ALJ/EF1/DJG/JOR/jds 2/03/2026

FILED
02/03/26
11:41 AM
A2505009

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2027. (U-39M)	Application 25-05-009

ADMINISTRATIVE LAW JUDGES' JOINT RULING REQUIRING ADDITIONAL INFORMATION

As Pacific Gas and Electric Company (PG&E) states in its application, the Rate Case Plan requires the utility to explain its costs presentation to "assist the Commission as a whole to understand the issues in any given general rate case (GRC)."[1] Rate Case Plan requirements are also contained in D.07-07-004, particularly D.07-07-004 Appendix A, which PG&E cites to in several places in its application. For example, in accordance with the standard requirement list for the GRC application, PG&E provides information on the cost of services provided by its controlling affiliate, PG&E Corporation.[2] Until D.14-12-025, the sufficiency of an electric utility's showing in its application and testimony was reviewed in the Notice of Intent (NOI) process, "…to determine whether the application is complete and, if it is not, to secure supplementation from the utility as a condition to filing."[3] As a result of the elimination of the NOI process,

[1] PG&E Application at 24 citing D.20-01-002 at 60.

[2] PG&E Application at 28-29, citing to D.07-07-004, Appendix A, at A-32, which states that "[w]hen controlling affiliates provide guidelines or directions to the Company's presentation, these shall be set forth in the direct showing or available in the workpapers."

[3] D.14-12-025 at 12-13.

D.14-12-025 discusses the need to identify areas where the utilities filing is incomplete.[4] Consistent with this recommendation and pursuant to Rule 13.11 of the Commission's Rules of Practice and Procedure, the administrative law judges describe categories of information or ask questions below where PG&E's filing may be incomplete or where additional evidence would provide a better record for this proceeding. Some of this additional information is required by statute. Some of the information involves rapidly changing subject areas. And some information is requested to provide additional breakdowns of cost.

PG&E is required to file supplemental information by February 13, 2025 addressing the questions in this ruling. Responses shall be provided in Word and Excel format. Other intervenors are invited to respond to PG&E's supplemental information by March 6, 2025, and PG&E may include a response to the other intervenors on March 31, 2026. In cases where PG&E has updated forecasts, other parties may provide updated alternative forecasts, and the reasoning for them. If information that may address these issues is already in the record, the parties may provide additional information that addresses this request or that adds clarifying information, and parties should reference any information from the record they use.

1. Overhead Maintenance and Poles[5]

1.1. Pole Reinforcement

PG&E stated that it is forecasting two work types as capital in this GRC that were forecast as expense work in prior GRCs. According to PG&E, these

[4] D.14-12-025 at 35.

[5] According to the testimony offered as Exhibit (Ex.) PG&E-4, Chapter 15, the total dollar value of Overhead Maintenance and Poles capital spending is approximately $8.7 billion from 2027-2030.

changes in approach are consistent with Federal Energy Regulatory Commission (FERC) accounting rules and will result in more equitable rates by aligning the period of cost recovery with the period of customer benefit."[6]

Specifically, PG&E forecasted its pole reinforcement work, previously recorded as expense, as capital costs in this GRC; and forecasted its Pole Test and Treat,[7] previously recorded entirely as expense, as now allocated to expense and capital…."[8] PG&E also stated that,

> The Pole Test and Treat program … expense costs will decrease because PG&E starting in 2027 will capitalize the portion of the pole test and treat work where the pole is treated to extend the life of the pole. Additionally, pole reinforcement via steel trusses (as opposed to full replacements), was capitalized starting in 2024 because pole reinforcements extend the life of capital assets, specifically poles with groundline or below decay that would otherwise have required replacement.[9]

As a result, the record appears to be incomplete regarding the following:

1. PG&E referenced FERC accounting rules for Electric Distribution Pole Treatments and Electric Distribution Pole Reinforcement as reasons for making this change.[10] What are the applicable rules? PG&E shall provide the applicable rules and the dates these rules go into effect or went into effect.

