



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

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Order Instituting Rulemaking to Consider
Strategies and Guidance for Climate Change
Adaptation.

Rulemaking 18-04-019
(Filed April 26, 2018)

**REPLY COMMENTS OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 M) IN
RESPONSE TO THE APRIL 13, 2026, ASSIGNED COMMISSIONER'S RULING
PROVIDING QUESTIONS FOR COMMENT ON POLICY FRAMEWORK**

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Dated: May 22, 2026

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Pursuant to the April 27, 2026, *Email Ruling on Pacific Gas & Electric's Request for Extension on Commissioner Darcie L. Houck's April 13, 2026, Assigned Commissioner Ruling in Rulemaking (R.)18-04-019*, Pacific Gas and Electric Company (PG&E) submits these reply comments in response to parties' opening comments per the April 13, 2026 *Assigned Commissioner's Ruling Providing Questions for Comment on Policy Framework*.

Our reply comments are provided in Attachment A to this filing.

Respectfully Submitted,

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ATTACHMENT A

**REPLY COMMENTS OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 M) TO
OTHER PARTIES' RESPONSES TO QUESTIONS IN THE APRIL 13, 2026,
ASSIGNED COMMISSIONER'S RULING PROVIDING QUESTIONS
FOR COMMENT ON POLICY FRAMEWORK**

On May 15, 2026, PG&E and nine other parties submitted opening comments in response to the April 13, 2026, Assigned Commissioner Ruling in R. 18-04-019. PG&E is heartened by the similar perspectives shared on these topics with the other California Investor-Owned Utilities (IOUs): Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company. Furthermore, PG&E shares the general perspectives highlighted by the Small and Multi-Jurisdictional Utilities (SMJUs); Liberty Utilities, Bear Valley Electric Service, Alpine Natural Gas and PacificCorp, of the challenges that climate adaptation may present to these smaller utilities. The Commission's Climate Adaptation Vulnerability Assessment (CAVA) and associated community engagement requirements have set the necessary foundation for advancing climate resilience and climate change considerations across PG&E's various business functions.

Parties' responses to questions from the Commissioner's Ruling are set forth in the headings below marked in italics. PG&E's reply to each follows in standard font. The parties' responses are organized by question.

I. PG&E REPLY TO PARTIES OPENING COMMENTS

Question 1

Small Business Utility Advocates (SBUA) states, "*SBUA generally supports the Climate Adaptation Framework proposed in the staff proposal. The cost effectiveness of climate adaptation measures should be assessed by comparing capital and operating costs of climate adaptation measures versus the value of avoided damages and maintained service. Intangible benefits and costs in the cost effectiveness analysis should be included, such as environmental and social benefits and costs.*" (Page 1.)

PG&E's Reply: PG&E objects to the inclusion of the environmental and social benefit costs being included in any reporting as part of the proposed Climate Adaptation Framework. The proposed Climate Adaptation Framework should be limited to the existing issues raised as part of the Safety Policy Division's analysis of General Orders as part of Task 6 of the June 2,

2023, Phase II Scoping Memo and not be expanded at this late date to include additional topics. There are many broad ranging issues with how to capture, quantify and scope any potential environmental and social benefits or costs from utility investments and this topic is well beyond the scope of this proposed reporting framework.

Furthermore, PG&E would object to the inclusion of these topics without substantive debate and deliberation as part of the larger IOU Risk Based Decision Making Framework that the Commission has established to actively consider investment decision tradeoffs.

Question 2

SBUA states, *“Climate-vulnerable customers and communities should receive particular attention from utilities in the climate adaptation policy areas identified in the Proposal. Metrics measuring access to the utility’s services should include an assessment of how California utilities minimize the negative impacts of climate-driven events, and facilitate a rapid and effective recovery from those events.”* (Page 2.)

PG&E’s Reply: There is already an established process within the IOU CAVAs to consider community level input from ‘climate-vulnerable’ communities. On May 15, 2026, PG&E filed its Community Engagement Plan (CEP), which includes a substantive plan of engagement with such ‘climate-vulnerable’ communities. PG&E supports ongoing engagement with its customers; however, we object to the expansion of this proposed Climate Adaptation Framework to include analysis of how each Utility manages potential weather-related impacts to the customers we serve.

PG&E objects to the expansion of Task 6 of this proceeding at this late stage to consider the additional metric highlighted by SBUA. Instead, the performance metrics raised by SBUA may be more appropriately considered in the Safety, Reliability, and Resiliency of Electrical Distribution Systems OIR (R.24-05-023), which is already considering reporting templates for distribution system performance.

SBUA states, *“Additionally, in the event that a utility seeks to add a significant amount of proactive work or accelerate the timetable for completing significant climate adaptation actions*

under a Plan, the utility should be required to report on cost-effectiveness considerations.”

(Page 3.)

PG&E’s Reply: PG&E objects to the inclusion of any cost-effectiveness considerations or justification for changes in project timelines in the proposed Climate Adaptation Framework. There are already established reports, such as the annual Risk Spending Accountability Report (RSAR), where each Utility can report on authorized spending and risk mitigations. Expanding the scope of the proposed Climate Adaptation Framework to also include reporting on cost-effectiveness considerations would create an unnecessary and duplicative process.

Question 3

SBUA states, *“The Climate Adaptation Framework should be applied in all applications and filings with significant outlays (see Question 5 below).”* (Page 4.)

