



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

FILED

07/24/25

09:09 AM

A2407020

Application of Pacific Gas and Electric
Company (U 39 G) for Approval of Peak
Day Supply Standard Pursuant to Decision
23-11-069

Application No. 24-07-020
(Filed July 31, 2024)

(U 39 G)

**JOINT MOTION OF PACIFIC GAS AND ELECTRIC COMPANY AND THE
UTILITY REFORM NETWORK FOR APPROVAL OF A SETTLEMENT OF
ALL ISSUES IN THE PEAK DAY SUPPLY STANDARD APPLICATION**

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Dated: July 24, 2025

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Application of Pacific Gas and Electric
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ALL ISSUES IN THE PEAK DAY SUPPLY STANDARD APPLICATION**

Pursuant to Rule 12.1 of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure (Rules), Pacific Gas and Electric Company (PG&E) and The Utility Reform Network (TURN) respectfully request that the Commission approve and adopt the attached Settlement which resolves all issues in PG&E’s Peak Day Supply Standard Application (A.) 24-07-020 filed at the California Public Utilities Commission (Commission) on July 31, 2024 (PDSS Application).¹ A copy of the Settlement is included as Attachment A to this motion.

In this motion, PG&E and TURN demonstrate that the Settlement is reasonable in light of the whole record, consistent with law, and in the public interest and thus should be approved by the Commission.

I. BACKGROUND

The Peak Day Supply Standard Analysis was first developed as a part of PG&E’s 2019 Natural gas Storage Strategy (NGSS) that was included in the 2019 Gas Transmission and Storage (GT&S) rate case. As the Commission explained, the purpose of the Peak Day Supply Standard Analysis is to provide “the demand and available

¹ TURN has authorized PG&E to file this motion on its behalf pursuant to Rule 1.8(d).

supply on a peak day to determine the necessary amount of gas storage capacity.”² The Commission went on to explain that “[t]he Peak Day Supply Standard is critical for advance planning to ensure that PG&E has sufficient gas transmission and storage resources on peak day events.”³

In PG&E 2023 General Rate Case (GRC), which merged the GRC and GT&S rate cases, PG&E presented an updated Peak Day Supply Standard Analysis.⁴ TURN and other parties contested various aspects of PG&E’s Peak Day Supply Standard Analysis. In the 2023 GRC Decision, the Commission reviewed and modified certain aspects of PG&E’s original Peak Day Supply Standard Analysis and approved the demand forecast “for the winter of 2023 through 2024.”⁵ The Commission also directed that PG&E file an application updating its Peak Day Supply Standard Analysis for winters 2024/25 through 2026/27.⁶ The Commission explained that:

[T]he gas supply standard should be improved to resolve uncertainties presented by parties’ disputes over the definition of the electric generation standard and data. Consequently, the Commission directs PG&E to include an update to its revised Peak Day Supply Standard in a new application discussed in Section [3.6.6] below. The purpose of requiring PG&E to resubmit its supply standard is to improve its methodology and include changed circumstances, such as changes in the operation of the Diablo Canyon Power Plants after 2025, the Preferred System Study, the latest *California Gas Report*, and the impact of new well inspection regulations on gas storage capacity, among others.⁷

² Decision (D.) 23-11-069, p. 151. In this motion, D.23-11-069 is referred to as the “2023 GRC Decision.”

³ D.23-11-069, pp. 152-153.

⁴ D.23-11-069, pp. 151-152.

⁵ D.23-11-069, p. 159.

⁶ Decision (D.) 23-11-069, p. 159.

⁷ D.23-11-069, p. 159.

In response to the Commission’s direction, PG&E submitted the PDSS Application on July 31, 2024.⁸ Before filing its PDSS Application, PG&E conducted outreach to stakeholders concerning its Peak Day Supply Standard Analysis.⁹ In addition to the application, PG&E also submitted Prepared Testimony supporting the PDSS Application which was marked as Exhibit PGE-01 and workpapers marked as Exhibit PGE-02.

On September 3, 2024, TURN filed a Protest to the PDSS Application. On September 10, 2024, PG&E filed a reply to TURN’s Protest.

On January 17, 2025, Administrative Law Judge Ferguson conducted a pre-hearing conference.

