\$8.11660		\$10.01819	23.4%		
50,001 to 200,000 therms	\$10.65238		\$13.14773	23.4%		
200,001 to 1,000,000 therms	\$15.45534		\$19.07605	23.4%		
1,000,001 therms and above	\$131.10214		\$161.81392	23.4%		
<u>Transportation Charge (\$/Therm)</u>						
Backbone	0.21282	\$0.21420	0.16148	-24.12%	\$0.16318	-23.8%
Transmission	\$0.46183	\$0.46312	\$0.40679	-11.92%	\$0.40839	-11.8%
Distribution (Summer) Tier 1	\$0.91462	\$0.79935	\$0.92116	0.72%	\$0.80359	0.5%
Distribution (Summer) Tier 2	\$0.74581		\$0.74629	0.06%		
Distribution (Summer) Tier 3	\$0.71184		\$0.71110	-0.10%		
Distribution (Summer) Tier 4	\$0.68520		\$0.68350	-0.25%		
Distribution (Summer) Tier 5	\$0.46183		\$0.40679	-11.92%		
Distribution (Winter) Tier 1	\$1.07714		\$1.08951	1.15%		
Distribution (Winter) Tier 2	\$0.84924		\$0.85343	0.49%		
Distribution (Winter) Tier 3	\$0.80338		\$0.80593	0.32%		
Distribution (Winter) Tier 4	\$0.76742		\$0.76868	0.16%		
Distribution (Winter) Tier 5	\$0.46183		\$0.40679	-11.92%		
Greenhouse Gas Compliance Cost <sup>3</sup>	0.19678		\$0.14753			
<b>G-PPP Noncore Customers</b>						
Backbone Transmission	\$0.06463		\$0.08192	26.75%		
Distribution	\$0.09807		\$0.15277	55.78%		
<b>Electric Generation G-EG</b>						
<u>Transportation Charge</u>						
Backbone Transportation Charge (\$/therm)	0.22964	\$0.23004	0.17741	-22.74%	\$0.17787	-22.7%
Distribution/Transmission Charge (\$/Therm)	\$0.46640	\$0.46797	\$0.40834	-12.45%	\$0.41030	-12.3%
Greenhouse Gas Compliance Cost <sup>3</sup>	0.19678		\$0.14753			
<b>Wholesale G-WSL</b>						
<u>Customer Access Charge (\$/Day)</u>						
Palo Alto	\$116.80668		\$144.16964	23.43%		
Coolinga	\$35.03211		\$43.23879	23.43%		
West Coast Gas-Mather	\$18.59770		\$22.95452	23.43%		
West Coast Gas - Castle	\$20.35003		\$25.11715	23.43%		
Island Energy	\$23.73600		\$29.29644	23.43%		
Alpine Natural Gas	\$7.92066		\$9.77622	23.43%		
<u>Transportation Charge (\$/Therm)</u>						
Palo Alto	\$0.46481	\$0.26947	\$0.40630	-12.59%	\$0.26056	-3.3%
Coolinga	\$0.46481	\$0.27410	\$0.40630	-12.59%	\$0.26632	-2.8%
West Coast Gas - Mather (Transmission)	\$0.46481	\$0.27570	\$0.40630	-12.59%	\$0.26831	-2.7%
West Coast Gas - Mather (Distribution)	\$1.12161	\$0.93249	\$1.17664	4.91%	\$1.03865	11.4%
West Coast Gas - Castle (Distribution)	\$0.84604	\$0.66142	\$0.85356	0.89%	\$0.72114	9.0%
Island Energy	\$0.46481	\$0.28766	\$0.40630	-12.59%	\$0.28312	-1.6%
Alpine Natural Gas	\$0.46481	\$0.27326	\$0.40630	-12.59%	\$0.26526	-2.9%
Greenhouse Gas Compliance Cost <sup>3</sup>	0.19678		\$0.14753			
<b>Natural Gas Vehicle - Uncompressed (G-NGV4)</b>						
<u>Customer Access Charge (\$/Day)</u>						
0 to 5,000 therms	\$1.46400		\$1.80690	23.4%		
5,001 to 10,000 therms	\$4.36110		\$5.38258	23.4%		
10,001 to 50,000 therms	\$8.11660		\$10.01819	23.4%		
50,001 to 200,000 therms	\$10.65238		\$13.14773	23.4%		
200,001 to 1,000,000 therms	\$15.45534		\$19.07605	23.4%		
1,000,001 therms and above	\$131.10214		\$161.81392	23.4%		
<u>Transportation Charge (\$/Therm)</u>						
Transmission	\$0.44960	\$0.45089	\$0.39241	-12.72%	\$0.39401	-12.6%
Distribution (Summer) Tier 1	\$0.91462	\$0.79935	\$0.92116	0.72%	\$0.80338	0.5%
Distribution (Summer) Tier 2	\$0.74581		\$0.74629	0.06%		
Distribution (Summer) Tier 3	\$0.71184		\$0.71110	-0.10%		
Distribution (Summer) Tier 4	\$0.68520		\$0.68350	-0.25%		
Distribution (Summer) Tier 5	\$0.44960		\$0.39241	-12.72%		
Distribution (Winter) Tier 1	\$1.07714		\$1.08951	1.15%		
Distribution (Winter) Tier 2	\$0.84924		\$0.85343	0.49%		
Distribution (Winter) Tier 3	\$0.80338		\$0.80593	0.32%		
Distribution (Winter) Tier 4	\$0.76742		\$0.76868	0.16%		
Distribution (Winter) Tier 5	\$0.44960		\$0.39241	-12.72%		
Greenhouse Gas Compliance Cost <sup>3</sup>	0.19678		\$0.14753			
<b>Liquefied Natural Gas (G-LNG)</b>						
	\$0.58751		\$0.53097	-9.62%		
<b>G-PPP Natural Gas Vehicle/Liquid Natural Gas</b>						
	\$0.05218		\$0.06181	18.46%		

Notes:  
1) Rates are based on 1/1/2025 - Noncore, AL 5014-G for noncore tariffs and AL 5012-G for core tariffs.  
2) Rates are based on 9/1/2024 - Noncore, AL 4966-G for noncore tariffs and AL 4962-G for core tariffs.

**PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT D**



Table 1  
Pacific Gas and Electric Company  
Illustrative Electric Revenue Increase and Class Average Rates  
2026 Cost of Capital

Line No.	<u>Customer Class</u>	Proposed Revenue Increase (000's)	Present Rates (\$/kWh)	Proposed Rates (\$/kWh)	Percentage Change	Line No.
<b>Bundled Service*</b>						
1	Residential	\$ 58,313	\$ 0.36469	\$ 0.37047	1.6%	1
2	Small Commercial	\$ 15,721	\$ 0.44151	\$ 0.44809	1.5%	2
3	Medium Commercial	\$ 9,709	\$ 0.39120	\$ 0.39584	1.2%	3
4	Large Commercial	\$ 12,959	\$ 0.34342	\$ 0.34731	1.1%	4
5	Streetlights	\$ 374	\$ 0.47261	\$ 0.47759	1.1%	5
6	Standby	\$ 589	\$ 0.18667	\$ 0.18806	0.7%	6
7	Agriculture	\$ 23,951	\$ 0.39807	\$ 0.40366	1.4%	7
8	Industrial	<u>\$ 4,945</u>	<u>\$ 0.22714</u>	<u>\$ 0.22855</u>	<u>0.6%</u>	8
9	Total	\$ 126,561	\$ 0.35560	\$ 0.36043	1.4%	9
<b>Direct Access and Community Choice Aggregation Service**</b>						
10	Residential	\$ 102,852	\$ 0.23994	\$ 0.24622	2.6%	10
11	Small Commercial	\$ 33,619	\$ 0.29772	\$ 0.30429	2.2%	11
12	Medium Commercial	\$ 23,195	\$ 0.22833	\$ 0.23279	2.0%	12
13	Large Commercial	\$ 39,047	\$ 0.18402	\$ 0.18756	1.9%	13
14	Streetlights	\$ 833	\$ 0.29896	\$ 0.30394	1.7%	14
15	Standby	\$ 264	\$ 0.13114	\$ 0.13290	1.3%	15
16	Agriculture	\$ 8,057	\$ 0.24456	\$ 0.24973	2.1%	16
17	Industrial	<u>\$ 17,204</u>	<u>\$ 0.11217</u>	<u>\$ 0.11380</u>	<u>1.5%</u>	17
18	Total	\$ 225,071	\$ 0.20550	\$ 0.20999	2.2%	18
<b>Departing Load***</b>						
19	Residential	\$ (0)			0.0%	19
20	Small Commercial	\$ (0)			0.0%	20
21	Medium Commercial	\$ (0)			0.0%	21
22	Large Commercial	\$ 0			0.0%	22
23	Streetlights	\$ (0)			0.0%	23
24	Standby	\$ -			0.0%	24
25	Agriculture	\$ -			0.0%	25
26	Industrial	\$ 0			0.0%	26

\* Customers who receive electric generation as well as transmission and distribution service from PG&E.

\*\* Customers who purchase energy from non-PG&E suppliers.

\*\*\* Customers who purchase their electricity from a non-utility supplier and receive transmission and distribution service from a publicly owned utility or municipality. A rate comparison cannot be provided for Departed Load as the applicable rates vary by specific departed load customer categories and any average rate that could be derived, would not be representative of any particular departed load category.

**PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT E**

**PROPOSED 2026 COST OF CAPITAL RATE IMPACTS**

**PACIFIC GAS AND ELECTRIC COMPANY**  
**Class Average Bundled and Transportation/PPPS Rates (\$/th)**

Line No.	Customer Class	Present	Proposed	\$ Change	% Change
		January 1, 2025	January 1, 2025		
1	<b>BUNDLED—RETAIL CORE*</b>				
2	Residential Non-CARE**	\$2.885	\$2.955	\$0.069	2.4%
3	Small Commercial Non-CARE**	\$2.041	\$2.084	\$0.043	2.1%
4	Large Commercial	\$1.409	\$1.434	\$0.025	1.8%
6	Uncompressed Core NGV	\$1.413	\$1.440	\$0.027	1.9%
7	Compressed Core NGV	\$3.073	\$3.096	\$0.023	0.8%
8	<b>TRANSPORT ONLY—RETAIL CORE</b>				
9	Residential Non-CARE**	\$2.418	\$2.488	\$0.069	2.9%
10	Small Commercial Non-CARE**	\$1.619	\$1.662	\$0.043	2.7%
11	Large Commercial	\$1.030	\$1.055	\$0.025	2.4%
13	Uncompressed Core NGV	\$1.039	\$1.066	\$0.027	2.6%
14	Compressed Core NGV	\$2.699	\$2.723	\$0.023	0.9%
15	<b>TRANSPORT ONLY—RETAIL NONCORE (NONCOVERED ENTITIES)</b>				
16	Industrial – Distribution	\$0.956	\$0.984	\$0.027	2.9%
17	Industrial – Transmission	\$0.490	\$0.505	\$0.015	3.1%
18	Industrial – Backbone	\$0.245	\$0.249	\$0.004	1.5%
19	Uncompressed Noncore NGV – Distribution	\$0.865	\$0.893	\$0.027	3.2%
20	Uncompressed Noncore NGV – Transmission	\$0.456	\$0.470	\$0.015	3.2%
21	Electric Generation – Distribution/Transmission	\$0.410	\$0.425	\$0.015	3.6%
22	Electric Generation – Backbone	\$0.178	\$0.182	\$0.004	2.1%
23	<b>TRANSPORT ONLY—WHOLESALE</b>				
24	Alpine Natural Gas (T)	\$0.265	\$0.280	\$0.015	5.5%
25	Coalinga (T)	\$0.266	\$0.281	\$0.015	5.4%
26	Island Energy (T)	\$0.283	\$0.298	\$0.015	5.1%
27	Palo Alto (T)	\$0.261	\$0.275	\$0.015	5.6%
28	West Coast Gas – Castle (D)	\$0.721	\$0.750	\$0.029	4.0%
29	West Coast Gas – Mather (D)	\$1.039	\$1.077	\$0.039	3.7%
30	West Coast Gas – Mather (T)	\$0.268	\$0.283	\$0.015	5.4%

\*

Illustrative Bundled Rates incorporate an illustrative procurement revenue requirement as filed in PG&E's 2025 AGT.

