



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Rebecca Flores, Trustee on Behalf of the Cytah Flores Legacy Trust,
Complainant,

vs.

Pacific Gas and Electric Company (U39E), Defendant.

CPUC Case No. C.25-08-012

FILED

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**SECOND SET OF DISCOVERY REQUESTS AND OPPOSITION TO STAY
DISCOVERY**

IV. FACTUAL BACKGROUND

PG&E engages in double recovery by treating depreciation as both an expense and a collateral asset. Exhibit PG&E 10, Chapter 14, Table 14B demonstrates that PG&E reports depreciation in three ways: (1) as an expense to justify rate increases, (2) as a reserve pledged into securitization pools, and (3) as corporate property in SEC filings. This triple use constitutes constructive trust breach and unlawful re pledging of beneficiary property.

PG&E unlawfully included CARE and FERA customers in securitization pools, despite statutory protections. Exhibit PG&E 10, Chapter 17, Table 17A shows that CARE/FERA accounts were assigned "systemwide costs" and incorporated into Amendment No. 9 concentration ratios. This violates CPUC §850.1(i) and federal trust principles by converting low income customer accounts into collateral for corporate debt instruments.

PG&E maintains three separate ledgers — SAP, Regulatory, and Collateral — to conceal its double recovery practices. Exhibit PG&E 10, Chapter 16, Table 16A confirms that raw billing data is recorded in SAP, inflated recovery charges in the Regulatory ledger, and pledged receivables in the Collateral ledger. This three ledger system is direct evidence of accounting fraud and constructive trust breach.

PG&E converts customer usage forecasts into securitization collateral. Exhibit PG&E 10, Chapter 18, Table 18C demonstrates the forecast to collateral pipeline, where projected load growth becomes expected accounts receivable balances pledged into bond issuance. This practice unlawfully monetizes trust property without beneficiary consent.

V. IRS FORM 1099-A EVIDENCE OF SECURITIZATION

The IRS Form 1099-A filed by the Trustee and accepted by the Internal Revenue Service

constitutes federal confirmation that the property underlying the filing was securitized by PG&E or its affiliates. A Form 1099-A is issued only in connection with the acquisition or abandonment of secured property. Acceptance of the form by the IRS establishes that the property description submitted by the Trustee matched existing securitized financial instruments or receivable-backed assets originating from PG&E customer accounts.

This federal match confirms:

1. A security interest existed involving Complainant's PG&E account and related receivables.
2. PG&E, its AR Facility LLC, or a bond trustee transmitted customer data to federal systems.
3. The Complainant was properly identified as the beneficiary interest holder of the property.
4. The trust property was converted into collateral without the Trustee's consent.
5. PG&E's repeated assertions that "Complainant has no standing" or "no securitization occurred" are contradicted by federal records.

The IRS's acceptance of Form 1099-A directly undermines PG&E's arguments in its Motion to Stay Discovery and its claim that Complainant "fails to state a claim." The existence of matched federal securitization records makes discovery not only appropriate, but essential to establish:

- the extent of PG&E's securitization of Complainant's trust property;
- the entities involved in issuing information returns;
- the correlation between PG&E-10 data and IRS-recognized securitized assets;
- the inclusion of CARE/FERA customer accounts in securitized pools; and
- the chain of title and flow of receivables into AR-backed facilities.

For these reasons, PG&E must respond to all discovery related to accounting ledgers, receivable pools, concentration ratios, securitization agreements, and IRS-related information returns.

SECOND SET OF DISCOVERY REQUESTS

I. REQUESTS FOR ADMISSION (RFA)

1. RFA No. 1 – Admit that Exhibit PG&E-10 includes data in Tables 1-2 and UCC concentration metrics that incorporate CARE and FERA customer receivables into securitization calculations.
2. RFA No. 2 – Admit that Amendment No. 9 defines 'Eligible Receivables' to include residential customer accounts without excluding CARE or FERA customers.
3. RFA No. 3 – Admit that PG&E uses internal SAP revenue codes that map directly into FERC Accounts 440 and 904.
4. RFA No. 4 – Admit that customer payments recorded as operating revenue in SAP are also recorded as collateral inputs in PG&E's receivables financing schedules.
5. RFA No. 5 – Admit that depreciation reserves reported in PG&E-10 (Ch. 12) are used as inputs for securitization valuation and collateralization.
6. RFA No. 6 – Admit that PG&E applied a 48.66-day income-tax expense lag in working-cash calculations for test years in which PG&E projected zero federal income-tax payments.
7. RFA No. 7 – Admit that customer deposits were treated as long-term debt in PG&E's capital structure and working-cash models.
8. RFA No. 8 – Admit that PG&E billed CARE customers Fixed Recovery Charge (FRC) and Recovery Bond Charge (RBC) line items during 2021–2025.
9. RFA No. 9 – Admit that CPUC staff reviewed and accepted PG&E's SAP-to-FERC mapping as reflected in Advice Letter 6452-E.
10. RFA No. 10 – Admit that the normalization factors in PG&E-10 (Tables 15-3 and 15-4) correspond to securitization adjustment factors in PG&E's Receivables Financing Agreement.
11. RFA No. 11 – Admit that PG&E, its subsidiaries, or any securitization trustee filed one or more IRS information returns (including but not limited to Forms 1099-A, 1099-C, or 1099-OID) relating to Complainant's PG&E account, billing receivables, or associated financial instruments.
12. RFA No. 12 – Admit that the IRS Form 1099-A filed by Complainant was accepted due to a match with securitized property or financial instruments sourced from PG&E customer receivables.