On April 17, 2025, Commissioner Douglas issued the *Assigned Commissioner’s Scoping Memo and Ruling* (Scoping Memo). The sole issue identified in the Scoping Memo was “[d]id PG&E comply with the requirements in D.23-11-069 for updating the Peak Day Supply Standard Analysis (referred to herein as Peak Day Demand projections).”¹⁰

On April 22, 2025, TURN filed a *Motion to Clarify and/or Modify the Scoping Memo* (TURN Scoping Memo Motion). On April 24, 2025, PG&E filed its Response to the TURN Scoping Memo Motion. On May 1, 2025, TURN submitted its reply to PG&E’s response to the TURN Scoping Memo Motion.

On May 12, 2025, PG&E filed its *Motion for Conditional Modification to Procedural Schedule and Request for Expedited Consideration* (PG&E Conditional Schedule Motion).

⁸ The 2023 GRC Decision required the updated Peak Day Supply Standard Analysis to be submitted within 180 days of the decision. However, because the 2024 California Gas Report (CGR) was not available until July 1, 2024, on February 23, 2024, Executive Director Rachel Peterson granted an extension under Rule 16.6 to file PG&E’s application thirty (30) days after the 2024 CGR was issued.

⁹ Application, pp. 4-5.

¹⁰ Scoping Memo, p. 7.

On May 12, 2025, Commissioner Douglas issued the *Assigned Commissioner's Amendment to the Scoping Memo and Ruling, Granting in Part and Denying in Part, The Utility Reform Network's Motion to Clarify and/or Modify the Scoping Memo* (Amended Scoping Memo Ruling). Commissioner Douglas' ruling amended the sole issue in this proceeding to state “[d]id PG&E comply with the requirements in D.23-11-069 for updating its Peak Day Supply Standard Analysis.”¹¹

On May 14, 2025, TURN submitted its testimony which included three exhibits, which were marked Exhibits TURN-01, TURN-02, and TURN-03.

On May 15, 2025, PG&E filed its *Motion to Strike, Request for Expedited Consideration, And, in the Alternative, Modify the Procedural Schedule* (PG&E Motion to Strike). On May 16, 2025, TURN filed its response to PG&E's Motion to Strike.

On May 28, 2025, PG&E submitted its rebuttal testimony which was marked as Exhibit PGE-03.

On June 3, 2025, PG&E and TURN conducted the meet and confer required by Rule 13.9.

II. SUMMARY OF SETTLEMENT NEGOTIATIONS

On June 4, 2025, PG&E and TURN sent an e-mail to Judge Ferguson indicating the parties agreed that it may be useful to have settlement discussions to evaluate whether a settlement is possible in this proceeding. PG&E and TURN requested that the hearing scheduled for June 17-18, 2025, be continued, so that the parties could engage in settlement discussions.

On June 6, 2025, Assistant Chief Administrative Law Judge Kimberly Kim granted the request to continue the evidentiary hearing dates and tentatively set evidentiary hearings for July 28-29, 2025.

On July 3, 2025, PG&E provided notice of a settlement conference to the service

¹¹ Amended Scoping Memo Ruling, p. 4.

list consistent with Rule 12.1(b). The settlement conference was held on July 15, 2025, at 10:00 a.m. (PST) and was conducted remotely. The only parties attending the settlement conference were PG&E and TURN.

On July 15, 2025, PG&E notified Judge Ferguson that the parties had reached a settlement and indicated that hearings were no longer needed. This motion includes the settlement agreed to by PG&E and TURN, the only two active parties in this proceeding.

III. SUMMARY OF THE SETTLEMENT

The Settlement resolves all of the disputed issues in this proceeding. First, the parties have agreed to a revised Peak Day Supply Standard Analysis for winter 2024/25 through 2026/27 (“Settled Peak Day Supply Standard Analysis”).¹² The Settled Peak Day Supply Standard Analysis is reflected in Table 1 below, which includes the Peak Day Supply Standard Analysis originally filed by PG&E and the Settled Peak Day Supply Standard Analysis. For clarity, rows in which the Settled Peak Day Supply Standard Analysis varies from PG&E’s as-filed Peak Day Supply Standard Analysis are highlighted in Table 1.

¹² Settlement, § 2.1.

