



COM/CHG/hma 10/19/2026

FILED

10/19/26

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

10:30 AM

A2606025

Application of Pacific Gas and Electric Company (U39G) regarding Year 30 (2022-2023) of its Core Procurement Incentive Mechanism.

Application 26-06-025

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 pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

1. Procedural Background

The Core Procurement Incentive Mechanism (CPIM) is a ratemaking incentive mechanism program originally approved in Decision (D.) 97-08-055.¹ The purpose of the CPIM is to provide Pacific Gas and Electric Company (PG&E) with a financial incentive to purchase and transport gas for core ratepayers at a cost that is equal to, or less than, prevailing market prices.

Since the inception of the CPIM, PG&E has submitted shareholder award requests through advice letters, consistent with D.97-08-055, subsequent Commission decisions, and Energy Division resolutions. This process changed in February 2026 with the issuance of D.26-02-058. The

¹ See also, D.26-02-058, *Decision Regarding the Causes and Contributors to the 2022-2023 Gas Price Spike and Adopting Directions to Reduce the Likelihood or Mitigate the Impact of Future Gas Price Spikes*, February 26, 2026, Ordering Paragraph 10 at 199-200.

Commission now requires PG&E to submit annual CPIM shareholder award requests by application rather than advice letter, along with enhanced annual reporting. The decision also established a filing deadline of June 30, 2026, for CPIM Year 30. The Public Advocates Office at the Commission (Cal Advocates) is encouraged to conduct an annual audit of the CPIM and file a monitoring and evaluation report (Report) within six months of receiving PG&E's annual CPIM report.

On June 30, 2026, PG&E filed Application (A.) 26-06-025. In its application, PG&E requests a shareholder award of \$26,629,484 for its Year 30 (November 2022-October 2023) CPIM program. PG&E's Annual Report for CPIM Year 30 was attached to its application as Attachment A.

On August 3, 2026, Cal Advocates filed a protest to the application.

On August 13, 2026, PG&E filed a reply to Cal Advocates' protest.

On August 17, 2026, the Commission issued Resolution ALJ 176-3583 which preliminarily categorized the proceeding as ratesetting.

On August 31, 2026, PG&E filed its Rule 3.2 Compliance Filing.

On September 2, 2026, the assigned Administrative Law Judge (ALJ) issued a ruling setting a prehearing conference (PHC).

On September 18, 2026, a virtual PHC was held to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary.

After considering the application, Cal Advocates' protest, and the discussion at the PHC, I have determined the issues and initial schedule of the proceeding to be as set forth in this scoping memo. I have also determined that no safety or environmental and social justice issues have been raised at this time.

2. Issues

The issues to be determined or otherwise considered are:

1. Has PG&E calculated its requested shareholder reward of \$26,629,484 in accordance with applicable Commission decisions and PG&E's CPIM tariff?
2. Should the Commission approve the requested shareholder reward of \$26,629,484 for CPIM Year 30?

3. Need for Evidentiary Hearing

There are no issues of material disputed fact. Accordingly, no evidentiary hearing is needed. If a party believes that a contested material issue(s) of fact emerges throughout the course of the proceeding, such party must identify disputed issues in any motion requesting evidentiary hearing.

4. Schedule

In its protest, Cal Advocates proposed issuing its Report by September 21, 2026. However, to date, no Report has been filed and served. While Cal Advocates is encouraged to file and serve the Report as soon as possible, the following schedule is adopted in accordance with D.26-02-058 and Public Utilities Code Section 1701.5:

Event	Date
Cal Advocates file and serve Report	December 30, 2026
Comments on Cal Advocates' Report	February 1, 2027
Reply Comments on Cal Advocates' Report (record submitted)	February 19, 2027
Proposed Decision (PD)	First Quarter 2027
Commission Decision	No sooner than 30 days following issuance of PD

The proceeding will stand submitted upon the filing of reply comments on Cal Advocates' Report, unless a party requests evidentiary hearings and

the assigned ALJ requires further evidence or argument. The schedule may be modified by the assigned Commission and ALJ as required to promote the efficient and fair resolution of the application. Based on this schedule, the proceeding will be resolved within 18 months as required by Public Utilities Code Section 1701.5.

5. Category of Proceeding and Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination² that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

6. Public Outreach

Pursuant to Public Utilities Code Section 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.

7. 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 such response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

² Resolution ALJ-176-3583 at 2.

8. 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.

9. 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 ALJ. Persons may become a party pursuant to Rule 1.4.³

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 shall 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 ALJ of both an electronic and a paper copy of filed or served documents. However, for this proceeding, the assigned ALJ has waived the requirement that parties serve paper copies on the ALJ.

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

³ 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>.

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 alternative. The subscription service sends individual notifications to each subscriber of formal e-filings 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.

10. 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.

11. Assignment of Proceeding

Christine Harada is the assigned Commissioner and Margery L. Melvin is the assigned ALJ 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 not needed.
4. The category of the proceeding is ratesetting.

Dated October 19, 2026, at San Francisco, California.

/s/ CHRISTINE HARADA

Christine Harada
Assigned Commissioner