PG&E’s Reply: As stated in our opening comments, PG&E believes the scope of the proposed Climate Adaptation Framework should be narrowed to allow for the evaluation and reporting of only the most impactful climate adaptation issues. PG&E seeks to balance the requirements of providing appropriate datasets for comparative analysis and transparency without placing an undue burden on potential reviewers and creating a new reporting process that would add limited value for the majority of applications where climate adaptation issues are not a primary concern.

Question 5

SBUA states, *“However, a capital expenditure threshold (e.g. \$ 500,000, or less than 5% of the utility’s Climate Adaptation Budget, whichever is lower) could be applied if cost effectiveness reveals that certain smaller projects and programs do not justify a detailed Climate Adaptation Framework.”* (Page 5.)

PG&E’s Reply: As a rule, PG&E objects to any screening criteria for the Framework on a percentage basis given the inherent complexity and requirements that would need to specify what budget, or portion of a budget to consider in calculating a project’s percentage of a total budget. Furthermore, the Commission has not established criteria for what could be included in a ‘Climate Adaptation Budget’, which would make project threshold based on these criteria untenable.

SBUA states, “*Alternatively, multi-criteria assessment could be applied, in which each application is rated as exposed to either Low, Medium, or High catastrophic/safety risk. Applications assessed as having Low risk would not have the Climate Adaptation Framework applied. This assessment grading would likely require further development in this proceeding.*” (Page 5.)

PG&E’s Reply: PG&E objects to the expansion of the proposed Climate Adaptation Framework to include risk-based metrics, which are more appropriately considered in the Risk Assessment Mitigation Phase (RAMP) report and were not previously identified as critical issues by the Safety Policy Division analysis of climate adaptation considerations in General Orders.

The CAVA already has an established process for considering and evaluating different levels of climate exposure, sensitivity, and vulnerability to identify high/moderate/low climate risk assets. These qualitative risk assessments are not designed or intended to be used to assess the risk or consequence of a failure event driven by climate hazards. Creating a new risk focused reporting framework in the proposed Climate Adaptation Framework would lead to undue confusion and duplicative reporting of risk-focused metrics without the benefit of providing the reviewer with a corresponding context and analytical framework for how that assessment was conducted, such as detailed in the CAVA or RAMP reports.

Question 6

SBUA states, “*SBUA recommends including a qualifying assessment of the ability for an adaptation measure to be adjusted, expanded, or changed as climate projections change. See also Question 2 above regarding costs from accelerated or preemptive work.*” (Page 5.)

PG&E’s Reply: PG&E objects to this inclusion of an additional qualifying assessment based on hypothetical changes due to uncertain future climate conditions. There are already existing requirements for PG&E and other utilities to use the best available climate change analysis in planning and risk assessments. Justifying uncertain project changes based on hypothetical scenarios would risk creating disparate reporting templates across applicants given the uncertainty associated with this topic. PG&E will update its climate analysis consistent with Ordering Paragraph 2 from the Commission Decision D.24-08-005, which specifies a process to update climate projections based on future State Climate Assessments.

Question 7

SBUA states, “*Disadvantaged and Vulnerable Communities, including small businesses, should be explicitly assessed, as they are typically the least capable of adapting to climate change events.*” (Page 6.)

PG&E’s Reply: PG&E objects to the inclusion of an assessment of Disadvantaged and Vulnerable Communities in the proposed Climate Adaptation Framework. The Commission has already established a community engagement process as part of the CAVA. This topic would be better considered outside of Task 6, which explicitly considers climate adaptation in General Orders, and instead recommends this be included in the community review of engagement issues as part of Phase II of this proceeding.

Question 8

SBUA states, “*SBUA recommends each application and filing be assessed for likelihood of being impacted by an adverse climate event using multi-criteria assessment, with assessments of being Low, Medium, or High. The application should also be assessed by the consequence of being impacted by an adverse climate event, with assessments of Low, Medium, and High.*” (Page 6.)

PG&E’s Reply: See PG&E’s response to SBUA’s Question 6 opening comments on creating a new multi-criteria assessment risk-reporting framework in the proposed Climate Adaptation Framework.

Question 10

SBUA states, “*Using the multi-criteria assessment to assess the likelihood (Low, Medium, or High) and consequence (Low, Medium, or High) of a particular application’s vulnerability to an adverse climate event affecting vulnerable customers, the greatest level of detailed adaptation analysis should be required for applications exposed to high likelihood and high consequence from adverse climate events.*” (Page 7.)

PG&E’s Reply: PG&E objects to the SBUA’s multi-criteria assessment risk-reporting framework. Considerations of the consequences and likelihoods of risk events should be limited to the existing Risk-Based Decision-Making framework already established by the Commission. PG&E would also object to the application of risk-based analysis based on the expected impact to certain customer classes.

Small and Multi-Jurisdictional Utilities: Question 11

Bear Valley Utilities and Liberty Utilities in response to question 11 states, “*Yes. For a variety of reasons, including the significant differences between the Small IOUs and the Large IOUs, the Framework, Framework requirements, and other new climate adaptation requirements should not be applied to the Small IOUs at this time.*” (Page 7.)

PacificCorp in response to question 11 states, “*Any consideration of extending climate adaptation expectations or the Framework to SMJUs should therefore occur only through a separate, noticed proceeding or later phase, as contemplated by the Assigned Commissioner’s Ruling.*” (Pages 5-6.)

PG&E’s Reply: PG&E lends its support to these positions for not including Small and Multi-Jurisdictional Utilities in the currently proposed Climate Adaptation Framework and for the consideration of this issue to these entities to be conducted in a separate proceeding or later phase.

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