Table 1 – Settled Peak Day Supply Standard Analysis

			PG&E As-Filed			Settlement		
			Winter 24-25 (mmscfd)	Winter 25-26 (mmscfd)	Winter 26-27 (mmscfd)	Winter 24-25 (mmscfd)	Winter 25-26 (mmscfd)	Winter 26-27 (mmscfd)
	Demand							
1	Core		2,491	2,491	2,488	2,424	2,425	2,422
2	Industrial Demand		509	512	516	509	512	516
3	Electric Generation		1,186	1,021	915	1,100	950	850
4	Off-System and Shrinkage		123	123	123	123	123	123
5	Total Demand	Sum Line 1-4	4,309	4,147	4,042	4,156	4,010	3,911
	Supply							
6	Total Combined Northern and Southern Supply		3,723	3,723	3,723	3,815	3,815	3,815
7	Withdrawal Needed To Meet Demand Only	Line 5 minus 6	586	424	319	341	195	96
8	Inventory Management and Reserve Capacity		550	550	550	550	550	550
9	Total Withdrawal Needed From PG&E Storage	Line 7 plus 8	1,136	974	869	891	745	646
10	Forecast PG&E Withdrawal Capacities (McDonald Island, Los Medanos, Cross Compression and PG&E Gill Ranch)		756	781	820	756	781	820
11	Capacity Surplus/Shortfall	Line 10 minus 9	-380	-193	-49	-135	36	174
	Capacity Investment							
12	New/Replacement Wells At PG&E Facilities		38	98	98	38	98	98
13	New/Replacement Wells PG&E Gill Ranch		0	4	8	0	4	8
14	Total Capacity Additions	Sum Lines 12-13	38	102	106	38	102	106
15	Forecasted PG&E Storage Capacities After Investments	Sum line 10 plus 14	794	883	926	794	883	926

Table 1 – Settled Peak Day Supply Standard Analysis

			PG&E As-Filed			Settlement		
			Winter 24-25 (mmscfd)	Winter 25-26 (mmscfd)	Winter 26-27 (mmscfd)	Winter 24-25 (mmscfd)	Winter 25-26 (mmscfd)	Winter 26-27 (mmscfd)
16	Surplus or Shortfall After Identified Investments	Line 15 minus 9	-342	-91	57	-97	138	280

Second, the Settlement provides that PG&E's PDSS Application, as modified by this Settlement, complies with the 2023 GRC Decision.¹³

Third, discovery responses from the PDSS Application proceeding can be used in other proceedings including, but not limited to, PG&E's 2027 GRC (Application 25-05-009), as applicable.¹⁴

Fourth, Advice Letter 4886-G concerning firm gas storage held by PG&E for core gas customers will remain in effect until a decision in PG&E's 2027 GRC.¹⁵

Fifth, the parties request that the Commission close the PDSS Application proceeding upon approval of the Settlement.¹⁶

Sixth, consistent with Rules 12.1(a) and 12.5, the Settled Peak Day Supply Standard Analysis is not precedential and cannot be used as evidence in other proceedings.¹⁷

Finally, the Settlement includes a number of general settlement terms and conditions such as the Commission's jurisdiction, severability and knowing acceptance, the entirety of the agreement, no admission, modification and enforceability, and other provisions that are standard in settlement agreements.¹⁸

IV. THE SETTLEMENT IS REASONABLE AND SHOULD BE ADOPTED

Commission Rule 12.1(d) sets forth the standard for approval of settlements:

The Commission will not approve settlements, whether contested or uncontested, unless the settlement is reasonable in light of the whole record, consistent with law, and in the public interest.¹⁹

The Commission approves settlement agreements based on whether the settlement

¹³ Settlement, § 2.2.

¹⁴ Settlement, § 2.3.

¹⁵ Settlement, § 2.4.

¹⁶ Settlement, § 2.5.

¹⁷ Settlement, § 3.11.

¹⁸ Settlement, § 3.

¹⁹ Rule 12.1(d).

agreement is just and reasonable as a whole:

In assessing settlements we consider individual settlement provisions but, in light of strong public policy favoring settlements, we do not base our conclusion on whether any single provision is the optimal result. Rather, we determine whether the settlement as a whole produces a just and reasonable outcome.²⁰

Numerous Commission decisions have “endorsed settlements as an ‘appropriate method of alternative ratemaking’ and express a strong public policy favoring settlement of disputes if they are fair and reasonable in light of the whole record.”²¹ It is long-standing Commission policy to strongly favor settlement.²² This policy supports many worthwhile goals, including not only reducing the expense of litigation and conserving scarce Commission resources, but also allowing parties to reduce the risk that litigation will produce unacceptable results.²³ In this case, the Commission’s three settlement criteria are readily satisfied.

