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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U 39 G) regarding Year 31 (2023-2024) of its Core Procurement Incentive Mechanism. (U 39 G)	Application No. 26-11-___

APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 G) REGARDING YEAR 31 (2023-2024) OF ITS CORE PROCUREMENT INCENTIVE MECHANISM

(PUBLIC VERSION)

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Dated: November 2, 2026

TABLE OF CONTENTS

		Page
I.	INTRODUCTION	1
II.	BACKGROUND	2
	A. Establishment of CPIM	2
	B. Modifications of CPIM	3
	C. CPIM Procedural Changes Pursuant to Natural Gas Prices During Winter 2022-2023 OII	5
III.	PURPOSE OF APPLICATION AND RELIEF SOUGHT	7
IV.	COMPLIANCE WITH THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE	8
	A. Statutory Authority (Rule 2.1)	8
	B. Legal Name of Applicant and Related Information (Rule 2.1(a))	8
	C. Correspondence and Communications (Rule 2.1(b))	8
	D. Proposed Categorization (Rule 2.1(c))	9
	E. Need for Hearing (Rule 2.1(c))	9
	F. Issues to Considerations (Rule 2.1(c)	9
	G. Relevant Safety Considerations (Rule 2.1(c))	9
	H. Proposed Schedule – (Rule 2.1(c))	9
	I. Request for Ex Parte Approval (Rule 2.1(c))	10
	J. Articles of Incorporation (Rule 2.2)	10
	K. Authority to Increase Rates – Rule 3.2	10
	L. Balance Sheet and Income Statement (Rule 3.2(a)(1))	10
	M. Statement of Presently Effective Rates (Rule 3.2(a)(2)) and Proposed Rates (Rule 3.2(a)(3))	10
	N. Statement of Proposed Changes - Rule 3.2(a)(3)	11
	O. Summary of Earnings (Rule 3.2(a)(5) and Rule 3.2(a)(6))	11
	P. Most Recent Proxy Statement - Rule 3.2(a)(8)	11
	Q. Pass Through of Costs - Rule 3.2(a)(10)	11
	R. Notice and Service of Application (Rule 3.2(b)-(d))	11
V.	CONCLUSION AND REQUEST FOR COMMISSION ORDERS	12

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(PUBLIC VERSION)

I. INTRODUCTION

Pacific Gas and Electric Company (PG&E) hereby submits its second application (Application) under the Core Procurement Incentive Mechanism (CPIM) as required by Decision (D.) 26-02-058, Ordering Paragraph (OP) 10. The California Public Utilities Commission ("CPUC" or "Commission") established the CPIM in D.97-08-055 (the "Gas Accord Decision"), establishing the methodology to recover PG&E's core gas procurement, storage and transportation costs in customer rates. In D.02-08-070 (the "Gas Accord II Decision") and D.03-12-061 (the "PG&E Gas Structure and Rates Settlement"), the Commission extended the recovery of core gas procurement, storage and transportation costs. Pursuant to these decisions, PG&E is to file an application for approval of shareholder awards for CPIM Year 31 by October 31, 2026,[1] to address its performance under the CPIM for the November 1, 2023 through October 31, 2024 period.

Included as Attachment A to this Application, PG&E provides its report on gas supply and storage activity for the 12-month CPIM Year ending October 31, 2024 (hereinafter referred to as "CPIM Year 31 Report" or "Report"). This Report documents PG&E's core procurement

[1] Decision (D.) 26-02-058, pp. 199-200, Ordering Paragraph (OP) 10 (March 5, 2026).

costs, calculation of costs or savings to core gas customers, and any resulting shareholder costs or award.

II. BACKGROUND

A. Establishment of CPIM

On August 1, 1997, the Commission issued D.97-08-055 (the Gas Accord Decision), which approved the CPIM and established the methodology to recover PG&E's core gas procurement, storage and transportation costs in customer rates for the period from January 1, 1998, to December 31, 2002.[2] In D.02-08-070 (the Gas Accord II Decision) and D.03-12-061 (PG&E Gas Structure and Rates Settlement), the Commission extended the recovery of core gas procurement, storage and transportation costs (by way of the CPIM) and set the extension to terminate on the earlier of: (1) December 31, 2005; or (2) when a revised CPIM was adopted by the Commission.

