



California Public Utilities Commission
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PRESS RELEASE

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CPUC Prioritizes Safety, Reliability, and Affordability in PG&E Rate Case

SAN FRANCISCO, Nov. 16, 2023 – The California Public Utilities Commission (CPUC) today resolved Pacific Gas and Electric Company’s (PG&E) General Rate Case (GRC), which covers its operational and infrastructure revenue requirement for 2023-2026. The decision marks a crucial step in fortifying the future of California’s electric grid while prioritizing customer affordability.

Based on the evidence presented, the CPUC today unanimously approved the Alternate Proposed Decision of Commissioner John Reynolds. This decision approves investments in the safety and reliability of PG&E’s energy services. Inflation and a significant investment in undergrounding electric lines ranked among the top drivers in PG&E’s request. Over the past year and a half, numerous parties reviewed PG&E’s GRC request and provided input on each cost category and related proposed expenditures.

“I am proud of today’s decision because it represents the CPUC’s commitment to finding a reasonable balance in the face of incredibly challenging circumstances and competing objectives,” said Commissioner John Reynolds, who is assigned to the proceeding. “This decision ultimately represents both an historic investment in PG&E’s electric and natural gas systems as well as an expectation that PG&E must continue to be safer and more efficient. I am grateful to the many parties, and the scores of CPUC staffers, for their help as we grappled with this decision.”

Today’s decision propels PG&E’s energy infrastructure and operations into the future, addressing critical objectives such as mitigating wildfire risk, enhancing safety and reliability, and anticipating evolving electric grid demands. This comprehensive approach not only ensures PG&E’s capacity to maintain a safe and reliable energy system with a dedicated workforce, but also positions California for

a more resilient energy future in the face of climate change. Moreover, the decision reflects rigorous oversight over hundreds of programs, and reduces PG&E's request to more accurately reflect forecasts for prudent use of ratepayer funds.

Among the key initiatives covered in the decision:

- **Wildfire System Enhancement and Undergrounding**
 - Approves 1,230 miles of electric line undergrounding, as well as 778 miles of covered conductor, totaling 2,008 hardened miles. This represents an historic opportunity for PG&E to invest in safer, reliable improvements for its customers while also achieving economies of scale to drive down costs; the revised undergrounding total also provides PG&E with a bridge to a future phase of undergrounding planning, through the Senate Bill 884 program.
- **Vegetation Management**
 - Approves PG&E investing approximately \$1.3 billion in vegetation management to reduce wildfire ignition risk and improve reliability on PG&E's electrical system.
- **Capacity Upgrades**
 - Approves PG&E investing more than \$2.5 billion in upgrading the electric distribution system from 2023-2026, which will help prepare the grid to support initiatives for enhanced building electrification and new interconnections for electric vehicle charging stations and new housing and businesses.

“Today’s decision balances a myriad of competing interests—affordability, feasibility, safety, and reliability,” said CPUC President Alice Reynolds. “And in the face of increasingly turbulent climate-driven weather events, it gives PG&E the opportunity to prove it can underground electric lines at scale. This will allow PG&E to achieve economies of scale, drive down costs, and reduce wildfire risk.”

Setting the pathway for critical investments in PG&E's system

For PG&E customers, this approval by the CPUC translates to a continued commitment to safe, reliable, and affordable energy services. The GRC ensures that every dollar invested contributes to more resilient energy infrastructure, offering customers lasting benefits. Moreover, stringent accountability measures

are embedded within the decision, assuring customers that their investment yields tangible and accountable improvements in PG&E’s operations and services.

PG&E requested \$15.4 billion for 2023; today’s decision cut that amount substantially, by \$1.8 billion. Today’s decision sets the 2023 revenue requirement at \$13.5 billion, reflecting an 11 percent increase from the authorized 2022 revenue requirement. For the typical residential customer, their combined monthly electric and natural gas bill will increase by \$32.62 or 12.8 percent, compared to PG&E’s request of \$38.73 or 17.9 percent increase.

PG&E’s 2022 Authorized Revenue Requirement		Proposed 2023 Revenue Requirement	Percent Increase	Dollar Increase
\$12.2 billion	PG&E Request	\$15.4 billion	26%	\$3.2 billion
	Decision	\$13.5 billion	11%	\$1.3 billion

Customers can expect any changes to their bill to go into effect on January 1, 2024.

For further information on the proceeding, including today’s decision and a fact sheet, please visit the [CPUC’s website](#).

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About the California Public Utilities Commission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit www.cpuc.ca.gov for more information.