A. Reasonable In Light of the Whole Record

The record in this proceeding is extensive. PG&E’s Prepared Testimony (Exhibit PGE-01) is twenty pages in length and contains a detailed explanation for each line item in the proposed Peak Day Supply Standard Analysis. PG&E also provided workpapers (Exhibit PGE-02).

TURN conducted extensive discovery including fourteen (14) sets of discovery that have included numerous questions and subparts to these questions. PG&E has provided TURN with substantial information and data in response to these data requests, including information prepared by Marquette Energy Analytics (MEA) and runs on various models used to develop PG&E’s Peak Day Supply Standard Analysis. After conducting this discovery, TURN submitted detailed testimony (Exhibits TURN-01 to

²⁰ D.10-04-033, p. 9.

²¹ See, *e.g.*, D.05-10-041, p. 47; D.15-03-006, p. 6; and D.15-04-006, p. 8.

²² D.10-06-038, p. 38.

²³ D.14-12-040, p. 15.

TURN-03) that primarily addresses: (1) PG&E's core gas demand forecast; (2) PG&E's electric generation demand forecast; and (3) limitations on gas supply as a result of the Redwood Path constraint.

PG&E provided Rebuttal Testimony (Exhibit PGE-03) addressing the issues raised by TURN.

After reviewing all of the testimony and discovery, the parties were able to work together collaboratively and negotiate revisions to three inputs into the Peak Day Supply Standard Analysis:

- (1) Core gas demand forecast (Table 1, Line 1);
- (2) Electric generation forecast (Table 1, Line 3); and
- (3) Northern and southern supply availability (Table 1, Line 6).

The settled amounts for each of these inputs are within the range of the values advocated by PG&E and TURN in their respective testimony and represent a reasonable compromise for these disputed input values. PG&E and TURN recognize that the Peak Day Supply Standard Analysis, as with all forecasts, involves some level of informed judgment and opinion. While both parties believe their respective positions on these input values is correct, as reflected in their testimony, the settled input values represent a reasonable compromise based on the robust record developed in this proceeding.

Similarly, the fact that the PDSS Application, as modified by the Settlement, complies with the 2023 GRC Decision is supported by the record.²⁴

B. Consistency with the Law

The Commission has consistently reviewed and approved settlements in reasonableness proceedings where the parties were able to agree on disputed amounts.²⁵

²⁴ See e.g. Exhibit PGE-01, p. 18, line 18 to p. 19, line 18 (describing compliance with 2023 GRC Decision).

²⁵ See e.g. D.11-07-038 (disputed amount to include in rates); D.14-06-029 (settling policy and rate issues).

This case does not involve rates, but it does involve disputes regarding the inputs into the Peak Day Supply Standard Analysis. As described above in Section IV.A, based on the whole record in this proceeding, the settled input values are reasonable and consistent with the Commission’s policy of encouraging settlement of disputed issues.²⁶

In addition, the Settlement is consistent with the Scoping Memo. The Scoping Memo identified a single issue for this proceeding—whether PG&E had complied with the 2023 GRC Decision. The Settlement directly addresses this issue by concluding that, as modified by the Settlement, the PDSS Application complies with the 2023 GRC Decision.²⁷

Finally, the Settlement is consistent with Advice Letter 4886-G which was approved by the Commission on May 23, 2024, with an effective date of March 29, 2024. In that advice letter, PG&E explained:

In its 2023 GRC testimony, PG&E explained that the appropriate method for determining the amount of gas storage withdrawal that was available to be allocated to PG&E’s Core Firm Storage service was to subtract Inventory Management and Reserve Capacity from PG&E’s forecasted total gas storage capacity available. When this approach is applied to the updated peak day supply standard adopted in the 2023 GRC Decision, the number for the 2023-2024 winter is 411 MMcf/d. Thus, the 2023 GRC Decision implicitly approved an increase in PG&E’s Core Firm Storage service to 411 MMcf/d for the 2023-2024 winter.

