



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

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Order Instituting Rulemaking to Refine the
Risk-Based Decision-Making Framework for
Electric and Gas Utilities

Rulemaking 26-04-016
(Filed April 30, 2026)

PARTIES' RESPONSE TO ALJ REQUEST REGARDING SCHEDULE

WALKER MATTHEWS
PETER OUBORG

Pacific Gas and Electric Company
300 Lakeside Drive, Suite 210
Oakland, CA 94612
Telephone: (415) 238-7987
Facsimile: (510) 898-9696
E-Mail: peter.ouborg@pge.com

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Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

PARTIES' RESPONSE TO ALJ REQUEST REGARDING SCHEDULE

Pursuant to the June 17, 2026 oral ruling of Administrative Law Judge (ALJ) Sarah Thomas, Pacific Gas and Electric Company (PG&E) submits this pleading on behalf of the following Parties:¹ Southern California Edison Company (SCE); Southern California Gas Company (SoCalGas); San Diego Gas and Electric Company (SDG&E); Public Advocates Office (Cal Advocates); Mussey Grade Road Alliance (MGRA); Energy Producers and Users Coalition and Indicated Shippers (EPUC/IS); and the Utility Reform Network (TURN).² Below the Parties present a compromise schedule for this proceeding (Section I), and as requested by ALJ Thomas provide recommendations for the effective conduct of workshops (Section II).

I. SCHEDULE

Following the June 17, 2026 Prehearing Conference in this rulemaking proceeding,³ the Parties exchanged proposals and met on June 18, June 22, June 23, and June 24 to discuss development of a joint party schedule. On June 24, the Parties requested an extension of 48 hours to continue their discussions in a further attempt to narrow their differences and to reach an agreement. On June 24 ALJ Thomas granted the extension request. Subsequently the Parties exchanged further drafts and met again on June 25. As a result of these extensive discussions and collaborative efforts, the Parties propose the compromise schedule shown below, with limited exceptions noted below:

- All Parties support Phase 1 and Phase 2 of the schedule.
- Parties have different views on Phases 3 and 4 of the schedule which address Risk Tolerance and Risk Scaling. Accordingly, the Parties present two alternative schedules for Phase 3 and Phase 4:

¹ Pursuant to Rule 1.8(d), PG&E is authorized by the Parties to make the representations stated herein.

² At the June 17 prehearing conference, ALJ Thomas requested that the Parties attempt to reach agreement on the schedule for this proceeding by June 24, 2026. The ALJ directed that in addition to presenting a joint party schedule, the parties also provide their views on how best to utilize the workshop process in this proceeding for maximum effectiveness. See Prehearing Conference Transcript, June 17, 2026, pp. 41, 42, 49. On June 24, 2026 ALJ Thomas extended the filing date to 5:00 pm June 26, 2026 (“ALJ Ruling Granting in Part Parties' R.26-04-016 RRDF Request for Extension of Time,” email dated 6/24/2026 3:18 pm).

³ Order Instituting Rulemaking to Refine the Risk-Based Decision-Making Framework for Electric and Gas Utilities, issued on May 7, 2026 (Risk OIR).

