Date of Issuance: July 17, 2026

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION **RESOLUTION E-5462**
July 16, 2026

R E S O L U T I O N

Resolution E-5462. Pacific Gas and Electric (PG&E) requests approval for relocation agreement with Clark & Sullivan Construction and Broward Builders, Inc. (CS Broward) a Joint Venture for Relocation and Rearrangement of PG&E's Public Utility Facilities, in Accordance with Electric Rule No. 15.I.3, the Exceptional Cases Provision.

PROPOSED OUTCOME:

- Approves the Tier 3 Advice Letter 7871-E filed by PG&E, which includes an agreement with Clark & Sullivan Builders, Inc. doing business as CS Broward, a Joint Venture, for PG&E to relocate and rearrange utility poles and overhead transmission and distribution facilities (PG&E Project) to accommodate its project to build a new California Highway Patrol building for the State of California (CHP Project) in the Town of Quincy at Assessor's Parcel Number 117-140-027 in Plumas County (Property).
- Approves the agreement, referred to as the Actual Cost Contract (ACC), which memorializes the terms and conditions governing the relocation of PG&E's facilities in conflict with the CHP Project.

SAFETY CONSIDERATIONS:

- Work to relocate overhead electric utility facilities will conform to all current and applicable laws, California Public Utilities Commission (CPUC) regulations, industry and PG&E safety requirements as discussed in this Resolution and documented in the agreement.

ESTIMATED COST:

- Under the ACC, the CS Broward is requesting to pay for the work on an actual cost basis. CS Broward will pay the estimated cost upfront, but after relocation is completed, PG&E will true-up the final costs in a final invoice. Final invoice will reflect the full actual cost of the relocation work, with appropriate credit for the initial payment received from CS Broward.

By Advice Letter Filed 7871-E on March 30, 2026.

SUMMARY

This Resolution approves the Pacific Gas and Electric Company (PG&E) relocation agreement with Clark & Sullivan Construction and Broward Builders, Inc. (CS Broward) to accommodate the California Highway Patrol (CHP) Project. The Actual Cost Contract (ACC) governs the terms and conditions between CS Broward, and PG&E regarding the relocation of PG&E's facilities that conflict with the CHP Project in Plumas County. PG&E requests approval under Electric Rule No. 15.I.3 the Exceptional Cases Provision for the proposed ACC.

BACKGROUND

Distribution relocation work is governed by Electric Rule 15.I.1, which provides that relocation of PG&E's existing facilities at the request of, or for the convenience of an applicant, and agreed upon by PG&E shall normally be performed by PG&E, and the applicant or customer is responsible for the cost of all related relocation, rearrangement or removal work.

In a typical utility relocation project involving distribution facilities, PG&E would utilize its form agreement on file with the CPUC, Electric Form No. 62-4527 Agreement to Perform Tariff Schedule Related Work (Work Performance Agreement) which is used for a variety of tariff-related services, including relocation work performed at the request of an applicant. Under the Work Performance Agreement, the applicant agrees to pay PG&E the specified contract price, which is based on PG&E's estimated cost of the work performed by PG&E, in accordance with Rule 15.G. These charges are collected at the time the Work Performance Agreement is entered into, in advance of the work.

This ACC with CS Broward entails a substantial scope of work for the PG&E Project. Performing such a large-scale utility relocation and rearrangement on an estimated cost basis creates a risk that the cost estimate may not accurately capture the cost that will be incurred during the PG&E Project. For example, should the cost estimate later be determined to be lower than the actual costs incurred, PG&E would bear those additional costs that exceeded the cost estimate. Alternatively, should the cost estimate be higher than the actual costs, CS Broward would bear more than the amount PG&E actually incurred to perform the work.

Under the ACC, PG&E is accommodating CS Broward's request to pay for the work on an actual cost basis. CS Broward will pay the estimated PG&E Project cost upfront, similar to the Work Performance Agreement, but after the relocation work is completed, PG&E will true-up the final costs in a final invoice. The final invoice will reflect the full actual cost of the relocation work, with appropriate credit for the initial payment received from CS Broward.

The ACC also addresses the cost of PG&E's work on the preliminary design, review and coordination of the relocation of the electric utility facilities in conflict with the (CHP) Project. PG&E can accommodate the relocation request for the CHP Project and will undertake the construction of the work to remove, relocate or rearrange the electric facilities.