However, Table 3-B in the 2023 GRC Decision only extends through the 2023-2024 winter. Thus, the 2023 GRC Decision is unclear how much gas storage withdrawal capacity is allocated to PG&E’s Core Firm Storage for the 2024-2025 winter and going forward. The CARD Decision also does not address the issue directly, but instead defers to the 2023 GRC. The proposed increase in core storage capacity is listed in the undisputed issues exhibit attached to the CARD Settlement, but with the caveat that the proposal is contingent on core storage capacity adopted in the 2023 GRC Decision.

²⁶ D.10-06-038, p. 38.

²⁷ Settlement, § 2.2.

PG&E expects to submit an application to the Commission in the third quarter of 2024 to provide an updated peak day supply standard that would apply for the 2024-2025 winter going forward until PG&E's next GRC. However, this application may be disputed and a decision from the Commission may not occur until 2025 or later. Meanwhile, PG&E's Core Gas Supply department needs to make decisions for contracting for firm storage well in advance of the 2024-2025 winter. Thus, PG&E intends to use the Commission adopted 411 MMcf/d Core Firm Storage for the 2024-2025 winter and subsequent winters until directed to do otherwise in a Commission decision on the peak day supply standard application. The 411 MMcf/d converts to 425 MDth/d of withdrawal capacity and is applicable to December through February. There is also associated annual gas inventory of 6,935 MDth, withdrawal capacity for November and March of 213 MDth/d, and injection capacity for April through October of 34 MDth/d.²⁸

The Settlement resolves this issue by providing that Advice Letter 4886-G will remain in effect until a decision in PG&E's 2027 GRC.²⁹ This is consistent with the Commission's approval of Advice Letter 4886-G which provides that Core Gas Firm Storage remains in effect "until [PG&E is] directed to do otherwise in a Commission decision on the peak day supply standard application." PG&E's 2027 GRC will substantively address the Peak Day Supply Standard Analysis and thus, consistent with Advice Letter 4886-G, is the appropriate proceeding to re-examine the Core Firm Gas Storage amount.

C. In the Public Interest

Finally, the Settlement is in the public interest because it conserves the Commission's and parties' time and resources.³⁰ First, without the Settlement, the parties would likely conduct several days of hearings followed by extensive post-hearing briefing. Judge Ferguson and Commissioner Douglas would be required to prepare a Proposed Decision and the Commission would need to vote out a final decision. The additional time and resources involved in hearings and post-hearing briefing is avoided as

²⁸ Advice Letter 4886-G, pp. 2-3 (footnotes omitted).

²⁹ Settlement, § 2.4.

³⁰ D.18-02-009, p. 7 (settlement in public interest where it spares the Commission and parties time, effort to litigate disputed issues); D.22-03-011, p. 21 (same).

a result of the Settlement, which expressly requests that the Commission close this proceeding.³¹

Second, PG&E's proposed Peak Day Supply Standard Analysis is squarely at issue in the 2027 GRC which was filed in May 2025. There is no benefit to the Commission or parties to litigate the exact same methodology issues in two proceedings (*i.e.*, in this proceeding and the 2027 GRC) when parties have settled all issues presented in this proceeding. By adopting the proposed settlement here, the Commission and parties can focus on the 2027 GRC.

Third, the Settlement promotes efficiency and the use of resources by providing that the extensive discovery provided in this proceeding can be used in other proceedings, such as the 2027 GRC.³² Rather than requiring parties to re-create the wheel in other proceedings, the Settlement promotes the public interest by allowing parties to use discovery and conserve resources and time.

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³¹ Settlement, § 2.5.

³² Settlement, § 2.3.

V. CONCLUSION

For the foregoing reasons, TURN and PG&E respectfully request that the Commission to approve the Settlement in full without modification.

Respectfully Submitted,

By: /s/ Charles R. Middlekauff
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Attorney for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: July 24, 2025

Attachment A

Settlement Agreement Between Pacific gas and Electric Company and The Utility Reform Network

SETTLEMENT AGREEMENT BETWEEN PACIFIC GAS AND ELECTRIC COMPANY (U 39 G) AND THE UTILITY REFORM NETWORK

Application 24-07-020

This settlement agreement (Settlement) is between Pacific Gas and Electric Company (PG&E) and The Utility Reform Network (TURN (separately “Settling Party” and jointly “Settling Parties”). The Settlement resolves all issues in PG&E’s *Peak Day Supply Standard Application*, Application (A.) 24-07-020 filed at the California Public Utilities Commission (Commission) on July 31, 2024 (PDSS Application).