In the proceeding requiring California energy utilities to preserve interstate pipeline capacity to California (*i.e.*, Rulemaking (R.) 02-06-041), PG&E and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) reached an agreement that addressed modifications to PG&E's CPIM, including a provision that the CPIM will continue until either Cal Advocates or PG&E proposes modifications and those modifications are approved by the Commission. This agreement, which is Exhibit 1 of Rulemaking (R.) 02-06-041, was approved by the Commission in D.04-01-047, at Finding of Fact 12. In D.04-12-050, Conclusion of Law (COL) 8 (the Gas Accord III Decision), the Commission made no substantive changes to the CPIM. In D.10-01-023, the Commission approved the CPIM Hedging Settlement Agreement adopting the inclusion of winter hedging transactions in CPIM and set a shareholder earnings cap at 1.5% of annual gas commodity costs.

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[2] Gas Accord Settlement Agreement Appendix 1, page 57, filed with the Commission on August 21, 1996, indicated that PG&E would file a CPIM applicable to the Gas Accord period. Appendix 1 was incorporated into D.97-08-055 (see D.97-08-055, Appendix B).

Core portfolio cost recovery is to be consistent with the PG&E/Cal Advocates Post-1997 CPIM Agreement (Post-1997 CPIM Agreement), dated October 16, 1996; PG&E's Supplemental Report Describing the Post-1997 CPIM (CPIM Supplemental Report), dated October 18, 1996, filed in Application (A.) 96-08-043 and approved in D.97-08-055; and, the Memorandum of Understanding (Cal Advocates/PG&E MOU) addressing certain procedural details (attached as Appendix A in the 1999 report).

B. Modifications of CPIM

In June 2012, a consortium of Core Transport Agents (CTA) filed a petition for modification of D.04-09-022, seeking to modify the decision requirement that PG&E hold an amount of interstate pipeline capacity, within specified ranges, to serve PG&E's bundled core customers as well as core customers served by CTAs. The Commission issued D.12-12-006 in response to the CTA's petition, establishing a new interim capacity range for PG&E's interstate pipeline contracts, and required PG&E to file an application to establish a new, permanent interstate capacity range. As directed by the Commission, PG&E filed A.13-06-011 to revise its core interstate pipeline capacity planning range.

In October 2015, the Commission issued D.15-10-050, adopting an interstate pipeline capacity range for PG&E's core customers, including those served by CTAs. In accordance with the D.15-10-050, PG&E established its April through October core interstate pipeline capacity planning range between 80% and 105% of forecast average annual daily core demand, and its November through March range between 100% and 115% of forecast average annual daily core demand.

In June 2016, the Commission approved PG&E's 2015 Gas Transmission and Storage (GT&S) Rate Case (D.16-06-056), to: (1) modify the firm storage winter withdrawal quantities; (2) include a monthly index component at PG&E Citygate into the CPIM Benchmark in addition to the daily price index; and, (3) change PG&E's CPIM (upon agreement between PG&E and Cal Advocates) for determination of PG&E's CPIM Benchmark, including the method of calculating the benchmark load, the setting of the CPIM Benchmark sequence, the items to be

included in the calculation of the capacity demand charges CPIM Benchmark, and the determination of benchmark gas index prices.

On April 3, 2018, Cal Advocates and PG&E Core Gas Supply (CGS) signed an MOU to implement the Modification to the CPIM incorporating the United States Customs and Border Protection's Merchandise Processing Fee (MPF) into the Benchmark. PG&E and Cal Advocates agreed to include the MPF associated with Canadian gas purchases in CPIM Actual and the Benchmark costs of the CPIM year in which the costs were incurred.