PROJECT SCOPE

The CHP Project is to construct a new CHP office in Plumas County. The PG&E Project requires PG&E to work on the Caribou-Plumas Junction 60kV transmission line to relocate one transmission pole, upgrade a distribution pole to a transmission pole, and replace two transmission poles, all with the East Quincy 1101 electric distribution underbuild.

PROJECT COST

The estimated cost of this work, under the ACC, is $1,050,659 plus an additional 24% for the Income Tax Component of Contributions (ITCC), which comes out to $252,158.00, resulting in total project cost of $1,302,817.00. The estimated cost and the ITCC are to be paid by CS Broward. CS Broward has already paid PG&E $300,000.00 in an engineering advance that will be subtracted from the current total project cost. The remainder of the current estimated cost and the ITCC, or $1,002,817.00, are to be paid by CS Broward when the ACC is executed. The PG&E Project is anticipated to start in January 2027 but is subject to Commission approval before starting construction

AGREEMENT TERMS

Design, Procurement and Construction

Under the ACC, PG&E is responsible for the design and procurement of supplies, construction and removal of its utility facilities.

Compliance with Permits

CS Broward shall acquire all governmental approvals and permits for PG&E to undertake the work necessary to relocate, remove or rearrange PG&E's facilities.

Land Rights for the Relocated Facilities

The relocation of PG&E's facilities may require the acquisition of additional land rights on the property or third-party property should there be changes to the project's scope. Additional land rights may be required, for example, if there is need to accommodate a change in the location where the facility would change alignment or require a larger easement width. In these cases, CS Broward is required to obtain satisfactory replacement land rights, at no cost to PG&E, that correspond to PG&E's existing rights-of-way and that are in a form acceptable to PG&E.

Safety

The actual work performed under the ACC (design and engineering) presents no specific safety risks to the public or employees and will not sacrifice PG&E's provision of safe and reliable utility service to its customers. All designs and specifications produced will conform to all current and applicable CPUC, industry and company safety requirements and will be performed by PG&E or its contractors or subcontractors.

NOTICE

Notice of AL 7871-E was made by publication in the CPUC's Daily Calendar. PG&E states that a copy of the Advice Letter was mailed and distributed in accordance with Section 4 of General Order 96-B.

PROTESTS

No protests were submitted for Advice Letter 7871-E.

DISCUSSION

1. **A Relocation Agreement has been executed for PG&E facilities relocation work required to accommodate CS Broward's CHP Project.** The Relocation Agreement establishes CS Broward and PG&E obligations regarding the relocation of PG&E facilities. PG&E, and its contractors or subcontractors, will be responsible for the design and engineering, procurement of supplies, construction, and removal of the utility facilities.

   CS Broward is responsible for acquiring, at no cost to PG&E and in a form satisfactory to PG&E, all governmental approvals and permits required for PG&E to undertake the work necessary to relocate or rearrange PG&E's facilities. CS Broward is also responsible for securing for PG&E all necessary land rights in a form satisfactory to both parties to allow PG&E to perform the work. PG&E will convey or quitclaim to CS Broward its land or land rights occupied by facilities to be abandoned or removed within the land or rights or way required by CS Broward for the construction of the Project.

2. **CS Broward has requested the relocation work that will be performed by PG&E to be invoiced at actual cost.** This request deviates from the payment structure outlined in the Work Performance Agreement used for regular relocation projects and is reflected in the Relocation Agreement. As defined in the Relocation Agreement, "Actual Costs" will be determined in accordance with the uniform system of accounts prescribed for utility companies by the Public Utilities Commission of the State of California and PG&E's regularly established accounting practices and will include, but shall not be limited to, the following charges: survey costs, acquisition of land rights, labor and payroll taxes, materials and supplies, transportation, stores and tool expense, supervision and overheads, including allowance for funds used during construction, and an allowance for worker's compensation and public liability and property damage insurance, and estimated federal and state taxes.

3. **The billing arrangements specified in the Relocation Agreement are appropriate for the work required to accommodate CS Broward's CHP Project.** Providing a cost estimate that becomes a set contract price is common practice in fee for service arrangements. However, developing a set price cost estimate for large-scale construction carries inherent risk that, even if accurate within a few percentage points over or under actual cost, the equivalent dollar amount under or over actual expense may be significant. Developing a contracted price that accounts for this uncertainty and protects against cost overruns typical to large construction projects is difficult. PG&E's estimated cost would likely need to be set conservatively high in order to avoid the risk of cost overruns. Despite this precaution, over the course of work actual costs may still exceed the cost estimate.