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[6] Testimony offered as Ex. PG&E-4 at 15-4.

[7] Pole Test and Treat refers to PG&E's intrusive pole inspections program in which PG&E evaluates in-service wood poles for early signs of deterioration to control against premature failure of wood pole structures due to internal rot or shell degradation. Testimony offered as Ex. PG&E-4 at 15-48.

[8] Testimony offered as Ex. PG&E-4 at 15-4.

[9] Testimony offered as Ex. PG&E-4 at 15-8.

[10] Testimony offered as Ex. PG&E-10 at 7-18 to 7-19.

2. How is pole related work broken out by expense and Operations and Maintenance (O&M)? In Attachment A at 1, provide a breakdown of expense and capital forecast costs broken down for each forecast year in the 2027 General Rate Case cycle for: (1) pole reinforcement work, (2) pole test and treat work, and (3) pole reinforcement via steel trusses (as opposed to full replacements).

1.2. De-energization and Removal of Idle Facilities

PG&E stated that,

"…the removal of idle distribution facilities also supports PG&E's overall wildfire risk reduction strategy because idle facilities can also pose a wildfire safety risk, as they can malfunction or fault, causing an ignition. If an electric distribution facility is confirmed to be idle (not actively serving customer load), has no foreseeable future use, and is in an [High Fire Threat District/High Fire Risk Area], it is prioritized for de-energization and removal…."[11]

3. What dollar amount of each year of the expense and capital forecast in Tables 15-11 and 15-12 is made up by the removal of idle facilities, and what dollar amount by de-energization of them?

1.3. Deferral of Work

PG&E describes the deferred work analysis pursuant to Decision (D.) 23-11-069. PG&E says, "Pole Test and Treat inspections were not performed as forecast in the 2023 GRC because funding for these inspections was allocated to other high priority inspections work, including aerial inspections…."[12] PG&E shows the 2023 and 2024 recorded and 2025 and 2026 forecast for Pole Test and Treat as a total of $42.131 million.

[11] Testimony offered as Ex. PG&E-4 at 15-30.

[12] Testimony offered as Ex. PG&E-4 at 15-71 to 15-72.

4. Provide the recorded or forecasted costs for Pole Test and Treat inspections broken down by year for all applicable years, beginning with 2023.

Regarding Pole Test and Treat work, PG&E said, "Deferral of authorized work in this program will result in lower than authorized spending by $44.3 million."[13] But PG&E's 2023-2026 imputed value for this work on Table 15-31 exceeds the recorded and forecast value by approximately $44.3 million. PG&E also says, "Pole Test and Treat inspections … were not performed as forecast in the 2023 GRC because funding for these inspections was allocated to other high priority inspections work, including aerial inspections…"[14]

5. Other than aerial inspections, what other high-priority inspections work did PG&E allocate funding for, resulting in PG&E not performing Pole Test and Treat Inspections as it forecasted in the 2023 GRC?
6. Are the Pole Test and Treat inspections identified in these passages part of any of PG&E's Wildfire Mitigation Plan (WMP)? If so, please identify that work, broken down by year, and the associated costs. Please include a reference to the page or pages and quote the information that shows this.
7. If there are Pole Test and Treat inspections identified in this passage that are not part of PG&E's WMP, please identify them, broken down by year, and associated costs. Please include a reference to the page or pages and quote the information that shows these inspections are not in PG&E's WMP. If PG&E contends the WMP does not cover these inspections, it shall provide the pages of its WMP relevant to such inspections and explain why they are not the same as those in the GRC.

[13] Testimony offered as Ex. PG&E-4 at 15-73.

[14] Testimony offered as Ex. PG&E-4 at 15-73.