On January 11, 2019, Cal Advocates and PG&E CGS signed a MOU to implement the Modification to the CPIM incorporating biomethane purchased at PG&E Citygate for Compressed Natural Gas vehicle use in the CPIM Actual United States (U.S.) gas cost, as well as the CPIM Benchmark cost. The biomethane purchased at PG&E Citygate will be recorded separately under the CPIM and excluded from the benchmark load sequencing.

The 2019 GT&S Rate Case Final Decision (D.19-09-025) adopted PG&E CGS's portfolio modifying gas storage and intrastate pipeline capacities. Given the portfolio changes, conforming modifications to CPIM were needed for the pipeline sequence, storage profile, benchmark load, and storage inventory requirements. A Malin Monthly Index Firm block was added in addition to the Alberta Energy Company (AECO), Rockies and San Juan Firm Blocks, and a Malin Daily Index Block was added to sequence before or after PG&E Topock Daily Index Block, depending on least cost net forward price to the PG&E Citygate. The Kingsgate mismatch[3] volumes were moved into the new Malin Intrastate Sequence Block. The CPIM Benchmark sequence modifications are effective when the related pipeline assets are in the core portfolio.

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3. Kingsgate mismatch until the early 2000's was approximately 25,000 Dth representing excess Gas Transmission Northwest (GTN) greater than the upstream pipelines' (NOVA Gas Transmission Ltd. (Nova) and Foothills Pipe Lines, Ltd. (Foothills)) delivery contract capacity. Foothills and Nova capacity was then acquired to reconcile the interconnection mismatch, and the ensuing Kingsgate mismatch was significantly reduced and primarily driven by GTN's monthly fuel rate changes.

On July 2, 2020, the Cal Advocates and PG&E CGS signed an MOU modifying the CPIM effective April 1, 2020.[4] In D.19-09-025, the Commission also approved the following changes to D.15-10-050: (1) increase the winter range maximum from 115 percent to 162 percent of the average annual daily demand; and (2) reduce the March range minimum from 100 percent to 80 percent of the average annual daily demand.

For CPIM Year 31, the effective interstate capacity planning ranges are in the table below (sources: Advice Letter (AL) 4647-G dated August 25, 2022)

Season	Minimum Capacity Holding (MDth/d)	Maximum Capacity Holding (MDth/d)
APR 2024 – OCT 2024	573	752
NOV 2023 – FEB 2024	716	1,160
MAR 2024	573	1,160

D.26-02-058, OP 10, requires PG&E to identify gains and excess costs from physical gas hedges.[5] PG&E does not have any gains or excess costs from physical gas hedges to be reported because it did not utilize physical hedges during CPIM Year 31.

C. CPIM Procedural Changes Pursuant to Natural Gas Prices During Winter 2022-2023 OII

Since its inception, PG&E submitted its CPIM shareholder award requests via advice letter pursuant to D.97-08-055 and subsequent decisions and Energy Division (ED) resolutions. However, the Commission changed this advice letter process in March 2026 with the issuance of

[4] AL 4271-G, MOU Between PG&E CGS and Cal Advocates.

[5] A risk management strategy in which a company directly purchases actual natural gas (physical delivery) and uses that purchase to offset or "lock in" the cost of future natural gas consumption (tngas.org)

D.26-02-028. In March 2023, the Commission issued an Order Instituting Investigation (OII) to examine the events and actions that took place during the natural gas price surge during the winter of 2022-2023. Specifically, the Commission sought to:

> continue the Commission's fact-gathering effort; examine whether events are at play other than normal market forces; determine whether Commission action may provide relief; and consider whether other entities have jurisdiction to mitigate high natural gas prices.[6]

On March 20, 2023, the Commission issued D.26-02-028 wherein it found that California's gas public utilities, including PG&E, did not improperly cause or contribute to the 2022-2023 winter gas price spike.[7] The decision also found that specific changes to PG&E's CPIM were necessary to "promote transparency, alignment, and stakeholder understanding" which may result in the mitigation of any impact of a future price spike on California's gas ratepayers.[8] Those changes include:

