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Closed to the Public

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

***Ratesetting Deliberative Meeting Agenda No. 192***

***Monday, December 15, 2025, 10:00 a.m.***

***San Francisco, California***

**Commissioners**

**Alice Reynolds, President**

**Matthew Baker**

**Karen Douglas**

**Darcie L. Houck**

**John Reynolds**

Commissioners may participate remotely from teleconferencing locations.

This Ratesetting Deliberative Meeting may be continued from day to day up to the business meeting on which an item appears.

This Ratesetting Deliberative Meeting is being held pursuant to Pub. Util. Code § 1701.9(a).

Website: <http://www.cpuc.ca.gov>

Ratesetting Deliberative Meeting  
10:00 a.m.

**California Public Utilities Commission**

**505 Van Ness Ave, Rm. 5305**

**San Francisco, California**

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 numbers correspond to December 18, 2025, Business Meeting Agenda)*

**[23869] Pacific Gas and Electric Company to Recover Costs Recorded in the Transmission Revenue Requirement Reclassification Memorandum Account**

**A.24-09-015**

Application of Pacific Gas and Electric Company for Recovery of Recorded Expenditures in Transmission Revenue Requirement Reclassification Memorandum Account.

**PROPOSED OUTCOME:**

- Authorizes \$338.2 million in revenue requirement (inclusive of a \$42.6 million retail offset) for costs recorded in Pacific Gas and Electric Company's (PG&E) Transmission Revenue Requirement Reclassification Memorandum Account.
- Implements a jurisdictional reclassification of costs from transmission (Federal Energy Regulatory Commission) to distribution (Commission) rates.
- Closes the proceeding.

**SAFETY CONSIDERATIONS:**

- There are no safety considerations associated with this decision.

**ESTIMATED COST:**

- Approximately \$338.2 million net electric revenue requirement to be reflected in PG&E's distribution rates (inclusive of a \$42.6 million retail offset). Because this decision primarily reclassifies costs from transmission to distribution, the incremental impact to ratepayers is minimized—the change largely reallocates charges between bill components rather than creating new costs.

<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=587016018>

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

**[23865] San Diego Gas & Electric Company's Consolidated Test Year 2024 General Rate Case Track 2**

**A.22-05-015, A.22-05-016 - Related matters.**

Application of Southern California Gas Company for Authority, Among Other Things, to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2024.

**PROPOSED OUTCOME:**

- Disallows cost recovery of San Diego Gas & Electric Company (SDG&E) wildfire mitigation costs recorded in its Wildfire Mitigation Plan Memorandum Account for years 2019-2022 in the amounts of \$192.561 million in Operations & Maintenance (O&M) costs and \$242.391 million in capital expenditures.
- Approves the balance requested of \$90.566 million in O&M expenses and \$945.248 million in capital expenditures.
- Authorizes a total revenue requirement of \$720.755 million for 2019-2027 less the amount that SDG&E collected for interim rate relief of \$289.9 million in 2024-2025, resulting in a total revenue requirement authorized of \$430.855 million.
- Authorizes SDG&E to amortize the balance of the under collected revenue requirement owed through 2025 of \$191.720 million over a period of three years. This will increase the average non-CARE customer bill by \$5.09 or 2.94%.
- Authorizes SDG&E to seek recovery of the balance of the under collected revenue requirement for 2019-2022 wildfire mitigation costs owed in 2026 and 2027 of \$239.135 million through a Tier 2 Advice Letter, including a proposed amortization period and bill impacts, to be effective in the beginning of years 2026 and 2027.

**SAFETY CONSIDERATIONS:**

- The recovered costs compensate for wildfire mitigations that help provide safe and reliable electrical services.

**ESTIMATED COST:**

- Revenue requirement effective January 1, 2026 of \$430.855 million.

(Comr. Houck - Judge Larsen)

<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=587328302>

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**[23870] Pacific Gas and Electric Company, Southern California Gas Company, Southern California Edison Company, and San Diego Gas & Electric Company Test Year 2026 Cost of Capital**

**A.25-03-010, A.25-03-011, A.25-03-012, and A.25-03-013 - Related matters.**

Application of Pacific Gas and Electric Company for Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2026.

**PROPOSED OUTCOME:**

- Establishes the 2026 ratemaking cost of capital for Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).
- Retains the same capital structure as in Test Year 2023 Cost of Capital cycle but decreases the Cost of Common Equity by 35 basis points from Decision (D.) 24-10-008: PG&E's Return on Equity (ROE) is 9.93% with a corresponding Return on Return (ROR) of 7.59%, SoCalGas' ROE is 9.73% with a corresponding ROR of 7.49%, SCE's ROE is 9.98% with a corresponding ROR of 7.56%, and SDG&E's ROE is 9.88% with a corresponding ROR of 7.39%.
- Approves PG&E's Yield Spread Adjustment and request for revenue credit associated with the Department of Energy Loan but denies SCE's accrued carrying cost proposal.
- Continues the Cost of Capital Mechanism in its current form as authorized in D.24-10-008.
- Closes the proceedings.

**SAFETY CONSIDERATIONS:**

- There are no safety considerations associated with this decision.

**ESTIMATED COST:**

- There are no costs associated with this decision.

(Comr. Alice Reynolds - Judge Lakey)

<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=587323962>

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*