1.4. Pole Loading

Regarding pole loading, testimony offered as Ex. PG&E-4 said, "Deferral of the authorized work in this program will result in lower than authorized spending by $39.3 million."[15] PG&E's 2023-2026 imputed value for this work in Table 15-31 exceeds the recorded and forecast value by approximately $39.3 million.

8. Are the pole loading inspections identified in this quote part of any of PG&E's WMP?
9. If the pole loading inspections are part of PG&E's WMP, provide those parts of the WMP to show the work is not included there. Please include a reference to the page or pages and quote the information that shows this. If PG&E contends the WMP does not cover these inspections, it shall provide the pages of its WMP relevant to such inspections and explain why they are not the same as those in the GRC.

2. Vegetation Management[16]

2.1. Wildfire Mitigation Plan Update

PG&E recently proposed a new organization of vegetation management work in its 2026-2028 WMP – Final Revision Notice Response.[17] This work involves inspections and possibly tree trimming and removal.

10. Submit updated testimony and workpapers with information consistent with PG&E's 2026-2028 WMP.

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[15] Testimony offered as Ex. PG&E-4 at 15-74.

[16] According to the testimony offered as Ex. PG&E-4, the forecasted value of Vegetation Management is $1.025 billion for 2027.

[17] *See* PG&E 2026-2028 Wildfire Mitigation Plan – Final Revision Notice Response, July 28, 2025. *See also* PG&E Wildfire Mitigation Plan 2026-2028 Response to Revision Notice R1, September 09, 2025. This information comes from an Office of Energy Infrastructure Safety proceeding; not that of the California Public Utilities Commission.

2.2. Focused Tree Inspection

PG&E addressed targeted inspection related to vegetation management as follows:

> "Targeted Inspection is a data-informed and risk-model-prioritized approach to identify and mitigate vegetation-related wildfire risk in high-risk areas…. PG&E then developed Areas of Concern and a Focused Tree Inspection (FTI) pilot in 2023. PG&E identified Areas of Concern through a cross-functional effort using data and regional Vegetation Management and Public Safety Specialist expertise to develop polygons where trends indicated a higher probability of tree caused outages."[18]

11. How many miles of electrical transmission or distribution lines does PG&E propose to inspect each year with targeted tree inspections? How many miles of electrical transmission or distribution lines does PG&E plan to mitigate vegetation-related wildfire risk in high-risk areas as a result of targeted tree inspections?
12. Testimony offered as Ex. PG&E-4, Figure 8-6 describes how PG&E created the 2025 FTI work plan. How does PG&E expect the selection of circuit segments to change in the 2027 Work Plan, and how many miles of these circuits will be miles of highest risk? In responding to this question, PG&E shall provide information both for inspections and the vegetation management work itself (tree trimming, removal, etc.). It shall explain what the inspections consist of, how PG&E will determine the highest risk circuits, and how miles of inspection translate to miles of work.
13. In the WMP, PG&E referred to FTI whereas in testimony offered as Ex. PG&E-4, Chapter 8, PG&E referenced Targeted Inspections and FTI in the same section. Are these the same programs? If not, please explain.

[18] Testimony offered as Ex. PG&E-4 at 8-35.

2.3. Tree Removal Related to Undergrounding

PG&E stated, "This forecast assumes approximately 26 thousand fewer trees, annually, will require work due to undergrounding approximately 300 miles per year, resulting in 78 thousand fewer trees worked in 2027."[19]

14. On average, how many fewer trees per mile due to undergrounding would this passage equate to? If available, please reference the workpapers that show your answer.
15. What is the basis for the number of fewer trees per mile due to undergrounding identified in response to question 14?
16. How many trees were prescribed for work per mile by Focused Tree Inspections (FTI) in both 2024 and 2025?
17. Why are these numbers similar or different than the forecast numbers?

3. New Business and Work at the Request of Others[20]

3.1. Internal and External Labor Forecasts

Regarding residential and non-residential base connects,[21] PG&E stated that it assumed that 9,500 forecast units can be completed by its own internal labor force each forecast year, and calculated the residual units that will need to be constructed using external labor.[22]

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[19] Testimony offered as Ex. PG&E-4 at 8-16.