> By April 30 of each year, Pacific Gas and Electric Company (PG&E) shall submit an application to request Commission approval of any shareholder award under the Core Procurement Incentive Mechanism (CPIM) and the CPIM Report to the Commission. In its annual CPIM Report, PG&E shall: (i) identify gains and excess costs from physical gas hedges and how the physical hedges are incorporated in benchmark costs and actual costs; (ii) identify border and citygate purchases and sale information separately, rather than combined; and (iii) identify benchmark costs and volumes by basin and monthly indices. PG&E shall submit applications for CPIM Year 30 and CPIM Year 31 by June 30, 2026, and October 31, 2026, respectively.[9]

PG&E submitted its first application for CPIM Year 30 on June 30, 2026 pursuant to the directives of D.26-02-028. Pursuant to those same directives, PG&E now provides its shareholder award request for CPIM Year 31 via application, submitted on the requested date of October 31, 2026.

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6 I.23-03-008, pp. 1-2.

7 *See* D.26-02-058, pp. 175, 177-178, Findings of Fact 33, 54, 63.

8 *See id*. at pp. 3, 191-192, Conclusion of Law 10.

9 *Id*. at pp. 199-200, OP 10.

III. PURPOSE OF APPLICATION AND RELIEF SOUGHT

The purpose of this Application is to request a CPIM shareholder award of $3,357,819 for PG&E's performance in Year 31 pursuant to the aforementioned decisions. For CPIM Year 31, the Benchmark is $972,959,006, and total actual gas cost is $949,758,678, or 97.6% of the Benchmark. As specified in (1) CPIM Supplemental Report, Chapter 2, Part III, Incentive Rewards and Penalties;[10] (2) PG&E's Gas Preliminary Statement Part C; and, (3) CPIM Hedging Settlement Agreement, all gas cost savings below the "Lower Limit" of the Tolerance Band are subject to sharing between core gas customers and PG&E shareholders. For CPIM Year 31, PG&E core gas customers received 80% of the savings below the "Lower Limit" of the "Tolerance Band."

Table I within the CPIM Year 31 Report shows that PG&E's actual gas costs are $23,200,327 below the CPIM Benchmark, of which $16,789,093 are below the Tolerance Band, yielding a shareholder award of $3,357,819. PG&E requests that Cal Advocates confirm the gas cost benchmark and performance calculations and recommends to the Commission that PG&E's shareholders be awarded $3,357,819 for CPIM Year 31.[11]

PG&E's Core Gas Supply Year 31 Monthly CPIM Summary, provided in Table II within the Report, summarizes monthly gas costs, benchmarks, tolerance limits, and resulting performance relative to the Benchmark. Appendix A to the Report, which is submitted to Cal Advocates and the Energy Division on a confidential basis as described in the accompanying declaration, dated November 2, 2026, contains detailed monthly cost information upon which Table II, the Monthly CPIM Summary, is based.

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[10] *See* Footnote 1.

[11] The shareholder incentive award formula is described in the CPIM Supplemental Report, Chapter 2, Part III, Section B, Sharing Outside of the Tolerance Band. The Commission approved modifications to this formula in the Settlement Agreement dated December 15, 2006, included as Appendix A to D.07-06-013 and in the Settlement Agreement dated June 26, 2008, included as Appendix A to D.10-01-023 (R.08-06-025).

IV. COMPLIANCE WITH THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE

A. Statutory Authority (Rule 2.1)

PG&E files this Application pursuant to Sections 451, 454, 489, 491, 701, 728, and 729 of the Public Utilities Code of the State of California, the Commission's Rules of Practice and Procedure, and relevant decisions, orders, and resolutions of the Commission, including the aforementioned decisions.

B. Legal Name of Applicant and Related Information (Rule 2.1(a))

The legal name of the Applicant is Pacific Gas and Electric Company and has been since October 10, 1905. It is organized under the laws of the state of California, and its principal place of business is Oakland, California. Its post office address is Post Office Box 1018, Oakland, California 94604-1018.

