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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Compliance Review of Utility Owned Generation Operations, Portfolio Allocation Balancing Account Entries, Energy Resource Recovery Account Entries, Contract Administration, Economic Dispatch of Electric Resources, Utility Owned Generation Fuel Procurement, and Other Activities for the Record Period January 1 Through December 31, 2025.

Application 26-02-019

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding in compliance with Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure.

1. Procedural Background

On February 27, 2026, Pacific Gas and Electric Company (PG&E) filed this Application for Compliance Review of Utility Owned Generation Operations, Portfolio Allocation Balancing Account Entries, Energy Resource Recovery Account Entries, Contract Administration, Economic Dispatch of Electric Resources, Utility Owned Generation Fuel Procurement, and Other Activities for the Record Period January 1 Through December 31, 2025 (Application).

On April 2, 2026, the Public Advocates office at the California Public Utilities Commission (Cal Advocates) and the California Community Choice

Association¹ (CalCCA) filed protests. On April 13, 2026, PG&E filed a reply to the protests.

The assigned Administrative Law Judge (ALJ) held a prehearing conference (PHC) on April 13, 2026, to address the issues of law and fact, determine the need for hearing, to set the schedule for resolving the matter, and to address other matters as necessary. After considering the Application, the protests filed in this Proceeding and the discussion at the PHC, I have determined the issues and initial schedule of the Proceeding to be set forth in this scoping memo. I have also determined that no environmental and social justice issues have been raised at this time.

2. Issues

The issues to be determined or otherwise considered are:

1. Did PG&E, during the record period, prudently administer and manage in compliance with all applicable rules, regulations, and Commission decisions, including but not limited to, Standard of Conduct No. 4 (SOC 4) the following; and if not, what adjustments, if any, should be made to account for imprudently managed or administered resources:
 - a. Utility-Owned Generation Facilities, excluding extended operations at Diablo Canyon Power Plant; and
 - b. Qualifying Facilities (QF) Contracts and Non-QF Contracts.

¹ California Community Choice Association represents the interests of 24 community choice electricity providers in California: Apple Valley Choice Energy, Ava Community Energy, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance of Southern California, CleanPowerSF, Desert Community Energy, Energy For Palmdale's Independent Choice, Lancaster Energy, Marin Clean Energy, Orange County Power Authority, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

2. Did PG&E achieve least-cost dispatch of its energy resources and economically-triggered demand response programs pursuant to SOC 4?
3. Were the entries PG&E recorded in the Energy Resource Recovery Account (ERRA) and the Portfolio Allocation Balancing Account (PABA) reasonable, appropriate, accurate, and in compliance with Commission decisions?
4. Were PG&E's transactions with the Central Procurement Entity (CPE), and any related showings, in any record period in which there are transactions with the CPE affecting the PABA, New System Generation Balancing Account (NSGBA), or ERRA balancing account, accurately reflected in these balancing accounts in compliance with Commission decisions?
5. Did PG&E's greenhouse gas instrument procurement comply with its Bundled Procurement Plan?
6. Did PG&E administer resource adequacy procurement and sales consistent with its Bundled Procurement Plan?
7. Were the costs incurred and recorded in the following accounts reasonable and in compliance with applicable tariffs and Commission directives:
 - a. Green Tariff Shared Renewables Memorandum Account;
 - b. Green Tariff Shared Renewables Balancing Account;
 - c. Disadvantaged Community - Single Family Solar Affordable Homes Balancing Account;
 - d. Disadvantaged Community - Green Tariff Balancing Account;
 - e. Centralized Local Procurement Sub-Account;
 - f. Modified Transition Cost Balancing Account;
 - g. Bioenergy Market Adjusting Tariff Non-bypassable Charge Account;
 - h. Tree Mortality Non-bypassable Charge Balancing Account; and

i. NSGBA.

8. Does this Application raise any safety considerations?

9. Were there unrealized sales and unrealized revenues from PG&E's 2025 PSPS events?

3. Need for Evidentiary Hearing

Two parties, Cal Advocates and CalCCA filed protests. There will likely be material issues of fact in dispute. Accordingly, we will allow parties to present evidence and conclude that evidentiary hearings are needed.

