DOCKET NO: A2603031

EXHIBIT NO: WEM-1

DATE:

WITNESS: JEAN MERRIGAN

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

PREPARED TESTIMONY OF JEAN MERRIGAN

ON BEHALF OF WOMEN'S ENERGY MATTERS ("WEM")

My name is Jean Merrigan and my business address is P.O. Box 2615, Martinez, CA 94553. My professional qualifications are contained in the Appendix to this Testimony. This Testimony was prepared by me and under my direction. Insofar as this Testimony contains material that is factual in nature, I believe it to be correct. Insofar as this Testimony contains material of opinion or judgment, it represents my best judgment.

The purpose of my Testimony is to address topics identified by the Assigned Commissioner's Scoping Memo and Ruling, with specific focus on Issue 1(d):

> "Whether PG&E's forecast cost of operations and requested net revenue requirement of $595 million over the Record Period for DCPP is reasonable, including the following forecasts and their underlying financial assumptions and calculations, subject to PG&E updating these forecasts in the Fall Update: …
>
> d. Netting of California Independent System Operator (CAISO) revenues for the period from January 1, 2027, to December 31, 2027."

I provide evidence why PG&E's Application and Testimony related to netting of CAISO revenues for the 2027 record period should not be accepted and approved by the Commission as originally submitted.

A2603031 is the third in a series of annual forecast proceedings in which the Commission is asked to approve a revenue requirement for Diablo Canyon Nuclear Power Plant's (DCNPP) extended operations – in this case for the 2027 record period. The Commission must decide upon, and approve an amount that the utilities will be allowed to charge ratepayers for the alleged benefits of extended operations at Diablo Canyon, California's last remaining commercial nuclear power plant.

In this, and each of the past DCNPP extended operations forecast proceedings, PG&E has used a formula for determining the record period's revenue requirement: it sets out its costs, statutory fees, and substitution capacity expenses, and then offsets that amount by an estimate it has come up with for expected California Independent System Operator (CAISO) Corporation market revenues received in the CAISO's energy market.

PG&E's estimate of CAISO revenues for the coming year are obviously an important element in the Commission's ultimate approval or disapproval of PG&E's revenue request. To date there is a clear pattern that PG&E is over-estimating the amount of CAISO revenues it expects to earn each year through sales of DCNPP electricity.

Table WEM-1 below sets out a summary of what we have learned to date regarding the accuracy of PG&E's forecasts of CAISO Revenues in these annual DCNPP extended operations rate requirement proceedings.

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TABLE WEM-1

Summary of PG&E's Estimates of CAISO Revenues

in Diablo Canyon Extended Operations Ratemaking Proceedings

For the 2024-2025 Record Period:		Over-Projection (Original Forecast vs Recorded Actuals):
Forecast in Original Testimony:[1]	$812,991,000.00	
Forecast in Oct. 2024 Fall Update:[2]	$624,248,000.00	
Revised Forecast in Oct. 2025 Fall Update:[3]	$471,600.00.00	
Recorded Actuals (corrected 2024/2025 CAISO Revenues cited in PG&E Response to WEM Data Request Set 1, Question 7:[4]	$460,300,000.00	$352,691,000.00
For the 2026 Record Period:		
Forecast Revenues cited in Original Testimony:[5]	$934,900.000.00	
Revised Forecast in Oct. 2026 Fall Update:[6]	$841,947,000.00	
Recorded Actuals:	_____________	_____________
For the 2027 Record Period:		
Forecast Revenues cited in Original Testimony A2603031[7]	$750,550,000.00	
Recorded Actuals:	_____________	_____________

We have the most complete picture of PG&E's over-projections of CAISO market revenues when we look at the 2024/2025 record period. In A2403018, PG&E first projected CAISO revenues of $812,991,000. Then, in its October 2024 Fall Update, PGE adjusted the forecast downward. A year later, it adjusted the 2024/2025 forecast revenues downward again in the October 2025 Fall Update filed in A2503015. WEM now has a confirmation from PG&E