C. Correspondence and Communications (Rule 2.1(b))

All correspondence and communications regarding this Application should be sent electronically to Benjamin C. Ellis and George Zahariudakis at their e-mails below. Hard copy mail can be sent to the address listed below:

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D. Proposed Categorization (Rule 2.1(c))

PG&E proposes this Application be categorized as a "rate setting" proceeding within the meaning of Rule 1.3(f) of the Commission's Rules of Practice and Procedure, because PG&E's proposal will have a future effect on rates.

E. Need for Hearing (Rule 2.1(c))

PG&E does not believe that evidentiary records are necessary. Given the record that has already been developed in other Commission proceedings and given the modifications to CPIM resultant of directives contained within D.19-09-025, PG&E does not believe that its proposals in this proceeding will raise any issues of fact that will require a hearing.

F. Issues to Considerations (Rule 2.1(c)

The issue to be considered in this proceeding is whether the CPIM Year 31 shareholder award of $3,357,819 should be approved as requested by PG&E.

G. Relevant Safety Considerations (Rule 2.1(c))

Rule 2.1(c) requires utilities to clearly state the relevant safety considerations in their applications. Nothing is more important to PG&E than the safety of our customers, employees, contractors, and the communities we serve. It is our top priority. That said, this application does not identify any safety considerations associated with its requested relief.

H. Proposed Schedule – (Rule 2.1(c))

PG&E proposes the following schedule, assuming that hearings will be required:

Event	Date
PG&E files Application	October 30, 2026
Deadline for responses to Application	Within 30 days of Daily Calendar notice
Prehearing Conference	December 16, 2026
Cal Advocates Monitoring Report	April 30, 2027
Comments on Cal Advocates Report	May 14, 2027
Reply Comments (if any) on Report	May 21, 2027

Event	Date
Proposed Decision	Q3 2027
Commission Decision	Q3/Q4 2027

I. Request for Ex Parte Approval (Rule 2.1(c))

The Commission is familiar with PG&E's CPIM and the limited issues presented in this Application. PG&E believes that the information provided by this Application and accompanying CPIM Year 31 Report will be a sufficient basis for the Commission to reach a decision without hearings. Accordingly, PG&E respectfully requests that the Commission approve this Application expeditiously, and without evidentiary hearings.

J. Articles of Incorporation (Rule 2.2)

PG&E is, and since October 10, 1905, has been, an operating public utility corporation organized under California law. PG&E is engaged principally in the business of furnishing electric and natural gas services in California. A certified copy of PG&E's Amended and Restated Articles of Incorporation effective June 22, 2020, were filed on July 1, 2020, in A.20-07-002. These articles are incorporated herein by reference.

K. Authority to Increase Rates – Rule 3.2

PG&E is providing material in this Application that complies with Rule 3.2. This Application is not a general rate increase application, so Rule 3.2(a) applies, except for subsection (4), (7), and (9).

L. Balance Sheet and Income Statement (Rule 3.2(a)(1))

Attachment C of this Application presents PG&E's most current balance sheet and income statement for the period ended September 30, 2026.

M. Statement of Presently Effective Rates (Rule 3.2(a)(2)) and Proposed Rates (Rule 3.2(a)(3))

PG&E's presently effective electric and gas rates were filed on March 16, 2026, in A.26-03-017, and are incorporated herein by reference.

N. Statement of Proposed Changes - Rule 3.2(a)(3)

The rate changes that will result in a future action from this Application are described in Attachment B.

O. Summary of Earnings (Rule 3.2(a)(5) and Rule 3.2(a)(6))

The 2025 summary of earnings for PG&E was filed with the Commission on August 26, 2026, in A.26-8-015, and is incorporated herein by reference.

P. Most Recent Proxy Statement - Rule 3.2(a)(8)

PG&E's most recent proxy statement dated April 9, 2024, was filed with the Commission on May 15, 2026, in A.26-05-007, and is incorporated herein by reference.

Q. Pass Through of Costs - Rule 3.2(a)(10)

The shareholder award sought by PG&E in this Application would not simply pass through to customer costs to PG&E for services and commodities furnished by it.

