



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

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Order Instituting Rulemaking on the  
Commission's own motion to consider  
renewal of the Electric Program Investment  
Charge Program.

Rulemaking 19-10-005  
(Filed October 10, 2019)

**OPENING COMMENTS OF PACIFIC GAS AND ELECTRIC  
COMPANY (U 39 E) ON THE PROPOSED DECISION ADOPTING ELECTRIC  
PROGRAM INVESTMENT CHARGE STRATEGIC OBJECTIVES**

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## SUBJECT INDEX OF RECOMMENDED CHANGES

Pursuant to Rule 14.3(b) of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, Pacific Gas and Electric Company (“PG&E”) provides the following index of its recommended changes to the January 23, 2026 proposed *Decision Adopting Electric Program Investment Charge Strategic Objectives* (“PD”).

- PG&E requests that the PD be revised to include, as an appendix, tables detailing each Administrator’s budget and, for the IOUs, the portions of the CEC and Commission oversight budgets they are respectively responsible for collecting in rates and remitting, along the lines of the tables provided for EPIC 4.
- PG&E requests that the PD be revised to specify the mechanism and timing by which the Administrators should propose inflation-based budget increases.
- PG&E respectfully requests that additional justification be provided for the proposal to nearly double the Policy + Innovation Coordination Group (“PICG”) Coordinator’s budget for EPIC 5 compared to EPIC 4.
- PG&E requests clarification on how community engagement improvements covered in previous EPIC decisions should be incorporated into EPIC 5 investment planning compared to the subsequent planning of Administrators’ portfolios of specific EPIC 5 projects.

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**I. INTRODUCTION**

Pursuant to Rule 14.3 of the Commission’s Rules of Practice and Procedure, PG&E respectfully submits these opening comments on the PD issued in the above-captioned proceeding on January 23, 2026.

PG&E supports the PD’s determination that the Investor-Owned Utilities (“IOUs”) should continue alongside the California Energy Commission (“CEC”) as Electric Program Investment Charge (“EPIC”) Administrators for the EPIC 5 program cycle.<sup>1</sup> Maintaining the IOUs’ role in EPIC is supported by an abundance of evidence established over the course of this proceeding, including Commission Staff’s evaluation of Administrator performance<sup>2</sup> and the independent program evaluation<sup>3</sup> that culminated in 2025.

The PD’s determination to set the Administrators’ EPIC 5 budgets to at least current levels<sup>4</sup> is critically important to driving innovation in support of the wide range of ambitious California policy objectives and unprecedented challenges in operating and planning the electric system. PG&E provides a few comments and suggestions below related to financials to ensure

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<sup>1</sup> *[Proposed] Decision Adopting Electric Program Investment Charge Strategic Objectives*, p.13 (January 23, 2026) (hereinafter “PD”).

<sup>2</sup> *Id.* at p.8-13.

<sup>3</sup> *Id.* at p.14-18.

<sup>4</sup> *Id.* at p.13-14.

clarity around each Administrator’s budget, the IOUs’ respective collection requirements, and the timing of IOU tariff sheet modifications.

PG&E also appreciates the PD’s consideration and adoption of 13 Strategic Objectives for the EPIC 5 cycle. The clean, final versions of these 13 Strategic Objectives documented in Appendix A to supplement the overarching EPIC 5 Strategic Goals will serve to provide a clear guidepost to the Administrators in the development of their respective EPIC 5 investment plan applications. PG&E is broadly supportive of the 13 Strategic Objectives as written and provides only a few comments related to two Strategic Objectives below.

## **II. PG&E OPENING COMMENTS**

### **a. Clarification Around Financial Items**

The PD states:

[T]he IOUs are authorized to collect funds for the IOU’s EPIC 5 budgets (\$185 million annually for years 2026-2030 after including the CEC’s approved EPIC 5 budget). Consistent with D.21-11-028, the \$185 million annual EPIC 5 budget shall be divided among each Administrator in the following manner: \$147.26 million for the CEC, \$18.444 million for PG&E, \$3.24 million for SDG&E and \$15.131 million for SCE.<sup>5</sup>

However, the PD stops short of providing detailed tables for each Administrator outlining their individual budgets and, for the IOUs specifically, the portions of the CEC and Commission oversight budgets they are responsible for collecting in rates and remitting. This detail was provided in EPIC 4<sup>6</sup> and was extremely helpful in removing ambiguity and ensuring consistent interpretation. PG&E requests that the PD be revised to provide, in an appendix, similarly detailed information for EPIC 5.