- (1) CARE Customers receive a 20% discount off of PG&E's total bundled rate and are exempt from the CARE portion of PG&E's Public Purpose Program Surcharge (G-PPPS) rates and cost recovery of the California Solar Initiative Thermal Program.
- (2) Transportation rates paid by all customers include an additional GHG Compliance and obligation Cost Recovery component of \$0.14588 per therm.
- (3) Covered Entities (i.e. customers that currently have a direct obligation to pay for allowances directly to the Air Resources Board) will pay a GHG Compliance Recovery Cost component of \$-0.00165 per therm to cover PG&E allowance costs associated with lost & unaccounted for (LUAF) gas and compression costs. Covered entities will see a line item credit on their bill equal to \$0.14753 (\$0.14588 minus \$-0.00165) per therm times their monthly billed volumes.

**EXECUTIVE SUMMARY**  
**PACIFIC GAS AND ELECTRIC COMPANY**  
**PROPOSED 2026 COST OF CAPITAL REVENUE REQUIREMENT**

Class Average Illustrative Revenues Allocated By Customer Class  
(\$000)

Line No.	Customer Class	January 1, 2025	Application	\$ Change	% Change
1	<b>BUNDLED—RETAIL CORE (1)</b>				
2	Residential Non-CARE	\$2,958,870	\$3,039,047	\$80,176	2.7%
3	Residential CARE (1)	\$872,761	\$896,410	\$23,649	2.7%
4	Small Commercial	\$1,014,289	\$1,035,003	\$20,714	2.0%
5	Large Commercial	\$60,621	\$61,657	\$1,036	1.7%
6	Core NGV	\$41,687	\$42,455	\$768	1.8%
7	<b>TRANSPORT ONLY—RETAIL CORE</b>				
8	Residential Non-CARE	\$254,303	\$263,462	\$9,158	3.6%
9	Residential CARE (1)	\$74,905	\$77,602	\$2,698	3.6%
10	Small Commercial Non-CARE	\$396,729	\$408,290	\$11,562	2.9%
11	Large Commercial	\$24,528	\$25,206	\$678	2.8%
12	Core NGV	\$0	\$0	\$0	0.0%
13	<b>TRANSPORT ONLY—RETAIL NONCORE</b>				
14	Industrial – Distribution	\$185,928	\$191,074	\$5,146	2.8%
15	Industrial – Transmission	\$537,115	\$560,553	\$23,439	4.4%
16	Industrial – Backbone	\$1,963	\$2,030	\$67	3.4%
17	Uncompressed Noncore NGV	\$6,669	\$6,880	\$211	3.2%
18	Electric Generation	\$274,484	\$290,519	\$16,035	5.8%
19	<b>TRANSPORT ONLY—WHOLESALE</b>				
20	Alpine Natural Gas	\$146	\$154	\$8	5.5%
21	Coalinga	\$558	\$589	\$30	5.4%
22	Island Energy	\$124	\$131	\$6	5.1%
23	Palo Alto	\$7,724	\$8,153	\$428	5.5%
24	West Coast Gas – Castle	\$438	\$455	\$17	4.0%
25	West Coast Gas – Mather	\$664	\$690	\$26	4.0%
26	<b>Unbundled Gas Transmission &amp; Storage (2)</b>	\$251,045	\$251,045	\$0	0.0%
		6,965,550	7,161,404	\$195,854	2.8%

- (1) CARE Customers receive a 20% discount off of PG&E's total bundled rate and are exempt from the CARE portion of PG&E's Public Purpose Program Surcharge (G-PPPS) rates and cost recovery of the California Solar Initiative Thermal Program.
- (2) The portion of PG&E's gas backbone storage revenue requirement not allocated to PG&E's bundled core customer classes are provided to the marketplace and not specifically to any customer class.

**PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT F**

SERVICE OF NOTICE OF APPLICATION

In accordance with Rule 3.2(b), Applicant will mail a notice to the following, stating in general terms its proposed change in rates.

State of California

To the Attorney General and the Department of General Services.

State of California  
Office of Attorney General  
1300 I St Ste 1101  
Sacramento, CA 95814

and

Director of General Services  
State of California  
707 3<sup>rd</sup> St  
West Sacramento, CA 95605

Counties

To the County Counsel or District Attorney and the County Clerk in the following counties:

- |              |                 |             |
|--------------|-----------------|-------------|
| Alameda      | Mariposa        | Santa Clara |
| Alpine       | Mendocino       | Santa Cruz  |
| Amador       | Merced          | Shasta      |
| Butte        | Modoc           | Sierra      |
| Calaveras    | Monterey        | Siskiyou    |
| Colusa       | Napa            | Solano      |
| Contra Costa | Nevada          | Sonoma      |
| El Dorado    | Placer          | Stanislaus  |
| Fresno       | Plumas          | Sutter      |
| Glenn        | Sacramento      | Tehama      |
| Humboldt     | San Benito      | Trinity     |
| Kern         | San Bernardino  | Tulare      |
| Kings        | San Francisco   | Tuolumne    |
| Lake         | San Joaquin     | Yolo        |
| Lassen       | San Luis Obispo | Yuba        |
| Madera       | San Mateo       |             |
| Marin        | Santa Barbara   |             |