R. Notice and Service of Application (Rule 3.2(b)-(d))

PG&E is serving this Application on all parties that participated in PG&E's CPIM Year 30 Application proceeding, A.26-06-025. Within 20 days of filing, PG&E will mail a notice stating in general terms the proposed revenues, rate changes and rate making mechanisms requested in this Application to the State of California and to cities and counties served by PG&E. Within 20 days PG&E will also publish the notice in newspapers of general circulation in each county in its service territory. Additionally, within 45 days, PG&E will include notices with the regular bills mailed or emailed to all customers affected by the proposed rate change. The notice will state a copy of this Application and related attachments will be furnished by PG&E upon written request.

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V. CONCLUSION AND REQUEST FOR COMMISSION ORDERS

For the reasons set forth above and in Attachment A, PG&E respectfully requests that the Commission approve a Year 31 CPIM shareholder award of $3,357,819.

Respectfully Submitted,

BENJAMIN C. ELLIS

By: */s/ Benjamin C. Ellis*
BENJAMIN C. ELLIS

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Attorney for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: November 2, 2026

VERIFICATION

I, Gillian Clegg, say:

I am an officer of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized pursuant to Rule 1.11 of the Rules of Practice and Procedure of the California Public Utilities Commission to make this verification for and on behalf of said corporation, and I make this verification for that reason. I have read the foregoing **APPLICATION OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 G) REGARDING YEAR 31 (2023-2024) OF ITS CORE PROCUREMENT INCENTIVE MECHANISM**, and I am informed and believe that the matters therein concerning PACIFIC GAS AND ELECTRIC COMPANY are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Oakland, California this 2nd day of November, 2026.

/s/ Gillian Clegg
Gillian Clegg
Vice President, Energy Policy and Procurement

Attachment A

Core Procurement Incentive Mechanism
Year 31 Annual Report

THIS DOCUMENT IS
CONFIDENTIAL IN ITS ENTIRETY
AND HAS BEEN EXCLUDED FROM
THE PUBLIC VERSION

Attachment B

Core Procurement Incentive Mechanism
Year 31 Statement of Proposed Rates

Rate Tables
Impact of CPIM Year 31 Award on Gas Rates over Last 12 Months

Calculation of CPIM Award $/therm:		
CPIM Award excluding RF&U		$ 3,357,819
Core Bundles Sales per 2023 GTS CARD Mth/yr		2,037,624
CPIM Award $/th excluding RF&U	$	0.00165

Attachment C

PG&E's Balance Sheet and
Income Statement

September 30, 2026

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions)

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Operating Revenues				
Electric	$ 4,660	$ 4,755	$ 14,015	$ 13,304
Natural gas	1,528	1,495	4,956	4,827
Total operating revenues	**6,188**	**6,250**	**18,971**	**18,131**
Operating Expenses				
Cost of electricity	904	1,015	2,265	2,013
Cost of natural gas	109	131	694	738
Operating and maintenance	2,541	2,636	8,182	8,128
SB 901 securitization charges, net	36	35	36	35
Wildfire-related claims, net of recoveries	—	1	—	100
Wildfire Fund expense	141	86	369	271
Depreciation, amortization, and decommissioning	1,206	1,132	3,434	3,302
Total operating expenses	**4,937**	**5,036**	**14,980**	**14,587**
Operating Income	**1,251**	**1,214**	**3,991**	**3,544**
Interest income	97	91	320	384
Interest expense	(729)	(691)	(2,145)	(2,059)
Other income, net	116	97	334	251
Income Before Income Taxes	**735**	**711**	**2,500**	**2,120**
Income tax benefit	(85)	(202)	(105)	(100)
Net Income	**820**	**913**	**2,605**	**2,220**
Preferred stock dividend requirement	3	3	10	10
Income Available for Common Stock	**$ 817**	**$ 910**	**$ 2,595**	**$ 2,210**

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	(Unaudited)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net Income	**$ 820**	**$ 913**	**$ 2,605**	**$ 2,220**
Other Comprehensive Income				
Pension and other postretirement benefit plans obligations (net of taxes of $0, $0, $1, and $0 respectively)	1	—	1	2
Net unrealized gain (loss) on available-for-sale securities (net of taxes of $3, $1, $7, and $4 respectively)	(3)	(4)	(12)	10
Total other comprehensive income (loss)	**(2)**	**(4)**	**(11)**	**12**
Comprehensive Income	**$ 818**	**$ 909**	**$ 2,594**	**$ 2,232**