[20] The questions in this section refer to testimony offered as Ex. PG&E-4, Chapter 10, which addresses customer electrification. "New Business" refers to work that is "customer driven and not discretionary," while "Work at the Request of Others" refers to relocation and upgrades of PG&E's existing electric facilities at the request of customers and governmental agencies. PG&E forecasted New Business and Work at the Request of Others expenses at $26.4 million and capital at $1.57 billion for 2027.

[21] "Base connects" refers to residential and non-residential customer requests for service, and includes equipment, materials, labor, and other costs of adding load or building new underground and overhead primary electric distribution systems, and the associated secondary system. *See* testimony offered as Ex. PG&E-4 (errata) at 10-14.

[22] Testimony offered as Ex. PG&E-4 (errata) at 10-10.

18. Regarding the forecast units that can be completed by internal labor each forecast year, and the residual units that are forecast to be constructed using external labor each year:
    a. What is PG&E's forecast average internal labor cost per unit each year?
    b. What is PG&E's forecast average external labor cost per unit each year?
19. What are PG&E's assumptions and underlying rationale for the average internal labor cost, and for the average external labor cost?

3.2. Decision 25-08-036

PG&E's original testimony regarding New Business and Work at the Request of Others referred to a pending motion in the Energization rulemaking, R.24-01-018, that has since been granted in D.25-08-036. PG&E's errata testimony does not appear to have been updated to reflect the issuance of D.25-08-036.[23]

22. Submit updated testimony in view of D.25-08-036. If PG&E contends such testimony is not needed, it shall fully explain why.
23. How does PG&E calculate the charge for new customer electrical distribution connections for electrical service lines under Rule 16 and Rule 45?

4. Transformer Purchases

PG&E noted that beginning in this GRC, its forecasts for transformer purchases "are included in the programs that ultimately utilize the transformers to better align costs with the respective work…."[24]

24. What are all of the forecasts for transformer purchases to which this quote pertains?

[23] Testimony offered as Ex. PG&E-4 (errata), Chapter 10.

[24] Testimony offered as Ex. PG&E-4 (errata) at 10-27.

25. Does PG&E need to update other transformer purchase forecasts to accommodate its quoted statement? If so, provide a redline identifying the changes.
26. For each transformer purchase forecast to which this quote pertains, if there is a requirement for replacement, provide the requirement, including page number and quoted language that mandates replacement.
27. If there is no requirement for replacement, provide the assumptions and underlying rationale related to the proposed transformer replacement.

5. Gas Operations and Maintenance[25]

PG&E stated that most of the natural gas safety work it plans from 2027 to 2030 is "required in accordance with Code of Federal Regulations 49 CFR 192 and/or California State Code General Orders No. 58A and 112-F."[26] But in some cases, PG&E said it "exceeds the minimum requirements set forth by code to further reduce risk to the communities we serve."[27]

28. Attachment A at 2 provides a list of natural gas safety work items.[28] With this list, please provide the following information:
    a. Which work items comply with requirement(s), and which requirements mandate the compliance?[29] Please note sections of the requirement that mandate completion of work from 2027 to 2030.

[25] According to the exhibit offered as Ex. PG&E-3, Table 8-1, the forecasted value of Gas O&M is $441 million for 2027.

[26] Testimony offered as Ex. PG&E-3 at 8-1.

[27] Testimony offered as Ex. PG&E-3 at 8-1.

[28] Also referred to as MAT codes. *See* Testimony offered as Ex. PG&E-3, Workpaper Tables 8-5 and 8-34.