- Alternative 1 – proposing Risk Tolerance first as Phase 3, and Risk Scaling second as Phase 4.
- Alternative 2 – Proposing Risk Scaling first as Phase 3, and Risk Tolerance second as Phase 4.
- The IOUs (PG&E, SCE, SDG&E and SoCalGas) support Alternative 1, which they believe best addresses the intent of the Rulemaking to prioritize Risk Tolerance and allow for a decision in time for potential implementation as part of PG&E’s 2028 RAMP.
- The IOUs oppose including Risk Scaling and accordingly believe this topic should be removed from the proposed alternative Phase 3 and Phase 4 schedules. The Commission has already addressed Risk Scaling in R.20-07-013. In addition, Risk Scaling was not identified as a potential topic for this phase of the Risk OIR. While the IOUs do not believe Risk Scaling should be included as part of this proceeding, to the extent the Commission is inclined to include Risk Scaling as part of the scope, it should be in Phase 4 of Alternative 1 below commencing in Q3 of 2027 so that it can be considered following issuance of PG&E’s GRC decision -- which is expected to address PG&E’s Risk Scaling function -- scheduled for May 2027.⁴
- TURN believes that Risk Tolerance should not be a topic in this OIR, as discussed in TURN’s opening and reply comments on the OIR, and accordingly believes that Risk Tolerance should be removed from the schedule. If Risk Tolerance is included in the scope of this proceeding, however, TURN prefers that the Risk Scaling Phase commence in Q2 2027 -- before Risk Tolerance is addressed -- with a targeted decision in October 2027, as indicated in Phase 3 of Alternative 2 below, in order to impact PG&E’s 2028 RAMP filing (at least under the current RAMP schedule). If the Commission concludes that Risk Tolerance should *not* be addressed, TURN also recommends that the Risk Scaling Phase commence in Q2 2027 (presumably after the issuance of PG&E’s GRC decision) with a targeted decision in October 2027.
- MGRA and Cal Advocates support the prioritization of Risk Scaling over Risk Tolerance because they believe it is critical to ensure that scaling, in the 2028 PG&E RAMP and subsequent 2031-2034 GRC is aligned with the outcome of the scaling applied in the

⁴ The July 31, 2025 “Assigned Commissioner’s Scoping Memo and Ruling” in A.25-05-009 targets May 2027 for a final decision in PG&E’s 2027 GRC (p. 19.)

Electrical Undergrounding Plans that would run from 2028-2037. MGRA supports attempting to complete either Risk Scaling or Risk Tolerance prior to PG&E's 2028 RAMP filing, but maintains that only one can possibly be completed in that timeframe. MGRA and Cal Advocates note that the Risk Scaling Phase should not be initiated prior to decisions in A.26-02-005 and A.25-05-009 in order to allow the Commission to rule on litigated Risk Scaling issues.

- EPUC/IS support for a schedule in this OIR is motivated by the issues that have the greatest potential to benefit ratepayers. EPUC/IS agree with the sequencing in Phase 1 and Phase 2 in the Proposed Compromise Schedule and join Cal Advocates, MGRA, and TURN (to an extent) in support of the Alternative 2 Phase 3 and Phase 4 Schedule that address Risk Scaling before Risk Tolerance. Addressing Risk Tolerance at the end of the proceeding should not be interpreted as basis to exclude its consideration. In accordance with the OIR, Risk Tolerance must be addressed.

PROPOSED COMPROMISE SCHEDULE PHASE 1 AND PHASE 2

Phase 1: SMJU Reporting, SB 254, and RAMP Schedule (Q4 2026)

Track 1: SB 254, RAMP Schedule

| | |
|--------------------------------------|-------------------|
| Staff Proposal: SB 254/RAMP Schedule | October 16, 2026 |
| Workshop: SB 254 /RAMP Schedule | November 2, 2026 |
| Opening Comments | November 13, 2026 |
| Reply Comments | November 20, 2026 |

Track 2: SMJU Reporting (in parallel with SB 254/RAMP schedule)

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|--------------------------------|--------------------|
| Staff Proposal: SMJU Reporting | September 25, 2026 |
| Workshop: SMJU Reporting | October 9, 2026 |
| Opening Comments | October 23, 2026 |
| Reply Comments | November 6, 2026 |

TARGET – Final Decision on SB 254, RAMP Schedule, SMJU Reporting: January 2027

Phase 2: BCR Refinements (Q1 2027)

| | |
|---|-----------------------|
| Staff Proposal: Treatment of O&M Costs And PVRR | February 1, 2027 |
| Workshop: Treatment of O&M Incremental Costs | Week of Feb. 8, 2027 |
| Workshop: Inclusion of PVRR | Week of Feb. 15, 2027 |
| Opening Comments on Treatment of O&M Incremental Costs, Inclusion of PVRR | March 15, 2027 |
| Reply Comments on Treatment of O&M Incremental Costs, Inclusion of PVRR | March 29, 2027 |

TARGET – Final Decision on BCR Refinements: June 2027

ALTERNATIVE 1 PHASE 3 AND PHASE 4 SCHEDULE

Phase 3: Risk Tolerance (Q4 2026 -Q3 2027)

