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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company to Revise Its Electric Marginal Costs, Revenue Allocation, and Rate Design. (U-39E.)

Application 24-09-014

**ADMINISTRATIVE LAW JUDGE'S RULING
SETTING SCHEDULE FOR THE DYNAMIC RATE
OPTIONS TRACK**

This ruling sets the schedule for the Dynamic Rate Options track of this proceeding.

1. Procedural Background

On March 21, 2025, the *Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge* (Scoping Ruling) set the scope and schedule for this proceeding. The Administrative Law Judge (ALJ) ruling issued on August 18, 2025, granted PG&E's request to temporarily suspend the procedural schedule due to the discovery of an error in the calculation of marginal distribution capacity costs and directed PG&E to submit a proposed schedule.

On October 1, 2025, PG&E submitted a proposed new schedule for the proceeding. The ALJ ruling issued on October 9, 2025, set the new schedule for the primary track of this proceeding and established a bifurcated track to

consider dynamic rate options.¹ The same ruling also directed PG&E to present proposed schedule(s) for the bifurcated track by November 17, 2025.

On November 6, 2025, PG&E filed a motion proposing that the Commission adopt a two-step schedule for considering the dynamic rate options: (1) Track A – “Stop Gap” extension of existing Hourly Flex Pricing (HFP) pilots and (2) Track B – Longer term, post-pilot dynamic rates.

On November 21, 2025, parties filed responses to PG&E’s motion to adopt a schedule for the bifurcated dynamic rate options track. Public Advocates Office at the California Public Utilities Commission (Cal Advocates) supported, California Community Choice Association (CalCCA) supported with modifications, and the Solar Energy Industries Association (SEIA) opposed PG&E’s motion.

On December 12, 2025, PG&E submitted its Report on the Meet and Confer with the parties regarding the schedule for the bifurcated track, which included compromise recommended dates for Track A schedule.

2. Discussion

In its November 6, 2025, motion, PG&E asks the Commission to adopt a two-step schedule for the dynamic rate options track of this proceeding. According to PG&E’s proposal, the first step is a near-term “Stop-Gap” Real-Time Pricing (RTP) Pilot Extension, to be submitted in January 2026, with a decision anticipated by November 2026. This would extend the current HFP pilots beyond their 2027 end date so PG&E customers can keep accessing the RTP rates. PG&E states that its billing system cannot support the new Post-Pilot

¹ PG&E served testimony on October 29, 2025, to comply with *Decision Adopting Guidelines for Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company on Demand Flexibility Rate Design Proposals* (Decision (D.) 25-08-049).

RTP rates until at least 2030 due to ongoing modernization work. PG&E adds that the Stop-Gap filing may include changes to the pilot rates, which could require a full year to implement.

The second step is longer-term review of Post-Pilot RTP rate design and deployment, aligned with guidance in D.25-08-049, including an update PG&E will file in the third quarter of 2027 (or 11 months after the final decision on RTP systems and processes to be issued in *Rulemaking to Enhance Demand Response in California*, R.25-09-004, on RTP systems and processes, whichever is later). This update would include cost estimates and any refinements to the program. This timing would let the Commission and parties consider implementation costs before adopting new rates. PG&E states that this structure avoids gaps in customer access to RTP rates and increases administrative efficiency by allowing intervenors to respond to the post-pilot proposals only once.

Based on our review of PG&E's proposed schedule and party comments, the schedule for the dynamic rate options track is set forth in Section 3 of this ruling. The schedule established by this ruling is generally consistent with the Track A compromise recommended dates presented in the Meet and Confer report submitted by PG&E, though not identical. Further, we decline to adopt PG&E's Track B proposal for full consideration of PG&E's post-pilot dynamic rates. The proposed schedule moves too far into the future and is tied to the schedule of another proceeding, which could slow the consideration of these matters even more. Post-pilot dynamic rate options can be timely and appropriately addressed in a separate application following the conclusion of this proceeding or in the next rate design proceeding.