The PD then states that “Consistent with D.21-11-028, all Administrators may propose to increase their EPIC 5 budgets by the rate of inflation, as calculated using the California Department of Finance’s California Consumer Price Index for Urban Wage Earners and Clerical

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<sup>5</sup> *Id.*

<sup>6</sup> D.21-11-028, Appendix B.

Workers (CPI-W) method.”<sup>7</sup> PG&E greatly appreciates this flexibility, but recommends that the PD be revised to specify the mechanism and timing by which the Administrators should propose any such increases.

Further, the PD states:

No later than 30 days after the effective date of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall each file a Tier 1 Advice Letter modifying their tariff sheets to reflect the Electric Program Investment Charge (EPIC) surcharge in accordance with this decision and to authorize them to record authorized EPIC budgets and expenditures and to collect the EPIC funds through December 31, 2030, or as otherwise authorized by the Commission.<sup>8</sup>

It is unclear whether or how these tariff sheet modifications should consider any proposed inflation adjustments approved by the Commission, since the mechanism and timing by which the Administrators should propose any such increases is not specified in the PD.

**b. Strategic Objective 10 and the Importance of Including All New Loads**

In the CEC’s comments on Staff’s proposal for Strategic Objective 10 Expediting and Streamlining Interconnection and Energization Processes,<sup>9</sup> the CEC had recommended broadening the scope from “streamlining interconnection and energization processes for DER and electric vehicle charging infrastructure” to “include [all] new loads, clean resources, and limited load profiles.” PG&E appreciates the PD’s adoption of the CEC’s recommendation to broaden the scope of this Strategic Objective. The flexibility to innovate to drive faster interconnection and energization of all loads at both the commercial and residential level, will help to spread system costs over greater load and drive down electric rates for customers.

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<sup>7</sup> PD at p.14.

<sup>8</sup> *Id.* at Ordering Paragraph 1.

<sup>9</sup> *Id.* at p.71.

**c. Strategic Objective 13 and the Importance of Innovation for Wildfire Mitigation**

In PG&E’s comments on Staff’s proposal for Strategic Objective 13: Cost-Effective Grid Hardening for Long-Term Climate Impacts,<sup>10</sup> PG&E had recommended “broadening the scope to ensure that future EPIC investment plan cycles can support advancing novel technologies related to wildfire prevention, mitigation, and rapid suppression.”<sup>11</sup> PG&E appreciates the PD’s clarification that “innovation to address wildfire-related issues is already covered under this Strategic Objective.” While PG&E has made significant strides in recent years to reduce wildfire risk in its service area, the catastrophic fires in Southern California serve as a reminder that wildfire risk in California is still very real, and it is critically important that PG&E and its fellow IOUs continue demonstrating and deploying new innovative technologies to further enhance the efficiency and effectiveness of their wildfire mitigation measures. EPIC has long been an essential mechanism for PG&E’s wildfire-related innovation, with numerous impactful innovations coming through its EPIC program dating all the way back to the EPIC 1 cycle.<sup>12</sup> PG&E looks forward to continuing this important work through EPIC and sharing its progress through both its EPIC program reporting and Wildfire Mitigation Plans.

**d. Justification for the Significant Increase in Oversight Budget**

The PD proposes that “the budget of the PICG Coordinator contract is increased by up to an additional \$3,500,000 [to cover PICG support for the EPIC 5 cycle].”<sup>13</sup> The PD also states that the PICG budget authorized for EPIC 4 was \$1,800,000. At a high level, the PD describes the activities that the PICG coordinator would support in EPIC 5, but these activities appear almost identical to those they have performed in the EPIC 4 cycle, which was the same duration

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<sup>10</sup> *Id.* at p.84.

<sup>11</sup> *Id.* at p.88.