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)

	(Unaudited) Balance at	
	September 30, 2026	**December 31, 2025**
ASSETS		
Current Assets		
Cash and cash equivalents	$ 339	$ 353
Restricted cash and restricted cash equivalents (includes $370 million and $225 million related to VIEs at respective dates)	404	258
Accounts receivable		
Customers (net of allowance for doubtful accounts of $391 million and $408 million at respective dates) (includes $1.8 billion and $1.9 billion related to VIEs, net of allowance for doubtful accounts of $391 million and $408 million at respective dates)	2,205	2,267
Accrued unbilled revenue (includes $1.4 billion and $1.3 billion related to VIEs at respective dates)	1,613	1,463
Regulatory balancing accounts	4,846	6,300
Other (net of allowance for doubtful accounts of $28 million and $69 million at respective dates)	1,635	1,725
Regulatory assets	159	305
Inventories		
Gas stored underground and fuel oil	68	75
Materials and supplies	789	745
Wildfire Fund asset	286	297
Wildfire self-insurance asset	1,008	1,043
Other	865	643
Total current assets	**14,217**	**15,474**
Property, Plant, and Equipment		
Property, Plant, and Equipment	136,222	128,989
Construction work in progress	5,114	4,626
Financing lease ROU asset and other	—	2
Total property, plant, and equipment	**141,336**	**133,617**
Accumulated depreciation	(38,781)	(37,269)
Net property, plant, and equipment	**102,555**	**96,348**
Other Noncurrent Assets		
Regulatory assets	16,531	15,981
Customer credit trust	408	804
Nuclear decommissioning trusts	4,432	4,230
Operating lease ROU asset	448	445
Wildfire Fund asset	3,373	3,728
Other (includes noncurrent accounts receivable of $76 million and $67 million related to VIEs, net of noncurrent allowance for doubtful accounts of $17 million and $15 million and $272 million and $0 of noncurrent restricted cash related to the DOE's Civil Nuclear Credit Program at respective dates)	4,599	4,073
Total other noncurrent assets	**29,791**	**29,261**
TOTAL ASSETS	**$ 146,563**	**$ 141,083**

See accompanying Notes to the Condensed Consolidated Financial Statements.

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except share amounts)

	(Unaudited) Balance at	
	September 30, 2026	**December 31, 2025**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	$ 2,205	$ 2,675
Long-term debt, classified as current (includes $227 million and $221 million related to VIEs at respective dates)	1,474	821
Accounts payable		
Trade creditors	3,051	3,352
Regulatory balancing accounts	2,406	3,119
Other	781	844
Operating lease liabilities	94	90
Interest payable (includes $154 million and $72 million related to VIEs at respective dates)	709	673
Wildfire-related claims	173	524
Other	3,174	3,710
Total current liabilities	**14,067**	**15,808**
Noncurrent Liabilities		
Long-term debt (includes $11.5 billion and $11.7 billion related to VIEs at respective dates)	54,729	51,766
Regulatory liabilities	20,369	20,188
Pension and other postretirement benefits	430	482
Asset retirement obligations	5,654	5,439
Deferred income taxes	5,678	4,732
Operating lease liabilities	354	355
Financing lease liabilities	—	2
Other	4,914	4,474
Total noncurrent liabilities	**92,128**	**87,438**
Shareholders' Equity		
Preferred stock	258	258
Common stock, $5 par value, authorized 800,000,000 shares; 264,374,809 shares outstanding at respective dates	1,322	1,322
Additional paid-in capital	39,327	37,505
Reinvested earnings	(505)	(1,225)
Accumulated other comprehensive loss	(34)	(23)
Total shareholders' equity	**40,368**	**37,837**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 146,563**	**$ 141,083**

See accompanying Notes to the Condensed Consolidated Financial Statements.