Municipal Corporations

To the City Attorney and the City Clerk of the following municipal corporations:

Alameda	Colusa	Hanford
Albany	Concord	Hayward
Amador City	Corcoran	Healdsburg
American Canyon	Corning	Hercules
Anderson	Corte Madera	Hillsborough
Angels Camp	Cotati	Hollister
Antioch	Cupertino	Hughson
Arcata	Daly City	Huron
Arroyo Grande	Danville	Ione
Arvin	Davis	Isleton
Atascadero	Del Rey Oakes	Jackson
Atherton	Dinuba	Kerman
Atwater	Dixon	King City
Auburn	Dos Palos	Kingsburg
Avenal	Dublin	Lafayette
Bakersfield	East Palo Alto	Lakeport
Barstow	El Cerrito	Larkspur
Belmont	Elk Grove	Lathrop
Belvedere	Emeryville	Lemoore
Benicia	Escalon	Lincoln
Berkeley	Eureka	Live Oak
Biggs	Fairfax	Livermore
Blue Lake	Fairfield	Livingston
Brentwood	Ferndale	Lodi
Brisbane	Firebaugh	Lompoc
Buellton	Folsom	Loomis
Burlingame	Fort Bragg	Los Altos
Calistoga	Fortuna	Los Altos Hills
Campbell	Foster City	Los Banos
Capitola	Fowler	Los Gatos
Carmel	Fremont	Madera
Ceres	Fresno	Manteca
Chico	Galt	Maricopa
Chowchilla	Gilroy	Marina
Citrus Heights	Gonzales	Mariposa
Clayton	Grass Valley	Martinez
Clearlake	Greenfield	Marysville
Cloverdale	Gridley	McFarland
Clovis	Grover Beach	Mendota
Coalinga	Guadalupe	Menlo Park
Colfax	Gustine	Merced
Colma	Half Moon Bay	Mill Valley

Millbrae  
Milpitas  
Modesto  
Monte Sereno  
Monterey  
Moraga  
Morgan Hill  
Morro Bay  
Mountain View  
Napa  
Newark  
Nevada City  
Newman  
Novato  
Oakdale  
Oakland  
Oakley  
Orange Cove  
Orinda  
Orland  
Oroville  
Pacific Grove  
Pacifica  
Palo Alto  
Paradise  
Parlier  
Paso Robles  
Patterson  
Petaluma  
Piedmont  
Pinole  
Pismo Beach  
Pittsburg  
Placerville  
Pleasant Hill  
Pleasanton  
Plymouth  
Point Arena  
Portola  
Portola Valley  
Rancho Cordova  
Red Bluff  
Redding  
Redwood City  
Reedley  
Richmond

Ridgecrest  
Rio Dell  
Rio Vista  
Ripon  
Riverbank  
Rocklin  
Rohnert Park  
Roseville  
Ross  
Sacramento  
Saint Helena  
Salinas  
San Anselmo  
San Bruno  
San Carlos  
San Francisco  
San Joaquin  
San Jose  
San Juan Bautista  
San Leandro  
San Luis Obispo  
San Mateo  
San Pablo  
San Rafael  
San Ramon  
Sand City  
Sanger  
Santa Clara  
Santa Cruz  
Santa Maria  
Santa Rosa  
Saratoga  
Sausalito  
Scotts Valley  
Seaside  
Sebastopol  
Selma  
Shafter  
Shasta Lake  
Soledad  
Solvang  
Sonoma  
Sonora  
South San Francisco  
Stockton  
Suisun City

Sunnyvale  
Sutter Creek  
Taft  
Tehama  
Tiburon  
Tracy  
Trinidad  
Turlock  
Ukiah  
Union City  
Vacaville  
Vallejo  
Victorville  
Walnut Creek  
Wasco  
Waterford  
Watsonville  
West Sacramento  
Wheatland  
Williams  
Willits  
Willows  
Windsor  
Winters  
Woodland  
Woodside  
Yountville  
Yuba City



**PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT G**

**Electric Affordability Metric Impacts  
per Decision (D.) 22-08-023**

Summary of Affordability Metric Impacts			
	Affordability Ratio 20 CARE/Non-CARE	Hours at Minimum Wage CARE/Non-CARE	Affordability Ratio 20 in Areas of Affordability Concern (Portions of Lake & Mendocino, Nevada & Sierra, Madera, Fresno, Tulare, Contra Costa, Merced, Colusa, Humboldt, Kern, and Butte Counties) CARE/Non-CARE
<b>Period 1</b> PG&E Proposal, Lowest-Highest Affordability Impact by Climate Zone	(0.1 – 0.3%)/ (0.1 – 0.4%)	(0.1) / (0.1)	(0.2 – 0.5%)/(0.2 – 0.8%)

**Summary of Results:**

As a result of PG&E's request in this application, the AR20 metric by climate zone beginning in January 2026 would increase by up to 0.1 to 0.3 percent if based on CARE and would increase by a range of 0.1 to 0.4 percent if based on non-CARE essential usage bills. This means that the proposed revenue request beginning in January 2026, would increase the portion of a customer's discretionary household income contributed towards essential electric service by an average of 0.2 to 0.8 percent for customers within the 20th percentile of income. As a result of PG&E's request in this application, the hours at minimum wage metric, assuming a minimum wage amount of \$16.50 per hour, would increase by up to 0.1 hours of work per month for the first period for both CARE and Non-CARE customers beginning in January 2026.