4. Schedule

The following schedule is adopted here and may be modified by the assigned ALJ as required to promote the efficient and fair resolution of the Application:

Event	Date
Discovery Completed	September 4, 2026
Intervenors' prepared direct testimony filed and served	September 11, 2026
Prepared rebuttal testimony filed and served	October 16, 2026
Joint Status Conference Statement regarding the need for evidentiary hearings; stating whether Evidentiary Hearings are necessary and if so, providing lists of (1) all disputed material facts, (2) all witnesses and for each witness, the disputed material facts to which the witness will testify, and (3) direct and cross-examination estimate times for each witness a party proposes to conduct direct examination and cross-examination. The Joint Status Conference Statement must also include information about	October 30, 2026

settlement discussions as required in this Scoping Memo, filed and served	
Status conference, held	November 6, 2026
If no evidentiary hearing: Joint Motion to Admit Testimony into the Evidentiary Record, filed and served	November 13, 2026
Settlement discussions, held	Ongoing, but concluded by December 1, 2026
Evidentiary hearing(s)	December 9-11, 2026
Concurrent opening briefs, filed and served	January 8, 2027
Concurrent reply briefs, filed and served	February 5, 2027
Proposed decision	Within 90 days after reply briefs
Commission decision	No sooner than 30 days after Proposed Decision

The purpose of the November 6, 2026 status conference is to ascertain whether, under Rule 13.8(c), the parties stipulate to the receipt of prepared testimony into evidence without direct or cross examination or other need to convene an evidentiary hearing or, in the alternative, the parties' resources, readiness and need for an effective remote or in-person evidentiary hearing, including estimates of time requested for cross-examination and identification of anticipated exhibits.

The proceeding will stand submitted upon the filing of reply briefs unless the assigned ALJ requires further evidence or argument. Based on this schedule, the proceeding will be resolved within 18 months as required by Public Utilities Code § 1701.5.

5. Alternative Dispute Resolution (ADR) Program and Settlements

The Commission's Alternative Dispute Resolution (ADR) program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.

Any settlement between parties, resolving all or some of the issues, must comply with Article 12 of the Rules and must be served in writing. Any motion to approve a settlement must include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

Prior to the Status Conference, the parties must include in their Joint Status Conference Statement a summary of their efforts to reach a settlement on disputed issues, identifying agreements reached and unresolved issues requiring hearing and a list of evidence that they propose to introduce at the hearing.

6. Category of Proceeding and Ex Parte Restrictions

Resolution ALJ 176-3578, issued March 19, 2026, preliminarily categorized this proceeding as ratesetting. This ruling confirms the Commission's preliminary determination that this is a ratesetting proceeding. Accordingly, ex

parte communications are restricted and must be reported under Article 8 of the Rules.

7. Public Outreach

Under Public Utilities Code § 1711(a), where feasible and appropriate, before determining the scope of the proceeding, the Commission sought the participation of those likely to be affected, including those likely to derive benefit from, and those potentially subject to, a decision in this proceeding. This matter was noticed on the Commission's daily calendar. Where feasible and appropriate, this matter was incorporated into engagements conducted by the Commission's External Affairs Division with local governments and other interested parties.

8. Intervenor Compensation

Pursuant to Public Utilities Code § 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by May 14, 2026, 30 days after the PHC.

9. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting a response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

10. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://cpuc.ca.gov/pao> or contact the Commission's Public Advisor at 866-849-8390 or send an e-mail to public.advisor@cpuc.ca.gov.

11. Filing, Service, and Service List

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission's Process office, the service list, and the assigned ALJ. Persons may become a party pursuant to Rule 1.4.²

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding must serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. Rule 1.10 requires service on the assigned ALJ of both an electronic copy of filed or served documents and a paper copy of all confidential documents and attachments.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an

² The form to request additions and changes to the Service list may be found at <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf>

alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

12. Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add “@cpuc.ca.gov” to your email safe sender list and update your email screening practices, settings and filters to ensure receipt of emails from the Commission.

13. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Leah Goldberg is the assigned ALJ and presiding officer for the proceeding.

IT IS RULED that:

1. The scope of this proceeding is described above and is adopted.
2. The schedule of this proceeding is set forth above and is adopted.
3. Evidentiary hearing is needed.
4. The category of this proceeding is ratesetting.
5. ALJ Leah Goldberg is the presiding officer for this proceeding.

This order is effective today.

Dated May 26, 2026, at San Francisco, California.

/s/ MATTHEW BAKER

Matthew Baker
Assigned Commissioner