   It is reasonable that CS Broward should pay what it costs to relocate PG&E's facilities to accommodate its own work, and no more. The risk of CS Broward overpaying if contracting with PG&E to perform the work at a set price is significant, and the payment terms for large projects with greater cost impacts than normal relocation work should be considered carefully.

   Within a reasonable time after completion of the work, PG&E shall submit an invoice to CS Broward for the actual net cost. CS Broward will reimburse PG&E for the actual net cost which PG&E has incurred in effecting the rearrangement of PG&E's facilities including costs, if any, involved in any temporary rearrangement. Within thirty (30) days after receipt of PG&E's invoice for any additional amount due PG&E, CS Broward shall reimburse PG&E for the amount billed, provided, however, that CS Broward shall have reasonable access to PG&E's accounts and records for the purpose of auditing said invoice. If, after the itemized invoice is prepared, it is determined that the actual net cost is less than any amount previously paid by CS Broward under this Agreement, PG&E shall reimburse CS Broward the amount of the difference between the amount paid and the actual net cost, without interest.

The Relocation Agreement requirements stipulate detailed accounting of project costs by PG&E and reporting through an itemized invoice. This serves to appropriately document expenses and aid in transparency.

4. **The performance of relocation work on an actual cost basis has been approved by the Commission in other matters.** As PG&E states in its advice letter, Resolution E-5149[1] approved relocation agreements to accommodate the California Department of Water Resources' (CDWR) levee projects. PG&E accommodated CDWR's request to pay for the relocation work on actual costs. The relocation agreements allowed for progress billing throughout the course of work.

   Also, Commission Resolution G-3498[2] approved relocation agreements for work performed at the request of the California High-Speed Rail Authority, with deviations to utility-company Rules allowing reimbursement on actual costs as required by the California High Speed Rail Act. Like Resolution E-5149, invoicing was on a progress bill basis for actual costs incurred.

   Additionally, the Commission also approved Resolution G-3574[3], which approved relocation agreements for work performed at the request of the Santa Clara County Valley Transportation Authority. PG&E entered into two master agreements to address the billing procedures and allocation of costs associated with the relocation of PG&E's facilities to accommodate rail and rapid transit projects. The

[1] See Resolution Number E-5149 https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M393/K356/393356912.PDF (approving two relocation agreements with CDWR).
[2] See Resolution Number G-3498 https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M168/K423/168423819.PDF (approving relocation agreements for work performed at the request of the CHSR).
[3] See Resolution Number G-3574 https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M355/K620/355620972.PDF (approving relocation agreements for work performed at the request of VTA).

responsibility for utility relocation costs varied depending on the property rights for PG&E's facilities, and progressive billing was structured to proportionally share costs on an actual cost basis.

COMMENTS

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

FINDINGS AND CONCLUSIONS

1. On March 30, 2026, PG&E Filed AL 7871-E, a tier 3 Advice Letter seeking approval of a Relocation Agreement executed for PG&E facilities relocation work required to accommodate Clark & Sullivan Construction and Broward Builders, Inc.'s CHP Project.
2. Clark & Sullivan Construction and Broward Builders, Inc. have requested the relocation work to be performed by PG&E be invoiced at actual cost.
3. The billing arrangements specified in the Relocation Agreements are appropriate for the work required to accommodate Clark & Sullivan Construction and Broward Builders Inc.'s CHP Project.
4. The performance of relocation work on an actual cost basis has been approved by the Commission on other matters.

THEREFORE IT IS ORDERED THAT:

1. The relocation agreement, ACC, for the PG&E Project submitted by PG&E in Advice Letter 7871-E is approved in accordance with Electric Rule No 15.I.3, the Exceptional Cases Provision.

This Resolution is effective today.

The foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on July 16, 2026; the following Commissioners voting favorably thereon:

/s/ LEUWAM TESFAI
Leuwam Tesfai
Executive Director

JOHN REYNOLDS
President

DARCIE L. HOUCK
KAREN DOUGLAS
MATTHEW BAKER
CHRISTINE HARADA
Commissioners

Dated July 16, 2026, at San Francisco, California