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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39E) for Approval Under Public Utilities Code Section 851 to Lease Entitlements to Transmission Projects to Citizens Energy Corporation.

Application 24-03-009

ADMINISTRATIVE LAW JUDGE'S RULING PARTIALLY GRANTING THE MOTION OF PACIFIC GAS AND ELECTRIC COMPANY FOR MODIFICATION TO PROCEEDING SCHEDULE

This Ruling partially grants the Motion of Pacific Gas and Electric (PG&E) Company for Modification to Proceeding Schedule setting evidentiary hearing dates, if needed, in this instant Application for October 2 and 3, 2025, and setting a Rule 13.9 meet and confer for after rebuttal testimony is served. This ruling does not grant PG&E's motion that the proceeding schedule clarify that evidentiary hearings, if needed, will be held virtually.

1. Procedural and Factual Background

Pacific Gas and Electric Company (PG&E) filed its instant application on March 12, 2024 requesting approval under Public Utilities Code (Pub. Util. Code) Section 851¹ to lease entitlements to transmission projects to Citizens Energy

¹ Pub. Util. Code Section 851(a): A public utility, other than a common carrier by railroad subject to Part A of the Interstate Commerce Act (49 U.S.C. Sec. 10101 et seq.), shall not sell, lease, assign, mortgage, or otherwise dispose of, or encumber the whole or any part of its railroad, street railroad, line, plant, system, or other property necessary or useful in the performance of its duties to the public, or any franchise or permit or any right thereunder, or by any means whatsoever, directly or indirectly, merge or consolidate its railroad, street railroad, line, plant, system, or other property, or franchises or permits or any part thereof, without first having either secured an order from the commission authorizing it to do so for qualified transactions

Footnote continued on next page.

Corporation (Citizens). PG&E filed an Amended Application on January 31, 2025. PG&E proposes to access up to \$1.0 billion in capital to accelerate PG&E's development of electric infrastructure necessary to meet California's decarbonization goals.²

Citizens is a non-profit charitable corporation founded in 1979. PG&E and Citizens executed a Development, Coordination, and Option Agreement (DCOA) on February 20, 2024.³ Under the DCOA, PG&E may offer Citizens up to five separate options to lease Entitlements to PG&E high-voltage transmission projects that will be identified in the relevant Entitlements Lease and will meet specified eligibility requirements. If PG&E and Citizens close on a given option, the Parties will enter into a 30-year "Entitlements Lease" for the applicable group of projects. As part of the lease, Citizens will be entitled to the revenue associated with the use of its Entitlement, which the California Independent System Operator (CAISO) will pay directly to Citizens through the High-Voltage Transmission Access Charge (TAC). Citizens will use a substantial portion of its resulting net after-tax profits to fund energy-related charitable programs for disadvantaged communities and low-income families in PG&E's service territory in Northern and Central California.⁴

Prehearing conferences were held on July 26, 2024, and April 14, 2025, addressing this Application. A Scoping Ruling was issued on May 6, 2025, identifying issues and setting a schedule for this Application. The Scoping Ruling

valued above five million dollars (\$5,000,000), or for qualified transactions valued at five million dollars (\$5,000,000) or less, filed an advice letter and obtained approval from the commission authorizing it to do so.

² Amended Application at 3.

³ Attachment 1 to the Amended Application.

⁴ Amended Application at 3.

included an evidentiary hearing in the proceeding schedule on a date to be determined. The Scoping Ruling also specified that “[p]arties are directed to Meet & Confer after serving intervenor testimony regarding the need for hearings.”

On June 18, 2025, PG&E filed a motion to request that the Administrative Law Judge (ALJ) in this proceeding set specific dates for evidentiary hearings, if needed, “given the likely difficulty in finding dates for any needed hearings that work for the Commission and for all counsel and witnesses.”⁵ PG&E wrote that it had reached out to all parties - The Utility Reform Network, Citizens, the Center for Accessible Technology, the National Diversity Coalition, and the Public Advocates Office - about their availability for hearings between September 22, 2025, and October 17, 2025, and had determined that all parties were available to participate in hearings on October 2 and 3, 2025.⁶ PG&E also wrote that several of the witnesses and/or attorneys that it identified representing parties are based outside of California and would be able to participate in hearings in an efficient manner if they are held virtually.⁷ Finally, PG&E noted that Rule 13.9 requires that a meet and confer be held after rebuttal testimony is served.⁸

On June 20, 2025, ALJ Jack Chang issued an email ruling shortening the comment period on PG&E’s motion to until June 27, 2025. The Center for Accessible Technology (CforAT) filed a response on June 27, 2025 opposing PG&E’s motion that the proceeding schedule specify that evidentiary hearings will be held virtually, arguing that remote hearings are “more difficult” to

⁵ Motion of Pacific Gas and Electric Company for Modification to Proceeding Schedule at 1-2.

⁶ Motion of Pacific Gas and Electric Company for Modification to Proceeding Schedule at 2.

⁷ Motion of Pacific Gas and Electric Company for Modification to Proceeding Schedule at 3.

⁸ Motion of Pacific Gas and Electric Company for Modification to Proceeding Schedule at 3.

conduct and attend. CforAT's response did not oppose the other requests in PG&E's motion. On June 27, 2025, the Public Advocates Office filed a response opposing PG&E's motion that the proceeding schedule specify that evidentiary hearings will be held virtually, arguing that PG&E's motion asks the Commission to pre-determine evidentiary hearing issues that the Commission will address at the Status Conference scheduled for the third quarter of 2025.

2. Discussion

Considering the record as developed thus far and the comments received on PG&E's motion, it is reasonable to schedule evidentiary hearings, if needed, for October 2 and 3, 2025, and to schedule the Rule 13.9 meet and confer until after rebuttal testimony is served. PG&E's motion that the proceeding schedule clarify that hearings will be held virtually is denied. The manner by which evidentiary hearings, if held, will be conducted can be determined later in this proceeding.

IT IS RULED that:

1. PG&E's June 18, 2025, Motion to Modify the Proceeding Schedule is granted partially.
2. Hearings, if needed, will be held on October 2 and 3, 2025.
3. The Rule 13.9 meet and confer will be held after rebuttal testimony is served.

Dated June 30, 2025, at San Francisco, California.

/s/ JACK CHANG
Jack Chang
Administrative Law Judge