[29] Examples include: 49 CFR Part 192, California State Code General Orders No. 58A, 112-F, a combination of these requirements, or another safety requirement.

b. The annual cost of required work for historical base year (BY) 2023 and each of the forecast years (FY) 2027 to 2030.

c. The cost of required work that is forecasted, but not for FY 2027 to 2030.

d. Which work items exceed requirement(s)?

e. The cost associated with each work item that exceeds requirements.

6. Clean Energy Strategy

29. What is PG&E's strategy for transitioning from the use of gas to the use of electricity in a cost-effective manner?

30. What technologies, including virtual power plants, are involved? What are the benefits of this technology?

    What outreach programs is PG&E employing to determine which customers can benefit from such technology and to assist them in making the transition to clean energy?

7. Data Centers[30]

32. PG&E has stated that its data center interconnection queue is approximately 10 gigawatts.[31] Provide a table that shows PG&E's data center interconnection queue. This table shall update PG&E's confidential response to Question 2.d. of the September 9, 2025 ruling in A.25-05-011 et al.[32] as modified in response to the October 6, 2025

[30] These is no dollar value specified in A.25-05-009 testimony. Given the potential scale of data center demand, growth of the data center interconnection queue is material to forecasted capital spending and illustrative rates.

[31] *See, for example*: PG&E, "PG&E Data Center Demand Pipeline Swells to 10 Gigawatts with Potential to Unlock Billions in Benefits for California" July 31, 2025. Available at: https://www.pge.com/en/newsroom/press-release-details.a9a4dda5-372f-4c33-860f-df2837e9b57b.html.

[32] Administrative Law Judge's Ruling Requiring Additional Information, September 9, 2025, Available at: https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=579066381.

ruling in the same proceeding.[33] PG&E shall provide all of the information included in its October 15, 2025 response but will update all columns and add new rows as needed.

33. Provide a narrative account of all steps needed to join PG&E's interconnection application queue. This information should include a copy of (1) any relevant guidance provided to prospective project sponsors, and (2) internal guidance used to review projects for potential inclusion in the interconnection queue.

34. PG&E has stated that every gigawatt of additional demand could reduce customer bills by 1-2 percent.[34] Provide a narrative account of how PG&E reached this conclusion and any workpapers that support it.

35. Is PG&E's data center demand forecast incorporated into its illustrative rates provided in testimony offered as Ex. PG&E-10? If so, explain how.[35]

36. Provide a narrative that explains how PG&E determines whether electricity and gas rates, or both, are affected by data center demand.

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[33] Administrative Law Judge's Ruling Requiring Additional Information, October 6, 2025, Available at: https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M582/K487/582487926.PDF.

[34] *See, for example*: PG&E, "PG&E Data Center Demand Pipeline Swells to 10 Gigawatts with Potential to Unlock Billions in Benefits for California " July 31, 2025. Available at: https://www.pge.com/en/newsroom/press-release-details.a9a4dda5-372f-4c33-860f-df2837e9b57b.html *and* PG&E, "Surging Data Center Growth to Help Lower Energy Costs for PG&E Customers," May 25, 2025. Available at: https://www.pge.com/en/newsroom/press-release-details.fd841459-b124-4cde-94ef-95db4dfbdf23.html.

[35] As shown in testimony offered as Ex. PG&E-10, Chapters 18 and 19. Note: In the testimony offered as Ex. PG&E-9 at 8-16 to 8-17, PG&E described its Emerging Load Forecasting Team, which "actively creates forecasts for emerging technologies as needed – the most recent example is PG&E's data center forecast." According to this testimony, such forecasts are "integrated internally into numerous rates, customer program, grid planning, energy procurement, finance, risk, and strategy workstreams and externally into state and regulatory forecasting and policy decisions."

37. Provide a narrative that explains how PG&E determines how to allocate data center demand-related rate changes to electricity and/or gas rates.

38. For each exhibit in PG&E's prepared testimony, provide a corresponding table that shows all costs PG&E may incur over the GRC period and covered by the GRC, for any purpose related to data centers. Please use the table format shown in Attachment A at 3-5.