[1] PG&E's Original Testimony filed in A2403018 on 3-29-24, p. 1-2 (PG&E's methodology for arriving at its original forecast is described in detail on pp. 8-2 and 8-3 of the A2403018 Testimony).
[2] PG&E's Update to Prepared Testimony ("Fall Update") filed in A2403018, on 10/11/2024.
[3] PG&E's Update to Prepared Testimony ("Fall Update") Fall Update filed in A2503015 on 10/8/2025, p. 16 (adjusting the 2024/2025 forecast downward by another $153,000,000.00).
[4] See PG&E Response to WEM Data Request Set 1, Question 7, attached as Attachment 1. See also PG&E Response to TURN Data Request Set 2, Question 5, with excel sheet attachment, attached as Attachment 2.
[5] PG&E Original Amended Testimony filed in A2503015 on 7/8/25, p. 1-2.
[6] PG&E Fall Update filed in A2503015 on 10/8/2025, p. 9 (Table 6-1).
[7] PGE Prepared Testimony filed in A2603031 on 7/3/2026, p. 6-3.

that "recorded actuals" for the 2024/2025 record period are $460.3 million, which is $352,691,000 less than PG&E originally predicted for the 2024/2025 period. Decision D2412033 in A2403018 approved DCNPP extended operations O&M costs of $498,344,000, which is more than the $460.3 million Diablo Canyon the plant earned in CAISO revenue during the 2024/2025 extended operations period. It should be remembered that in 2024/2025, on top of the $498,344,000 ratepayers were ordered to pay for O&M costs, PG&E was still spending down the $1.4 Billion DWR loan funds, which California taxpayers have subsidized in extended operations transition costs.

The $460.3 million PG&E now identifies as 2024/2025 record period CAISO revenues did not fully cover extended operations O&M. The truth is that ratepayers and taxpayers provided significant subsidies to keep the plant operating through the 2024/2025 record period. This is relevant to our evaluation of PG&E's forecast application for the 2027 record period because PG&E still relies on the same flawed methodology to arrive at projected CAISO revenues.[8] We do not yet have the full accounting for the 2026 record period, but as WEM Table-1 shows, PG&E has already started the downward adjustments. We will need to see what is reported in this year's Fall Update, and then examine next year's figures for 2026 recorded actuals.

WEM's concern is that when the Commission allows PG&E to present CAISO revenue forecasts that have little to do with reality, the Commission and PG&E foster an illusion that Diablo Canyon nuclear power plant is paying its own way, when in fact the plant's continued operations are largely subsidized by ratepayers and taxpayers.

As an example of the misinformation that directly results from incorrect forecasts of CAISO revenues, in April 2026, UC Santa Barbara's *The 2035 Initiative* released a report which claimed, based on PG&E's original CAISO revenue forecasts, that CAISO revenues to be earned during extended operations will exceed the plant's operating costs.[9] At page 12 the report cites

[8] See PG&E Response to WEM Data Request Set 2, Question 1, attached as Attachment 3.

[9] Leah C. Stokes, Arjun Krishnaswami and Madeline Ranalli, The Economics of Diablo Canyon: Maximizing Pollution Reduction While Protecting California Ratepayers and Taxpayers. The 2035 Initiative, UC Santa Barbara (April 2026), pp. 5 and 12. Available here.

"projected revenue from wholesale electricity sales" as $4.352 billion for the full extended operations period. The report states that it relied upon PG&E's "public filings". WEM contacted the lead author of the report to verify that the report relied upon PG&E's original forecasts, and that the authors did not have access to PG&E's more obscure downward revisions. This is an example of the harm done by PG&E's clearly inaccurate forecasts: a well-regarded report on the economics of Diablo Canyon extended operations was published by reputable authors and its contentions were repeated in the media. The result: more noise, more disinformation – incorrect information -- about the economics of Diablo Canyon.

