Closed to the Public

***Public Utilities Commission of the State of California***

***Ratesetting Deliberative Meeting Agenda No. 141***

***Monday, April 19, 2021, 10:00 a.m.***

***Remotely***

**Commissioners**

**Marybel Batjer, President**

**Martha Guzman Aceves**

**Clifford Rechtschaffen**

**Genevieve Shiroma**

**Darcie L. Houck**

Pursuant to Executive Order N-29-20, paragraph 3, that was issued on March 17, 2020, Commissioners may participate remotely from teleconferencing locations

Link to Executive Order N-29-20:

<https://www.gov.ca.gov/wp-content/uploads/2020/03/3.17.20-N-29-20-EO.pdf>

*This Ratesetting Deliberative Meeting will commence at the above date and time and may be continued from day to day up to the convening of the April 22, 2021 Business Meeting.*

*This Ratesetting Deliberative Meeting is being held pursuant to Pub. Util. Code § 1701.3(h)(6).*

*Website:* [*http://www.cpuc.ca.gov*](http://www.cpuc.ca.gov/)

Ratesetting Deliberative Meeting

10:00 a.m.

Remotely

For further information contact the Public Advisor

Phone: (415) 703-2074 - E-mail: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)

# AGENDA

*(Agenda ID number corresponds to the April 22, 2021 Business Meeting Agenda)*

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| **NOTE:** | **Ex Parte communications are prohibited on Agenda ID Number 19315 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting, at which a vote on the Proposed Decision is scheduled. Rule 8.2(c)(4).** |
| **[19315]** | **Pacific Gas & Electric Company's Application of Stress Test Methodology**  A.20-04-023  In the Matter of the Application of Pacific Gas and Electric Company for (1) Administration of Stress Test Methodology Developed Pursuant to Public Utilities Code Section 451.2(b) and (2) Determination That $7.5 Billion of 2017 Catastrophic Wildfire Costs and Expenses Are Stress Test Costs That May Be Financed Through Issuance of Recovery Bonds Pursuant to Section 451.2(c) and Section 850 et seq.  **PROPOSED OUTCOME:**   * Determines Pacific Gas & Electric Company (PG&E) satisfies the Stress Test Methodology created pursuant to Public Utilities Code Section 451.2(b) and that $7.5 billion of 2017 catastrophic wildfire costs and expenses are Stress Test Costs that may be financed through the issuance of recovery bonds pursuant to Public Utilities Code Sections 850 *et. seq*. * Authorizes PG&E to establish a Customer Credit Trust, funded by PG&E shareholders, that will provide a monthly Customer Credit to ratepayers to offset the Fixed Recovery Charge that may be created to pay the costs and expenses of the recovery bonds in order to achieve a ratepayer neutral result. * Closes the proceeding.   **SAFETY CONSIDERATIONS:**   * Application of the Stress Test methodology examines PG&E's financial status and is intended to provide predictable and clear financial outputs, minimize negative ratepayer impacts, and incentivize utilities to carefully manage their risks to achieve the level of care, competence, and safety expected from utilities that operate inherently hazardous facilities.   **ESTIMATED COST:**   * Neutral, on average. PG&E may issue up to $7.5 billion of recovery bonds if A.21-01-004 is approved, that will result in a Fixed Recovery Charge totaling more than $394 million each year for the next 30 years. Those charges are expected to be offset through a Customer Credit funded by the contribution of cash and other shareholder assets to a Customer Credit Trust. At the conclusion of the 30-year period 25 percent of any remaining assets will be allocated to ratepayers.   (Comr Batjer - Judge Haga)  <http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=373359645>  *Pub. Util. Code § 311* – *This item was mailed for Public Comment.*  *Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting*.  This matter may be considered during the Ratesetting Deliberative Meeting. |