3. Schedule

The following schedule for the dynamic rate options track of this proceeding is adopted and may be modified by the assigned Commissioner or ALJ as necessary to promote the efficient and fair resolution of this proceeding.

Event	Date
PG&E Serves Testimony Supporting Stop-Gap Interim RTP Pilots' Extension Proposal	June 8, 2026
Mid-Term Measurement and Evaluation (M&E) RTP Pilot Results Available	August 2026
Cal Advocates' Responsive Stop-Gap Testimony	September 30, 2026 (or 30 days from the release of the Mid-Term M&E RTP Pilot Results)
Other Intervenor's Responsive Stop-Gap Testimony	October 30, 2026 (or 60 days from the release of the Mid-Term M&E RTP Pilot Results)
Settlement Discussions	November-December 2026
Concurrent Rebuttal Testimony on Applicable Contested Stop-Gap issues served and submitted as Supporting Documents	December 4, 2026
Rule 13.9 Meet and Confer Report including List of Stipulated and Disputed Facts) filed and served	December 15, 2026
Evidentiary Hearings (if necessary)	January 11-13, 2027
Opening Briefs	February 10, 2027 (if evidentiary hearings are held) January 15, 2027 (if no evidentiary hearing held)
Reply Briefs <i>[matter submitted]</i>	February 24, 2027 (if evidentiary hearings are held)

Event	Date
	February 1, 2027 (if no evidentiary hearing held)
Proposed Decision	<i>[no later than 90 days after submission]</i>
Commission Decision	<i>[no sooner than 30 days after PD]</i>

Pursuant to Rule 13.9, parties must meet and confer no later than 10 calendar days after the submission of rebuttal testimony. PG&E must notice the date, time, and place of the meet and confer by email to all parties in advance of the meet and confer, unless all parties stipulate to waive the need for service.

At the meet and confer, parties should consider, in addition to the guidelines set in Rule 13.9, whether parties stipulate to the receipt of prepared testimony into evidence without direct or cross examination or other need to convene an evidentiary hearing, pursuant to Rule 13.8(c), or in the alternative, the parties' resources, readiness and needs for the effective remote conduct of the evidentiary hearing.

Parties must jointly file a Rule 13.9 Meet and Confer Report, including a List of Stipulated and Disputed Facts, according to the schedule set above. In the Report of the Meet and Confer, parties must indicate whether any party believes evidentiary hearing is still needed at the time. They should also report on additional time required by parties to (a) stipulate on facts and issues; (b) narrow contested issues; and (c) enter a full settlement agreement or a partial settlement agreement on any contested issues.

If any party believes that evidentiary hearing is still needed, the List of Stipulated and Disputed Facts must include a list of anticipated exhibits, a list of witnesses requested for cross examination, and estimates of time requested for

cross-examination of each witness. To ensure timely case management, parties should work together to finalize the exhibit and witness lists, to the extent possible, and ensure that the Report includes the following:

- A spreadsheet listing all the exhibits and links to the uploaded exhibits: Pursuant to Rule 13.7(f), parties should upload the set of final exhibits to the Commission's Supporting Documents Platform using the Electronic Filing System on the Commission's website; and
- A witness list, including, for each witness being offered: (1) name, (2) short description of testimony being offered, (3) to the extent possible, identification of materially disputed factual issue(s) in the proceeding to which the testimony is being offered, and (4) estimated cross examination time.

If there is no need for evidentiary hearing, parties may move for the admission of prepared testimony by written motion, preferably a joint motion, pursuant to Rules 11.1 and 13.8(c) of the Commission's Rules of Practice and Procedure.

IT IS RULED that:

The schedule of the dynamic rate options track of this proceeding is set forth above.

Dated January 7, 2026, at San Francisco, California.

/s/ NILGUN ATAMTURK

Nilgun Atamturk
Administrative Law Judge