PG&E's over projections, and the CPUC's approval of rate requests based on over projections, create a false impression that Diablo Canyon is bringing in hundreds of millions of dollars more than it actually is. The forecast methodology must be corrected to result in accurate accountings showing the amount of money Diablo Canyon actually brings in, in order to reveal the true costs of extended operations. PG&E has the wherewithal to present accurate accountings of the money it actually receives in a timelier manner than the current methodology allows.[10]

Accurate forecasts of the money to be generated through sales of Diablo Canyon electricity are essential for establishing just and reasonable revenue requirements. By over-estimating the CAISO revenue figure, PG&E curiously keeps its DCNPP extended operations revenue requirements lower than they would be if CAISO revenues were more accurately predicted at the outset. The current methodology obscures the fact that the real costs of extended operations are higher than stated in the annual forecast proceedings, even as PG&E is rewarded with all the fees and perks that SB846 allows. The true amount ("recorded actuals") of CAISO revenues is a key data piece in determining whether Diablo Canyon extended operations are prudent, and whether Commission approved rates for extended operations are

April 2026, and p. 5 and 12.

[10] See PG&E Response to WEM Data Request Set 1, Questions 4, 5 and 6 (Attachment 4).

just and reasonable. The Commission cannot approve PG&E's application when the methodology used to predict CAISO revenues is so obviously flawed.

APPENDIX

SUMMARY OF QUALIFICATIONS AND PROFESSIONAL EXPERIENCE

Q. Please state your name and business address.

A. My name is Jean Merrigan and my business address is P. O. Box 2615, Martinez, CA 94553.

Q. Who are you representing and in what capacity?

A. I am representing Women's Energy Matters (WEM). I am WEM's Executive Director and also represent WEM as a policy analyst and ratepayer advocate in regulatory proceedings.

Q. Please describe your educational background and professional experience.

A. I received a B.A. in History from the University of California, Berkeley, and an M.A. in Radio and Television from San Francisco State University. I have participated in CPUC proceedings since 2012, with a focus on issues related to California's nuclear power plants: proceedings including I.1210013 (San Onofre Investigation), A.1608008 (Diablo Canyon Retirement), R.1602007 and R.2005003 (Integrated Resource Planning), A1807013 and A2112007 (PG&E nuclear decommissioning proceedings), R2301007, and R2503015. I have previously provided expert testimony to the CPUC on community and cost issues at the San Onofre Nuclear Generating Station, decommissioning issues at the Diablo Canyon nuclear power plant, and California electricity generation issues related to assessing whether or not Diablo Canyon extended operations are in fact needed for grid reliability purposes.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present the Commission with information and analysis regarding issues in the scope of this proceeding.

Q. Does this complete your testimony?

A. Yes, it does.

ATTACHMENT 1

PG&E Response to WEM Data Request Set 1, Question 7

PACIFIC GAS AND ELECTRIC COMPANY
DCPP Extended Operations 2027 Forecast
Application 26-03-031
Data Response

PG&E Data Request No.:	WEM_001-Q007
PG&E File Name:	DCPP-ExtendedOperations2027-Forecast_DR_WEM_001-Q007
Request Date:	June 26, 2026
Requester DR No.:	001
Requesting Party:	Women's Energy Matters
Requester:	Jean Merrigan
Date Sent:	July 14, 2026
PG&E Witness(es):	Donna Barry – Energy Policy & Procurement

QUESTION 007

PG&E's October 8, 2025 Fall Update served in A2503015 stated at p. 16, "The total CAISO market revenues for the period 2024 -2025 are $471.6 million, which is $153 million lower than forecast," but PG&E's Response to TURN's second set of data requests, question 5, lists "recorded actuals" for DCPP Generation Market Revenues as $460,256 million. Please explain the discrepancy and clarify the correct CAISO market revenues for the period 2024-2025.

ANSWER 007

PG&E’s 2026 Diablo Canyon Extended Operations (DCEO) Forecast included an expected *forecast* for the total CAISO market revenues expected for the 2024 – 2025 period, which consisted of actual recorded amounts from November 3, 2024 through August 31, 2025, and a forecast for the period October to December 2025. That total, as quoted in the question, was $471.6 million.

The amounts quoted in the TURN data request response included actuals through the period November 3, 2024 through December 31, 2025. Thus, the amounts previously forecast for the October to December 2025 in the DCEO Forecast Fall Update testimony were replaced with actuals recorded amounts through December 31, 2025 for a total of $460.3 million.