8. Historical and Forecast Demand Data[36]

39. Provide demand forecast data for 2019 to 2026 as submitted in prior Energy Resource and Recovery Act (ERRA) Forecast proceedings.[37] Specifically, provide the data table(s) provided in the original public testimony with a citation to the testimony chapter and table number.[38]

40. Provide a quarterly and annual summary of each year's ERRA forecast[39] in an Excel spreadsheet using the table format shown in Attachment A at 6-7.

41. Provide recorded historical demand data for 2019 to the first half of 2025 using the table format shown in Attachment A at 8-9.

42. Provide current demand forecasts for 2027-2030 and associated workpapers. The demand forecasts should be provided in the format shown in Attachment A at 10-13.

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[36] These is no dollar value specified in A.25-05-009 testimony. This request pertains to Illustrative Rates as shown in testimony offered as Ex. PG&E-10, Chapters 18 and 19, in which forecasted demand is a component of the rate forecast equation.

[37] As submitted in prepared testimony for A.18-06-001, A.19-06-001, A.20-07-002, A.21-06-001, A.22-05-029, A.23-05-012, A.24-05-009, and A.25-05-011. For A.25-05-011, this information is found in Table 2-3.

[38] If PG&E provided errata testimony for these tables, PG&E's response to this ruling should include references to the original testimony and the errata.

[39] As approved in that year's ERRA Forecast decision. Therefore, if PG&E provided errata testimony for these tables, the data provided in Attachment A should be from the last errata testimony submitted before the approval of the application.

9. Post-2027 Expenses

PG&E has stated that it has recently achieved, and plans in the future to achieve, up to $200 million per year in annual non-fuel O&M cost reductions.[40] PG&E separately forecasted a $200 million post-test year[41] expense reduction in 2028,[42] and net changes of -$135 million, -$51 million, and $195 million year-over-year in 2028, 2029, and 2030 respectively.[43]

44. Explain the inconsistencies in these differing projections.
45. How are the above projected reductions factored into PG&E's post-test year escalation rates or revenue requirement requests?
46. Do post-test year cost reductions result from increased efficiency, or reductions in the scope of work completed (i.e., forecasted projects that were not completed)?

10. Reference to Wildfire Mitigation Plan

If PG&E in response to any of the questions in this ruling contends its WMP or related documents describes or relates to activity, it shall attach the relevant excerpt page(s) from the WMP or related document with its response. When attaching the relevant excerpt, it shall also identify the chapter and page of testimony that corresponds with the WMP excerpt pages.

11. Additional Cost Data

PG&E shall resubmit exhibits providing additional cost breakdowns by

[40] PG&E Corporation, 2025 First Quarter Earnings, April 24, 2025, at 13. Available at: https://www.sec.gov/Archives/edgar/data/75488/000100498025000085/q125earningspresentation.htm.

[41] The test year for this proceeding is 2027. Post-test-years, also known as attrition years, are 2028, 2029, and 2030.

[42] Testimony presented as Ex. PG&E-11, Table 2-2.

[43] Testimony presented as Ex. PG&E-11 at 2-11.

each activity that exceeds the requirements of specified federal and/or state codes, showing each activity by amount of request year as well as a total percentage of increased costs, relative to base year 2023. PG&E may also provide additional information regarding the rationales for work that exceeds requirements, including but not limited to other safety considerations in rebuttal testimony. Examples of requirements that work may exceed includes: Code of Federal Regulations 49 CFR 192 California State Code General Orders No. 58A and 112-F.

IT IS SO RULED.

Dated February 3, 2026, at San Francisco, California.

/s/ ELIZABETH FOX
Elizabeth Fox
Administrative Law Judge

/s/ DARRYL J. GRUEN
Darryl J. Gruen
Administrative Law Judge

/s/ JOHN LARSEN
John Larsen
Administrative Law Judge