II. INTERROGATORIES (ROG)

13. ROG No. 1 – Explain, with citations to internal documentation, how PG&E determined that CARE/FERA customer accounts could be included in securitization concentration metrics in PG&E-10 Tables 1-2.
14. ROG No. 2 – Describe the full methodology PG&E uses to translate SAP billing entries into FERC accounts, including how receivable classifications are generated.
15. ROG No. 3 – Identify and explain each table or ledger where customer payments appear both as revenue and as securitization collateral.

16. ROG No. 4 – Explain how the Gannett Fleming depreciation values are incorporated into securitization models and recovery bond collateral assessments.
17. ROG No. 5 – Explain why PG&E applied a 48.66-day tax expense lag in years where PG&E projected no federal income tax liability.
18. ROG No. 6 – Identify who determined that customer deposits should be classified as long-term debt rather than refundable customer trust balances.
19. ROG No. 7 – Explain how PG&E calculated tax-related working-cash requirements in Tables 14-3 → 14-6 when projected tax payment was zero.
20. ROG No. 8 – Identify all O&M subcategories in PG&E-10 that correspond to securitization servicer, trustee, data platform, or rating-agency fees.
21. ROG No. 9 – Explain why normalization multipliers in PG&E-10 match adjustment factors in the Receivables Financing Agreement.
22. ROG No. 10 – State whether CPUC staff were informed that depreciation reserves, tax balances, or customer deposits were used as securitization collateral.
23. ROG No. 11 – Identify all instances where PG&E, PG&E AR Facility, LLC, or any Recovery Bond trustee transmitted customer-receivable data to the IRS or third-party financial institutions, resulting in creation of any information return (including Forms 1099-A, 1099-C, 1099-OID).

III. REQUESTS FOR PRODUCTION (RFP)

24. RFP No. 1 – Produce all documents, spreadsheets, and internal manuals describing SAP-to-FERC account mapping used in PG&E-10.
25. RFP No. 2 – Produce all collateral schedules and concentration reports submitted under Receivables Financing Agreement Amendments 1–9 for 2020–2025.
26. RFP No. 3 – Produce documents showing how CARE/FERA accounts were classified in securitization models, eligibility pools, or concentration tests.
27. RFP No. 4 – Produce documents showing how depreciation reserves were evaluated, pledged, or referenced in securitization models.
28. RFP No. 5 – Produce the full lead-lag model used to create Tables 14-3 → 14-6, including assumptions for tax lag and NOL treatment.
29. RFP No. 6 – Produce all accounting policies and ledger entries classifying customer deposits as long-term debt.
30. RFP No. 7 – Produce documents showing how normalization factors (Table 15-3 and 15-4) were calculated.
31. RFP No. 8 – Produce all documents showing O&M categories used to fund trustee fees, servicer fees, data-trust fees, and securitization reporting systems.
32. RFP No. 9 – Produce all documents reflecting, referencing, or relating to IRS information returns filed in connection with securitized customer receivables, including documents showing IRS acceptance or matching of property descriptions associated with Complainant.

IV. RESPONSE TIME REQUIREMENT

Pursuant to CPUC Rule 13.9 and the Scoping Memo's directive for parties to establish response deadlines, Complainant hereby sets a response deadline of **14 days from the

date of service** for all Requests for Admission, Interrogatories, and Requests for Production contained within this Second Set of Discovery Requests. Failure to respond within the designated timeframe shall be treated as noncompliance subject to a motion to compel or further CPUC relief.

DECLARATION OF REBECCA FLORES

I, Rebecca Flores, Trustee and Beneficiary of the Cytah Flores Legacy Trust, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

1. I am the Complainant in CPUC Case No. C.25-08-012.
2. I prepared and reviewed the Second Set of Discovery Requests contained in this document.
3. The factual background and discovery items are based on PG&E's own sworn filings, including Exhibit PG&E-10, Amendment No. 9 to the Receivables Financing Agreement, FERC and SEC filings, and PG&E tariff documentation.
4. The IRS Form 1099-A filed and accepted confirms federal acknowledgment that my trust property was securitized.
5. The discovery requested is necessary for the creation of the factual record required under the Scoping Memo.
6. All statements made herein are true to the best of my knowledge and belief.

Executed on this date 12/5/2025 in Merced California.

/s/ Rebecca Flores
Rebecca Flores, Trustee & Beneficiary
Cytah Flores Legacy Trust