ATTACHMENT 2

PG&E Response to TURN Data Request Set 2, Question 5, with excel sheet attachment

PACIFIC GAS AND ELECTRIC COMPANY
DCPP Extended Operations 2027 Forecast
Application 26-03-031
Data Response

PG&E Data Request No.:	TURN_002-Q005
PG&E File Name:	DCPP-ExtendedOperations2027-Forecast_DR_TURN_002-Q005
Request Date:	May 22, 2026
Requester DR No.:	002
Requesting Party:	The Utility Reform Network
Requester:	Matthew Freedman
Date Sent:	June 11, 2026
PG&E Witness(es):	Conor Doyle – Diablo Canyon Power Plant

QUESTION 005

With respect to each of the line item values (line items 1-21) shown in Table 1-1 of PG&E's testimony for 2023, 2024 and 2025, identify any differences between amounts authorized in prior Commission decisions and actual amounts recorded.

ANSWER 005

See attachment "*DCPP-ExtendedOperations2027-Forecast_DR_TURN_002-Q005Atch01.xlsx*" for a comparison of the 2023, 2024, and 2025 imputed adopted amounts presented in Table 1-1 in Chapter 1 of this proceeding and the recorded amounts for the same years and same lines items in Table 1-1 in Chapter 1 of this proceeding.

PG&E has reconciled amounts through line 20 of Table 1-1. Line 21 includes the Resource Adequacy (RA) Capacity benefit, which was not included in the authorized revenue requirements.

The first step in the reconciliation starts with the final authorized net revenue requirement approved in D.24-12-033, which was set at $711.015 million dollars, as illustrated in Tab "D.24-12-033 WP – Chapter 12" of the attachment.

PG&E has linked Table 1-1 original values to the Chapter 12 detailed workpaper, which presents the costs by year, with the exception of the Final RA Substitution Cost Forecast, as modified by D.26-05-009. Instead, the first reconciliation is to the original RA Substitution costs values approved in D.24-12-033. Specifically, see the summary of the authorized RRQ - D.24-12-033, starting on excel line 35 of the tab, "Table 1-1 Comparison" through excel line 56.

Tab "Table 1-1 Comparison" then shows the authorized revenue requirement that reflects D.26-05-009 update to the 2025 RA Substitution costs on excel lines 58 - 79. The modified values for the 2025 RA Substitution cost are shown in tab "D.26-05-009 – Final RA Sub" which reflects the final authorized RA Substitution Capacity cost forecast for 2025 that aligns with the final Market Price Benchmark for RA. This result was approved in D.26-05-009 and the resulting net authorized revenue requirement for years 2023 through 2025 with the lower 2025 RA Substitution capacity cost totals $578.319 million.

Of note, the original Table 1-1 net cost total for years 2023 – 2025 in this proceeding was $577.590 million. The difference stems from an input error in the original Table 1-1 for the updated 2025 RA Substitution costs, which should have been $51.1 million on Line 15 rather than $50.4 million shown in the original Table 1-1. PG&E will update this value in the Fall Update given it is a prior adopted amount and does not impact the revenue requirement request in this proceeding.

Next, Tab “Table 1-1 Comparison” shows recorded actuals on excel lines 84 – 104, presented in the Table 1-1 format, which will naturally exclude amounts for revenue/franchise fees and uncollectibles (RF&U or FF&U). PG&E also excludes interest in the recorded actuals since there was no interest assumed in Table 1-1.

The last step in the analysis included in Tab “Table 1-1 Comparison” shows the variance of recorded actuals compared to the authorized revenue requirement that reflects D.26-05-009 update to the 2025 RA Substitution costs. The variance analysis is presented on excel lines 107 – 127. The variance for gross costs on line 126, excluding interest, is $24.582 million above the original cost forecast, which is a variance of 2.04 percent.