<b>CARE Monthly Electric Essential Use Bills</b>				
<b>Climate Zone</b>	<b>3/1/2025</b>	<b>Period 1 (January 2026)</b>		
	<b>Bill (\$)</b>	<b>Bill (\$)</b>	<b>Change from Present (\$)</b>	<b>%</b>
Territory P	\$ 89.79	\$ 91.23	\$ 1.44	1.6%
Territory Q	\$ 80.43	\$ 81.72	\$ 1.29	1.6%
Territory R	\$ 97.38	\$ 98.94	\$ 1.56	1.6%
Territory S	\$ 89.54	\$ 90.97	\$ 1.43	1.6%
Territory T	\$ 54.38	\$ 55.25	\$ 0.87	1.6%
Territory V	\$ 58.93	\$ 59.88	\$ 0.94	1.6%
Territory W	\$ 98.14	\$ 99.71	\$ 1.57	1.6%
Territory X	\$ 73.86	\$ 75.04	\$ 1.18	1.6%
Territory Y	\$ 82.71	\$ 84.03	\$ 1.32	1.6%
Territory Z	\$ 54.38	\$ 55.25	\$ 0.87	1.6%

<b>Non-CARE Monthly Electric Essential Use Bills</b>				
<b>Climate Zone</b>	<b>3/1/2025</b>	<b>Period 1 (January 2026)</b>		
	<b>Bill (\$)</b>	<b>Bill (\$)</b>	<b>Change from Present (\$)</b>	<b>%</b>
Territory P	\$ 146.60	\$ 148.81	\$ 2.21	1.5%
Territory Q	\$ 131.32	\$ 133.30	\$ 1.98	1.5%
Territory R	\$ 158.99	\$ 161.38	\$ 2.39	1.5%
Territory S	\$ 146.19	\$ 148.39	\$ 2.20	1.5%
Territory T	\$ 88.79	\$ 90.12	\$ 1.34	1.5%
Territory V	\$ 96.22	\$ 97.67	\$ 1.45	1.5%
Territory W	\$ 160.23	\$ 162.64	\$ 2.41	1.5%
Territory X	\$ 120.58	\$ 122.40	\$ 1.81	1.5%
Territory Y	\$ 135.04	\$ 137.07	\$ 2.03	1.5%
Territory Z	\$ 88.79	\$ 90.12	\$ 1.34	1.5%

\*Essential Use Bills are for customers with basic end-use. Bills do not include the biannual California Climate Credit.

<b>CARE Monthly Electric Average Use Bills</b>				
<b>Climate Zone</b>	<b>3/1/2025</b>	<b>Period 1 (January 2026)</b>		
	<b>Bill (\$)</b>	<b>Bill (\$)</b>	<b>Change from Present (\$)</b>	<b>%</b>
Territory P	\$ 153.74	\$ 156.18	\$ 2.43	1.6%
Territory Q	\$ 103.99	\$ 105.65	\$ 1.65	1.6%
Territory R	\$ 167.03	\$ 169.67	\$ 2.64	1.6%
Territory S	\$ 153.73	\$ 156.17	\$ 2.43	1.6%
Territory T	\$ 77.42	\$ 78.65	\$ 1.23	1.6%
Territory V	\$ 88.59	\$ 90.00	\$ 1.40	1.6%
Territory W	\$ 169.46	\$ 172.14	\$ 2.68	1.6%
Territory X	\$ 106.89	\$ 108.59	\$ 1.70	1.6%
Territory Y	\$ 141.75	\$ 143.99	\$ 2.24	1.6%
Territory Z	\$ 59.47	\$ 60.41	\$ 0.95	1.6%

<b>Non-CARE Monthly Electric Average Use Bills</b>				
<b>Climate Zone</b>	<b>3/1/2025</b>	<b>Period 1 (January 2026)</b>		
	<b>Bill (\$)</b>	<b>Bill (\$)</b>	<b>Change from Present (\$)</b>	<b>%</b>
Territory P	\$ 199.90	\$ 202.90	\$ 3.01	1.5%
Territory Q	\$ 180.12	\$ 182.83	\$ 2.71	1.5%
Territory R	\$ 240.48	\$ 244.10	\$ 3.62	1.5%
Territory S	\$ 223.77	\$ 227.14	\$ 3.37	1.5%
Territory T	\$ 124.93	\$ 126.80	\$ 1.88	1.5%
Territory V	\$ 154.05	\$ 156.36	\$ 2.32	1.5%
Territory W	\$ 243.40	\$ 247.06	\$ 3.66	1.5%
Territory X	\$ 188.49	\$ 191.33	\$ 2.84	1.5%
Territory Y	\$ 142.53	\$ 144.67	\$ 2.14	1.5%

*\*Average Bills are based on 2024 recorded usage. Bills do not include the biannual California Climate Credit.*

<b>CARE Electric - Hours at Minimum Wage</b>			
<b>Climate Zone</b>	<b>3/1/2025</b>	<b>Period 1 (January 2026)</b>	
	<b>Hours</b>	<b>Hours</b>	<b>Change from Present (hours)</b>
Territory P	5.4	5.5	0.1
Territory Q	4.9	5.0	0.1
Territory R	5.9	6.0	0.1
Territory S	5.4	5.5	0.1
Territory T	3.3	3.3	0.1
Territory V	3.6	3.6	0.1
Territory W	5.9	6.0	0.1
Territory X	4.5	4.5	0.1
Territory Y	5.0	5.1	0.1
Territory Z	3.3	3.3	0.1

<b>Non-CARE Electric - Hours at Minimum Wage</b>			
<b>Climate Zone</b>	<b>3/1/2025</b>	<b>Period 1 (January 2026)</b>	
	<b>Hours</b>	<b>Hours</b>	<b>Change from Present (hours)</b>
Territory P	8.9	9.0	0.1
Territory Q	8.0	8.1	0.1
Territory R	9.6	9.8	0.1
Territory S	8.9	9.0	0.1
Territory T	5.4	5.5	0.1
Territory V	5.8	5.9	0.1
Territory W	9.7	9.9	0.1
Territory X	7.3	7.4	0.1
Territory Y	8.2	8.3	0.1
Territory Z	5.4	5.5	0.1