1. Procedural Background

On July 31, 2024, PG&E submitted the PDSS Application. The PDSS Application was submitted in response to the Commission’s direction in Decision (D.) 23-11-069 in PG&E’s 2023 General Rate Case (GRC) Proceeding (2023 GRC Decision).¹ In the 2023 GRC Decision, the Commission directed PG&E to file an application updating its Peak Day Supply Standard Analysis.² In addition to the application, PG&E submitted Prepared Testimony supporting the PDSS Application which was marked as Exhibit PG&E-01.

On September 3, 2024, TURN filed a Protest to the PDSS Application.

On September 10, 2024, PG&E filed a reply to TURN’s Protest.

On January 17, 2025, Administrative Law Judge (ALJ) Ferguson conducted a pre-hearing conference.

On April 17, 2025, Commissioner Douglas issued the *Assigned Commissioner’s Scoping Memo and Ruling* (Scoping Memo).

On April 22, 2025, TURN filed a *Motion to Clarify and/or Modify the Scoping Memo* (TURN Scoping Memo Motion).

¹ The 2023 GRC proceeding is Application (A.) 21-06-021.

² D.23-11-069, p. 159.

On April 24, 2025, PG&E filed its Response to the TURN Scoping Memo Motion.

On May 1, 2025, TURN submitted its reply to PG&E's response to the TURN Scoping Memo Motion.

On May 12, 2025, PG&E filed its *Motion for Conditional Modification to Procedural Schedule and Request for Expedited Consideration* (PG&E Conditional Schedule Motion).

On May 12, 2025, Commissioner Douglas issued the *Assigned Commissioner's Amendment to the Scoping Memo and Ruling, Granting in Part and Denying in Part, The Utility Reform Network's Motion to Clarify and/or Modify the Scoping Memo*.

On May 14, 2025, TURN submitted its testimony which included three exhibits, which were marked TURN-01, TURN-02, and TURN-03.

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On May 28, 2025, PG&E submitted its rebuttal testimony which was marked as Exhibit PG&E-02.

On June 3, 2025, PG&E and TURN conducted the meet and confer required by Commission Rule of Practice and Procedure (Rules) 13.9.

On June 4, 2025, PG&E and TURN sent an e-mail to ALJ Ferguson indicating "the parties agreed that it may be useful to have settlement discussions to evaluate whether a settlement is possible in this proceeding." PG&E and TURN requested that the hearing scheduled for June 17-18, 2025 be continued, so that the parties could engage in settlement discussions.

On June 6, 2025, ALJ Kimberly Kim granted the request to continue the evidentiary hearing dates and set evidentiary hearings for July 28-29, 2025.

On July 3, 2025, PG&E provided notice of a settlement conference to the service

list consistent with Rule 12.1(b). The settlement conference was held on July 15, 2025, at 10:00 a.m. (PST) and was conducted remotely. The only parties attending the settlement conference were PG&E and TURN.

2. Settlement Terms and Conditions

This proceeding has been actively litigated by TURN and PG&E. TURN has propounded fourteen (14) sets of discovery that have included numerous questions and subparts to these questions. PG&E has provided TURN with substantial information and data in response to these data requests, including information prepared by Marquette Energy Analytics (MEA) and runs on various models used to develop PG&E's Peak Day Supply Standard Analysis. PG&E submitted Prepared and Rebuttal Testimony and TURN submitted three separate pieces of testimony. After extensive discovery and testimony efforts, the Settling Parties were able to work together collaboratively to agree on the following settlement terms and conditions to resolve all of the issues in the PDSS Application:

2.1 Settled Peak Day Supply Standard Analysis: The PDSS Application included an updated Peak Day Supply Standard Analysis.³ The Settling Parties have agreed to the revised Updated Peak Day Supply Standard Analysis in Table 1 for purposes of this proceeding only (Settled Peak Day Supply Standard Analysis). For clarity, rows in which the Settled Peak Day Supply Standard Analysis varies from PG&E's as-filed Peak Day Supply Standard Analysis are highlighted.

³ PDSS Application, p. 6, Table 1.