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|---|---------------------|
| Educational Workshops on Risk Tolerance | Oct-Nov 2026 |
| Staff Guidelines on Risk Tolerance Proposals | Q4 2026 |
| Staff Risk Tolerance Initial Proposal | Q4 2026 |
| Party Risk Tolerance Initial Proposals | January 15, 2027 |
| Workshop Series 1 – Initial Proposals | February 8-19, 2027 |
| Workshop Series 1 Comments on Initial Proposals | March 5, 2027 |
| Party and Staff Risk Tolerance Revised Proposals | March 26, 2027 |
| Workshop Series 2 – Revised Proposals | April 9-23, 2027 |
| Revised Proposals Comments | May 7, 2027 |
| Final Proposals Submission | May 14, 2027 |
| Final Opportunity for Motions for Hearings on Risk Tolerance⁵ | May 21, 2027 |
| Final Proposals Opening Comments | May 24, 2027 |
| Final Proposals Reply Comments | June 3, 2027 |

TARGET–Final Decision on Risk Tolerance: October 2027

Phase 4: Risk Scaling (Q3-2027 to Q2 2028)

| | |
|-----------------------------------|---------|
| Staff Proposal | Q3 2027 |
| Party Proposals | Q4 2027 |
| Workshops | Q4 2027 |
| Comments | Q4 2027 |
| Final Proposals | Q1 2028 |
| Comments on final proposals | Q1 2028 |
| Reply comments on final proposals | Q2-2028 |

TARGET – Final Decision on Risk Scaling: July 2028

Phase 5: TBD

Begin in Q3 2028.

ALTERNATIVE 2 PHASE 3 AND PHASE 4 SCHEDULE⁶

Phase 3: Risk Scaling (Q2-Q3 2027)

| | |
|-----------------------------------|------------|
| Staff Proposal | Q2 2027 |
| Party Proposals | Q2 2027 |
| Workshops | Q2 2027 |
| Comments | Q2 2027 |
| Final Proposals | Q2-Q3 2027 |
| Comments on final proposals | Q2-Q3 2027 |
| Reply comments on final proposals | Q2-Q3 2027 |

TARGET – Final Decision on Risk Scaling October 2027

⁵ If a motion for hearings is granted, the subsequent schedule would be revised following a prehearing conference.

⁶ This schedule is based on timely adoption of PG&E’s 2027 GRC (A.25-05-009).

Phase 4: Risk Tolerance (Q4 2027 -Q3 2028)

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|---|---------|
| Educational Workshops on Risk Tolerance | Q4 2027 |
| Staff Guidelines on Risk Tolerance Proposals | Q4 2027 |
| Staff Risk Tolerance Initial Proposal | Q4 2027 |
| Party Risk Tolerance Initial Proposals | Q4 2027 |
| Workshop Series 1 – Initial Proposals | 2028 |
| Workshop Series 1 Comments on Initial Proposals | 2028 |
| Party and Staff Risk Tolerance Revised Proposals | 2028 |
| Workshop Series 2 – Revised Proposals | 2028 |
| Revised Proposals Comments | 2028 |
| Final Proposals Submission | 2028 |
| Final Opportunity for Motions for Hearings on Risk Tolerance⁷ | 2028 |
| Final Proposals Opening Comments | 2028 |
| Final Proposals Reply Comments | 2028 |

TARGET Final Decision on Risk Tolerance: October 2028

Phase 5: TBD

Begin in Q3 2028.

II. RECOMMENDATIONS FOR THE EFFECTIVE USE OF WORKSHOPS

As requested by ALJ Thomas, the Parties make the following recommendations for the effective use of workshops in this proceeding.:

- Depending on length and complexity, written material should be circulated sufficiently in advance of workshops to provide a reasonable opportunity for review; but in no event less than 48 hours before workshops
- Questions should be addressed in workshops and parties should be given sufficient time to ask and answer questions
- Rules of conduct for workshops should govern, including the following used in OEIS workshops:
 - Open and neutral forum for parties and technical experts to explore challenges and solutions
 - Be professional and respectful of all attendees
 - Discussions should be collaborative in nature

⁷ If a motion for hearings is granted, the subsequent schedule would be revised following a prehearing conference.