*\*Hours at Minimum Wage metrics are calculated using a statewide minimum wage of \$16.50 per hour.*

Electric-AR20 (NON-CARE)			
Climate Zone	3/1/2025	Period 1 <i>(January 2026)</i>	
	AR20	AR20	Change from Present (%)
	(A)	(B)	(B) - (A)
Territory P	16.1%	16.4%	0.3%
Territory Q	8.3%	8.4%	0.1%
Territory R	25.1%	25.5%	0.4%
Territory S	14.6%	14.9%	0.2%
Territory T	9.9%	10.1%	0.2%
Territory V	18.5%	18.8%	0.3%
Territory W	17.6%	17.9%	0.3%
Territory X	8.1%	8.2%	0.1%
Territory Y	11.7%	11.9%	0.2%
Territory Z	5.4%	5.4%	0.1%

Electric-AR50 (NON-CARE)			
Climate Zone	3/1/2025	Period 1 <i>(January 2026)</i>	
	AR50	AR50	Change from Present (%)
	(A)	(B)	(B) - (A)
Territory P	4.0%	4.1%	0.1%
Territory Q	2.9%	2.9%	0.0%
Territory R	5.2%	5.3%	0.1%
Territory S	3.7%	3.7%	0.1%
Territory T	1.8%	1.9%	0.0%
Territory V	4.4%	4.5%	0.1%
Territory W	5.7%	5.8%	0.1%
Territory X	2.1%	2.1%	0.0%
Territory Y	3.1%	3.2%	0.0%
Territory Z	1.5%	1.5%	0.0%

Electric-AR20 (CARE)			
Climate Zone	3/1/2025	Period 1 <i>(January 2026)</i>	
	AR20	AR20	Change from Present (%)
	(A)	(B)	(B) - (A)
Territory P	11.9%	12.1%	0.2%
Territory Q	4.9%	5.0%	0.1%
Territory R	16.9%	17.2%	0.3%
Territory S	9.7%	9.9%	0.2%
Territory T	5.9%	6.0%	0.1%
Territory V	10.6%	10.8%	0.2%
Territory W	12.0%	12.2%	0.2%
Territory X	4.6%	4.7%	0.1%
Territory Y	11.7%	11.9%	0.2%
Territory Z	6.3%	6.4%	0.1%

\*AR metrics have been calculated using the 2022 Affordability Ratio Calculator.

<b>CARE AR20 - Areas of Affordability Concern</b>					
<b>PUMA</b>	<b>County/City</b>	<b>Electric Climate Zone</b>	<b># Housing Units</b>	<b>3/1/2025</b>	<b>Period 1</b>
03300	Lake & Mendocino Counties PUMA	PG&E P	34,621	14.5%	14.8%
05700	Nevada & Sierra Counties PUMA	PG&E P	28,517	13.7%	13.9%
03900	Madera County--Madera City PUMA	PG&E R	46,577	18.9%	19.2%
01903	Fresno County (Central)--Fresno City (East Central) PUMA	PG&E R	66,599	21.8%	22.2%
01904	Fresno County (Central)--Fresno City (Southwest) PUMA	PG&E R	111,927	21.8%	22.2%
01905	Fresno County (Central)--Fresno City (Southeast) PUMA	PG&E R	55,888	30.1%	30.7%
10703	Tulare County (Outside Visalia, Tulare & Porterville Cities) PUMA	PG&E Y	121	13.9%	14.2%
01308	Contra Costa County (Northeast)--Antioch City PUMA	PG&E S	39,137	20.0%	20.4%
04701	Merced County (West & South)--Los Banos & Livingston Cities PUMA	PG&E R	23,731	27.7%	28.2%
04702	Merced County (Northeast)--Merced & Atwater Cities PUMA	PG&E R	5,956	19.9%	20.2%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E S	19,319	18.7%	19.0%
02300	Humboldt County PUMA	PG&E Y	13,357	16.8%	17.1%
02903	Kern County (Central)--Bakersfield City (Northeast) PUMA	PG&E R	894	17.3%	17.6%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E R	25,862	25.8%	26.3%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E Y	1,491	18.2%	18.6%
03900	Madera County--Madera City PUMA	PG&E Y	1,416	16.9%	17.3%
00701	Butte County (Northwest)--Chico City PUMA	PG&E P	597	14.1%	14.4%

<b>Non-CARE AR20 - Areas of Affordability Concern</b>					
<b>PUMA</b>	<b>County/City</b>	<b>Electric Climate Zone</b>	<b># Housing Units</b>	<b>3/1/2025</b>	<b>Period 1</b>
03300	Lake & Mendocino Counties PUMA	PG&E P	34,621	19.7%	20.0%
05700	Nevada & Sierra Counties PUMA	PG&E P	28,517	18.5%	18.8%
03900	Madera County--Madera City PUMA	PG&E R	46,577	28.1%	28.6%
01903	Fresno County (Central)--Fresno City (East Central) PUMA	PG&E R	66,599	32.5%	33.1%
01904	Fresno County (Central)--Fresno City (Southwest) PUMA	PG&E R	111,927	32.5%	33.0%
01905	Fresno County (Central)--Fresno City (Southeast) PUMA	PG&E R	55,888	45.1%	45.9%
10703	Tulare County (Outside Visalia, Tulare & Porterville Cities) PUMA	PG&E Y	121	13.9%	14.2%
01308	Contra Costa County (Northeast)--Antioch City PUMA	PG&E S	39,137	30.3%	30.9%
04701	Merced County (West & South)--Los Banos & Livingston Cities PUMA	PG&E R	23,731	41.6%	42.4%
04702	Merced County (Northeast)--Merced & Atwater Cities PUMA	PG&E R	5,956	29.6%	30.1%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E S	19,319	28.1%	28.6%