Table 1 – Settled Peak Day Supply Standard Analysis

			PG&E As-Filed			Settlement		
			Winter 24-25 (mmscfd)	Winter 25-26 (mmscfd)	Winter 26-27 (mmscfd)	Winter 24-25 (mmscfd)	Winter 25-26 (mmscfd)	Winter 26-27 (mmscfd)
	Demand							
1	Core		2,491	2,491	2,488	2,424	2,425	2,422
2	Industrial Demand		509	512	516	509	512	516
3	Electric Generation		1,186	1,021	915	1,100	950	850
4	Off-System and Shrinkage		123	123	123	123	123	123
5	Total Demand	Sum Line 1-4	4,309	4,147	4,042	4,156	4,010	3,911
	Supply							
6	Total Combined Northern and Southern Supply		3,723	3,723	3,723	3,815	3,815	3,815
7	Withdrawal Needed To Meet Demand Only	Line 5 minus 6	586	424	319	341	195	96
8	Inventory Management and Reserve Capacity		550	550	550	550	550	550
9	Total Withdrawal Needed From PG&E Storage	Line 7 plus 8	1,136	974	869	891	745	646
10	Forecast PG&E Withdrawal Capacities (McDonald Island, Los Medanos, Cross Compression and PG&E Gill Ranch)		756	781	820	756	781	820
11	Capacity Surplus/Shortfall	Line 10 minus 9	-380	-193	-49	-135	36	174
	Capacity Investment							
12	New/Replacement Wells At PG&E Facilities		38	98	98	38	98	98
13	New/Replacement Wells PG&E Gill Ranch		0	4	8	0	4	8
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16	Surplus or Shortfall After Identified Investments	Line 15 minus 9	-342	-91	57	-97	138	280

2.2 Compliance with the 2023 GRC Decision: PG&E's PDSS Application, as modified by this Settlement, complies with the 2023 GRC Decision.

2.3 Discovery: Discovery responses from the PDSS Application proceeding can be used in other proceedings including, but not limited to, PG&E's 2027 General Rate Case (GRC) (Application 25-05-009), as applicable.

2.4 Core Gas Firm Storage: Advice Letter 4886-G concerning firm gas storage held by PG&E for core gas customers will remain in effect until a decision in PG&E's 2027 GRC.

2.5 Closing PDSS Application proceeding: The Settling Parties agree to request that, upon approval of the Settlement, the PDSS Application proceeding be closed.

3. General Terms and Conditions

3.1 Commission's Primary Jurisdiction: The Settling Parties agree that the Commission has primary jurisdiction over any interpretation, enforcement, or remedies regarding this Settlement. None of the Settling Parties may bring an action regarding this Settlement in any State or Federal court or administrative agency without having first exhausted its administrative remedies at the Commission.

3.2 Further Actions: The Settling Parties acknowledge that this Settlement is subject to approval by the Commission. As soon as practicable after all the Settling Parties have signed the Settlement, the Settling Parties through their respective attorneys shall prepare and file a Joint Motion for Approval and Adoption of the Settlement. The Settling Parties shall furnish such additional information, documents, or testimonies as the Commission may require for purposes of granting the Joint Motion and approving and adopting the Settlement. In accordance with Rule 12.6, if this Settlement is not adopted by the Commission, its terms are inadmissible in any evidentiary hearing unless their admission is agreed to by all of the Settling Parties.

3.3 Non-Severability: The provisions of this Settlement are non-severable.

3.4 Voluntary and Knowing Acceptance: Each of the Settling Parties acknowledges and stipulates that it is agreeing to this Settlement freely, voluntarily, and without any fraud, duress, or undue influence by any other Settling Party. Each Settling Party has read and fully understands its rights, privileges, and duties under this Settlement, including its right to discuss this Settlement with its legal counsel, which has been exercised to the extent deemed necessary.

3.5 Settlement is Based on a Reasonable Record: In executing this Settlement, each Settling Party declares and mutually agrees that the terms and conditions are reasonable in light of the whole record, consistent with law, and in the public interest

3.6 Entirety of Agreement: This Settlement constitutes the entire understanding and agreement of the Settling Parties regarding the matters set forth herein. All prior oral or written agreements, settlements, principles, negotiations, statements, representations, or understandings whether oral or in writing regarding any matter set forth in this Settlement, are expressly waived and have no further force or effect. In the event there is any conflict between the terms and scope of this Settlement and the terms and scope of the accompanying joint motion in support of the Settlement, the Settlement shall govern.