<sup>12</sup> *See, e.g.*, Final Report for EPIC 1.05 - Demonstrate New Resource Forecast Methods to Better Predict Variable Resource Output (December 12, 2016) (available at: <https://www.pge.com/en/about/corporate-responsibility-and-sustainability/taking-responsibility/emerging-electric-technology-programs.html#tabs-d02cb684bb-item-5c49c0f2ab-tab>).

<sup>13</sup> PD at p.101.

as the EPIC 5 cycle will be. PG&E respectfully requests that in the spirit of transparency and prudent allocation of ratepayer funds, clearer justification be provided for the near doubling of the PICG Coordinator’s budget.

**e. Clarification of Community Engagement Addressed in Previous Decisions**

Decision (“D.”) 23-04-042, issued in April of 2023, addressed a number of administrative improvement topics for the EPIC program, including several topics from a Staff Proposal in June of 2022. While not reflected in its ordering paragraphs, the body of D.23-04-042 discusses and supports Staff’s proposal to have the Administrators enhance their community engagement and submit community engagement plans to the Commission via Tier 2 Advice Letters in advance of planning their portfolios.<sup>14</sup> D.23-04-042 left ambiguity as to the timing of the proposed engagement activities and when these community engagement plans should be filed and approved in relation to the filing and approval of the Administrators’ EPIC 5 investment plan applications. As the PD sets a June 26, 2026 filing date for Administrators’ investment plan applications, and Administrators will have at most four (4) months to conduct investment planning, clarity around what new community engagement activities the Commission expects Administrators to conduct during EPIC 5 investment planning, as compared to the subsequent EPIC 5 project portfolio planning period, is essential.

Pending approval through this decision for PG&E to administer its EPIC 5 cycle, PG&E looks forward to continuing to mature its community engagement practices in EPIC 5 in line with the Commission’s expectations.

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<sup>14</sup> D.23-04-042 at p.19-22.



**APPENDIX A**  
**PG&E's Proposed Modifications to Findings of Fact, Conclusions of Law, and**  
**Ordering Paragraphs**

PG&E's recommended changes to the PD's Findings of Fact, Conclusions of Law, and Ordering Paragraphs are provided below. Additions are shown in **underline and bold font**, and deletions are in ~~strikeout~~.

Findings of Fact

[#] **The PICG Coordinator requires additional funding for EPIC 5 as compared to EPIC 4 because [ ].**

Conclusions of Law

[#] **It is reasonable for Administrators to make any requests for budget increases up to the rate of inflation in each Administrator's respective investment plan application, due June 26, 2026.**

[#] **Due to [ ], it is reasonable to significantly increase the budget of the PICG Coordinator for EPIC 5.**

Ordering Paragraphs

2. Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) shall collect funding for the Electric Program Investment Charge (EPIC) in the total amount of \$185 million annually beginning January 1, 2026, and continuing through December 31, 2030. The collections for the California Energy Commission's budget continues through 2030 under prior authorization. The prior annual authorization is \$18.444 million for PG&E, \$3.24 million for SDG&E and \$15.131 million for SCE. Decision 21-11-028 permits all Administrators to propose to increase their EPIC 5 budgets by the rate of inflation, as calculated using the California Department of Finance's California Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) method. Responsibility for collection of the funding for the EPIC funds shall be allocated to the utilities in the following percentages: PG&E - 50.1 percent; SDG&E - 8.8 percent; and SCE - 41.1 percent. **This Order is reflected in the detailed budget tables presented in Appendix B.**

3. No later than 30 days after the effective date of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall each file a Tier 1 Advice Letter modifying their tariff sheets **in accordance with the budgets adopted in this decision** to reflect the Electric Program Investment Charge (EPIC) surcharge in accordance with this decision and to authorize them to record authorized EPIC budgets and expenditures and to collect the EPIC funds through December 31, 2030, or as otherwise authorized by the Commission.

**[#] No later than 30 days after the effective date of the Commission's disposition of their respective investment plan applications, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall each file a Tier 1 Advice Letter modifying their tariff sheets to collect any additional funds associated with approved inflation adjustments.**

**[#] In accordance with Decision 23-04-042, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company shall each file a Tier 2 Advice Letter by [date] to submit enhanced community engagement plans.**