**Gas Affordability Metric Impacts per  
Decision (D.) 22-08-023**

Gas Summary of Affordability Metric Impacts			
	Affordability Ratio 20 CARE/Non-CARE	Hours at Minimum Wage CARE/Non-CARE	Affordability Ratio 20 in Areas of Affordability Concern (Portions of San Francisco, Merced, Madera, Humboldt, Fresno, Contra Costa, Colusa, Glenn, Tehama & Trinity and Alameda Counties) CARE/Non-CARE
<b>Period 1</b> PG&E Proposal, Lowest-Highest Affordability Impact by Climate Zone	(0.1 – 0.2%)/ (0.1 – 0.3%)	(0.1)/ (0.1 – 0.2)	(0.2 – 0.4%)/(0.4 – 0.8%)

**Summary of Results:**

As a result of PG&E's request in this application, the AR20 metric by climate zone beginning in January 2026 would increase by a range of 0.1 to 0.2 percent if based on CARE essential usage bills, and would increase by a range of 0.1 to 0.3 percent if based on non-CARE essential usage bills. This means that the proposed revenue request beginning in January 2026, would increase the portion of a customer's discretionary household income contributed towards essential electric service by an average of 0.1 to 0.8 percent for customers within the 20th percentile of income. As a result of PG&E's request in this application, the hours at minimum wage metric, assuming a minimum wage amount of \$16.50 per hour, would increase by a range of 0.1 to 0.2 hours of work per month beginning in January 2026.

CARE Monthly Gas Essential Use Bills				
Climate Zone	Present	Period 1 (January 2026)		
	Bill (\$)	Bill (\$)	Change from Present (\$)	%
Territory P	\$ 69.79	\$ 71.47	\$ 1.68	2.4%
Territory Q	\$ 67.65	\$ 69.28	\$ 1.63	2.4%
Territory R	\$ 53.97	\$ 55.27	\$ 1.30	2.4%
Territory S	\$ 58.84	\$ 60.26	\$ 1.42	2.4%
Territory T	\$ 61.36	\$ 62.83	\$ 1.48	2.4%
Territory V	\$ 66.12	\$ 67.71	\$ 1.59	2.4%
Territory W	\$ 52.05	\$ 53.31	\$ 1.25	2.4%
Territory X	\$ 64.97	\$ 66.53	\$ 1.57	2.4%
Territory Y	\$ 92.28	\$ 94.50	\$ 2.22	2.4%

Non-CARE Monthly Gas Essential Use Bills				
Climate Zone	Present	Period 1 (January 2026)		
	Bill (\$)	Bill (\$)	Change from Present (\$)	%
Territory P	\$ 88.23	\$ 90.33	\$ 2.10	2.4%
Territory Q	\$ 85.53	\$ 87.57	\$ 2.03	2.4%
Territory R	\$ 68.23	\$ 69.86	\$ 1.62	2.4%
Territory S	\$ 74.39	\$ 76.16	\$ 1.77	2.4%
Territory T	\$ 77.58	\$ 79.42	\$ 1.85	2.4%
Territory V	\$ 83.60	\$ 85.58	\$ 1.99	2.4%
Territory W	\$ 65.81	\$ 67.38	\$ 1.57	2.4%
Territory X	\$ 82.14	\$ 84.10	\$ 1.95	2.4%
Territory Y	\$ 116.68	\$ 119.45	\$ 2.78	2.4%

*\*Essential Use Bills are for customers with basic end-use. Bills do not include the annual California Climate Credit.*

<b>CARE Monthly Gas Average Use Bills</b>				
<b>Climate Zone</b>	<b>Present</b>	<b>Period 1 (January 2026)</b>		
	<b>Bill (\$)</b>	<b>Bill (\$)</b>	<b>Change from Present (\$)</b>	<b>%</b>
Territory P	\$ 59.10	\$ 60.53	\$ 1.43	2.4%
Territory Q	\$ 83.52	\$ 85.55	\$ 2.03	2.4%
Territory R	\$ 56.01	\$ 57.36	\$ 1.36	2.4%
Territory S	\$ 60.36	\$ 61.82	\$ 1.46	2.4%
Territory T	\$ 51.39	\$ 52.63	\$ 1.24	2.4%
Territory V	\$ 66.82	\$ 68.44	\$ 1.62	2.4%
Territory W	\$ 58.34	\$ 59.75	\$ 1.41	2.4%
Territory X	\$ 49.85	\$ 51.06	\$ 1.20	2.4%
Territory Y	\$ 80.24	\$ 82.17	\$ 1.93	2.4%

<b>Non-CARE Monthly Gas Average Use Bills</b>				
<b>Climate Zone</b>	<b>Present</b>	<b>Period 1 (January 2026)</b>		
	<b>Bill (\$)</b>	<b>Bill (\$)</b>	<b>Change from Present (\$)</b>	<b>%</b>
Territory P	\$ 100.46	\$ 102.86	\$ 2.40	2.4%
Territory Q	\$ 112.88	\$ 115.60	\$ 2.71	2.4%
Territory R	\$ 76.84	\$ 78.68	\$ 1.84	2.4%
Territory S	\$ 82.41	\$ 84.38	\$ 1.97	2.4%
Territory T	\$ 73.85	\$ 75.61	\$ 1.76	2.4%
Territory V	\$ 87.82	\$ 89.92	\$ 2.10	2.4%
Territory W	\$ 70.96	\$ 72.66	\$ 1.69	2.4%
Territory X	\$ 86.73	\$ 88.79	\$ 2.07	2.4%
Territory Y	\$ 120.76	\$ 123.63	\$ 2.88	2.4%

*\*Average Bills are based on 2024 recorded usage. Bills do not include the biannual California Climate Credit.*