3.7 No Modification: The Settlement may not be altered, amended, or modified in any respect except in writing and with the express written and signed consent of all the Settling Parties except as provided in Section 3.16 below.

3.8 No Reliance: None of the Settling Parties has relied or presently relies on any statement, promise, or representation by any other Settling Party, whether oral or written, except as specifically set forth in this Settlement. Each Settling Party expressly assumes the risk of any mistake of law or fact made by such Settling Party or its authorized representative.

3.9 Counterparts: This Settlement may be executed in separate counterparts by the different Settling Parties hereto and all so executed counterparts shall be binding and

have the same effect as if all the Settling Parties had signed one and the same document. All such counterparts shall be deemed to be an original and together constitute one and the same Settlement, notwithstanding that the signatures of the Settling Parties and/or of a Settling Party's attorney or other representative do not appear on the same page of this Settlement.

3.10 Binding Upon Full Execution: This Settlement shall become effective and binding on each of the Settling Parties as of the date when it is fully executed. It shall also be binding upon each of the Settling Parties' respective successors, subsidiaries, affiliates, representatives, agents, officers, directors, employees, and personal representatives, whether past, present, or future.

3.11 Commission Adoption Not Precedential and Use in Other Proceedings: In accordance with Rule 12.1(a), the Settlement is limited to the issues in the PDSS Application proceeding and shall not extend or apply to any substantive issues which may come before the Commission in other or future proceedings. In addition, in accordance with Rule 12.5, the Settling Parties agree and acknowledge that unless the Commission expressly provides otherwise, Commission approval and adoption of this Settlement does not constitute approval of or precedent regarding any principle or issue of law or fact in this or any other current or future proceeding.

3.12 Enforceability: The Settling Parties agree and acknowledge that after issuance of the Commission decision approving and adopting this Settlement, the Commission may reassert jurisdiction and reopen this proceeding to enforce the terms and conditions of this Settlement.

3.13 Finality: Once fully executed by the Settling Parties and adopted and approved by a Commission decision, this Settlement fully and finally settles any and all disputes among and between the Settling Parties in the PDSS Application proceeding

3.14 No Admission: Nothing in this Settlement or related negotiations may be construed as an admission of any law or fact by any of the Settling Parties, or as

precedential or binding on any of the Parties in any other proceeding whether before the Commission or in any state or federal court or administrative agency. Further, this Settlement does not constitute an acknowledgement, admission, or acceptance by any of the Settling Parties regarding any issue of law or fact in this matter, or the validity or invalidity of any particular method, theory, or principle of ratemaking or regulation in this or any other proceeding. This Settlement represents a compromise of disputed claims between the Settling Parties after arm's-length negotiations. The Settling Parties have reached this Settlement after taking into account the possibility that each Settling Party may or may not prevail on any given issue.

3.15 Authority to Sign: Each Settling Party executing this Settlement represents and warrants to the other Settling Party that the individual signing this Settlement and the related Motion has the legal authority to do so on behalf of the Settling Party.

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3.16 Rejection or Modification by the Commission: The Settling Parties agree that if the Administrative Law Judge and/or the Commission issues a proposed decision that fails to adopt the Settlement in its entirety and adds a change unacceptable to any Settling Party, the Settling Parties shall meet and confer to discuss a resolution within five (5) days of the date the proposed decision is issued. The Settling Parties will make best efforts to prepare joint comments on the proposed decision that support adoption of the Settlement in full. The Settling Parties agree that if the Commission fails to adopt this Settlement in its entirety and without modification in a final decision, the Settling Parties shall convene a settlement conference within fifteen (15) days thereof to discuss whether they can resolve the issues raised by the Commission's actions. If the Settling Parties cannot mutually agree to resolve the issues raised by the Commission's actions, the Settlement shall be rescinded, and the Settling Parties shall be released from their obligation to support the Settlement. Thereafter, the Settling Parties may pursue any action they deem appropriate but agree to cooperate in establishing a procedural schedule. The Settling Parties reserve all rights set forth in Rule 12.4.

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/s/ Robert Finkelstein (for Hayley Goodson)

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