<b>CARE Gas - Hours at Minimum Wage</b>			
<b>Climate Zone</b>	<b>Present</b>	<b>Period 1 (January 2026)</b>	
	<b>Hours</b>	<b>Hours</b>	<b>Change from Present (hours)</b>
Territory P	4.2	4.3	0.1
Territory Q	4.1	4.2	0.1
Territory R	3.3	3.3	0.1
Territory S	3.6	3.7	0.1
Territory T	3.7	3.8	0.1
Territory V	4.0	4.1	0.1
Territory W	3.2	3.2	0.1
Territory X	3.9	4.0	0.1
Territory Y	5.6	5.7	0.1

<b>Non-CARE Gas - Hours at Minimum Wage</b>			
<b>Climate Zone</b>	<b>Present</b>	<b>Period 1 (January 2026)</b>	
	<b>Hours</b>	<b>Hours</b>	<b>Present (hours)</b>
Territory P	5.3	5.5	0.1
Territory Q	5.2	5.3	0.1
Territory R	4.1	4.2	0.1
Territory S	4.5	4.6	0.1
Territory T	4.7	4.8	0.1
Territory V	5.1	5.2	0.1
Territory W	4.0	4.1	0.1
Territory X	5.0	5.1	0.1
Territory Y	7.1	7.2	0.2

*\*Hours at Minimum Wage metrics are calculated using a statewide minimum wage of \$16.50 per hour.*

Gas-AR20 (NON-CARE)			
Climate Zone	Present	Period 1 (January 2026)	
	AR20	AR20	Change from Present (%)
	(A)	(C)	(C) - (A)
Territory P	7.3%	7.5%	0.2%
Territory Q	3.7%	3.8%	0.1%
Territory R	9.6%	9.8%	0.3%
Territory S	5.5%	5.7%	0.1%
Territory T	6.6%	6.8%	0.2%
Territory V	11.2%	11.5%	0.3%
Territory W	8.0%	8.2%	0.2%
Territory X	3.9%	4.0%	0.1%
Territory Y	9.6%	9.8%	0.2%

Gas-AR20 (CARE)			
Climate Zone	Present	Period 1 (January 2026)	
	AR20	AR20	Change from Present (%)
	(A)	(C)	(C) - (A)
Territory P	5.5%	5.7%	0.1%
Territory Q	2.9%	2.9%	0.1%
Territory R	6.7%	6.9%	0.2%
Territory S	4.2%	4.3%	0.1%
Territory T	5.0%	5.1%	0.1%
Territory V	8.1%	8.4%	0.2%
Territory W	5.8%	6.0%	0.2%
Territory X	3.0%	3.1%	0.1%
Territory Y	7.6%	7.8%	0.2%

Gas-AR50 (NON-CARE)			
Climate Zone	Present	Period 1	
	AR50	AR50	Change from Present (%)
	(A)	(C)	(C) - (A)
Territory P	1.7%	1.7%	0.0%
Territory Q	1.3%	1.3%	0.0%
Territory R	1.6%	1.6%	0.0%
Territory S	1.3%	1.4%	0.0%
Territory T	1.1%	1.2%	0.0%
Territory V	2.5%	2.6%	0.1%
Territory W	2.4%	2.4%	0.1%
Territory X	1.0%	1.0%	0.0%
Territory Y	2.5%	2.6%	0.1%

\*AR metrics have been calculated using the 2022 Affordability Ratio Calculator.

Gas CARE AR20 - Areas of Affordability Concern					
PUMA	County/City	Gas Climate Zone	# Housing Units	Present	Period 1 (January 2026)
07503	San Francisco County (Central)--South of Market & Potrero PUMA	PG&E T	62,937	9.68%	9.93%
04701	Merced County (West & South)--Los Banos & Livingston Cities PUMA	PG&E R	32,260	11.07%	11.38%
03900	Madera County--Madera City PUMA	PG&E Y	565	11.24%	11.54%
02300	Humboldt County PUMA	PG&E Y	5,327	11.12%	11.42%
01905	Fresno County (Central)--Fresno City (Southeast) PUMA	PG&E R	40,269	12.84%	13.23%
01308	Contra Costa County (Northeast)--Antioch City PUMA	PG&E S	33,796	9.41%	9.67%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E S	16,937	8.87%	9.10%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E R	22,420	11.74%	12.13%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E Y	595	12.17%	12.50%
00102	Alameda County (Northwest)--Oakland (Northwest) & Emeryville Cities PUMA	PG&E T	68,385	9.89%	10.15%

Gas Non-CARE AR20 - Areas of Affordability Concern					
PUMA	County/City	Gas Climate Zone	# Housing Units	Present	Period 1 (January 2026)
07503	San Francisco County (Central)--South of Market & Potrero PUMA	PG&E T	62,937	13.24%	13.60%
04701	Merced County (West & South)--Los Banos & Livingston Cities PUMA	PG&E R	32,260	16.04%	16.54%
03900	Madera County--Madera City PUMA	PG&E Y	565	14.15%	14.53%
02300	Humboldt County PUMA	PG&E Y	5,327	14.01%	14.38%
01905	Fresno County (Central)--Fresno City (Southeast) PUMA	PG&E R	40,269	19.63%	20.30%
01308	Contra Costa County (Northeast)--Antioch City PUMA	PG&E S	33,796	13.38%	13.78%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E S	16,937	12.32%	12.67%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E R	22,420	20.28%	21.04%
01100	Colusa, Glenn, Tehama & Trinity Counties PUMA	PG&E Y	595	15.32%	15.73%
00102	Alameda County (Northwest)--Oakland (Northwest) & Emeryville Cities PUMA	PG&E T	68,385	13.56%	13.92%

\*Areas of Affordability Concern (AAC) are denoted by the 2022 Annual Affordability Report published by the CPUC.