PACIFIC GAS AND ELECTRIC COMPANY

DIABLO CANYON POWER PLANT 2027 COST RECOVERY FORECAST TO SUPPORT OPERATIONS AS DIRECTED BY THE STATE TO ENSURE ELECTRIC RELIABILITY AND TO REDUCE GREENHOUSE GAS EMISSIONS FOR ALL CALIFORNIANS

WORKPAPERS SUPPORTING CHAPTER 1 ERRATA
TABLE 1-1
DCPP 2023-2030 EXTENDED OPERATIONS COSTS, REVENUE CREDITS, AND RA BENEFITS (IN MILLIONS OF DOLLARS)

Line No.	Forecast Item	2023A	2024A	2025A	2026A	2027F	2028F	2029F	2030F
1	DCPP Direct Costs (Ch. 2)								
2	Expense O&M and Projects (Excludes Nuclear Fuel Procurement)	$ 17,025	$ 63,586	$ 417,724	$ 563,935	637,945	629,541	439,444	371,050
3	Nuclear Fuel Expense Amortization (Ch. 2)	$ -	$ -	$ 134,002	$ 135,734	$ 118,454	$ 118,454	$ 118,454	$ 118,454
4	Spent Nuclear Fuel Management Department of Energy (DOE) Litigation Balancing Account Proceeds	$ -	$ -	$ -	($12,587)	($11,440)	($10,514)	($23,462)	($3,430)
5	Statutory Fees (Ch. 5)								
6	Fixed Payment	$ -	$ 7,869	$ 66,479	$ 113,997	$ 117,163	$ 119,935	$ 117,167	$ 57,108
7	Volumetric Performance Fee	$ -	$ 19,467	$ 147,638	$ 266,567	$ 274,094	$ 265,957	$ 277,622	$ 114,171
8	Results of Operations Items (Ch.4)								
9	A&G Allocation	$ -	$ -	$ -	$ -	$ 153,618	$ 157,317	$ 112,037	$ 51,913
10	Taxes	$ 1,928	$ 5,211	$ 17,573	$ 23,659	$ 25,413	$ 27,499	$ 21,880	$ 19,917
11	Revenue Fees and Uncollectibles	$ 271	$ 787	$ 8,823	$ 7,562	$ 10,805	$ 8,847	$ 3,965	$ 1,562
12	Debt Financing Costs (Excluding Nuclear Fuel Debt Financing)	$ -	$ 173	$ 2,925	$ 2,918	$ (2,098)	$ (2,194)	$ (1,971)	$ (1,542)
13	Nuclear Generation-Related Benefits and Costs								
14	DCPP Generation Market Revenues (Ch. 6)	$ -	$ (80,043.587)	$ (544,204.773)	$ (842,676)	$ (750,559)	$ (770,120)	$ (814,101)	$ (340,613)
Line No.	Forecast Item	2023	2024	2025	2026	2027	2028	2029	2030
15	RA Substitution (Ch. 3)	$ -	$ 14,968	$ 50,388	$ 26,288	$ 16,451	$ 32,903	$ -	$ 16,451
16	RA Capacity Benefit (Ch. 1)	$ -	$ (59,873)	$ (204,470)	$ (315,461)	$ (315,461)	$ (315,461)	$ (289,172)	$ (131,442)
17	Other Costs								
18	Liquidated Damages Subaccount (Ch. 5)	$ -	$ 25,000	$ 200,000	$ 75,000	$ -	$ -	$ -	$ (300,000)
19	Total Extended Operations Gross Revenue Requirement	$ 19,224	$ 137,061	$ 1,045,553	$ 1,203,071	$ 1,335,980	$ 1,347,746	$ 1,065,138	$ 445,654
20	Total Extended Operations Net Revenue Requirement	$ 19,224	$ 57,018	$ 501,348	$ 360,396	$ 585,420	$ 577,625	$ 251,037	$ 105,041
21	Total Annual Cost Including RA Capacity Benefit	$ 19,224	$ (2,855)	$ 296,877	$ 44,935	$ 269,960	$ 262,165	$ (38,136)	$ (26,401)

*"A" refers to amounts adopted in Decision 24-12-033.
**"F" refers to amounts forecast in this application.
*** Totals may not sum preciesely due to rounding
**** Rows 19 reflects the DCEOBA credit of $4.425 million for forecast year 2027. This credit cascades into rows 20 and 21 for forecast year 2027.

Authorized RRQ - D.24-12-033

Line No.		2023	2024	2025	Total
1	**DCPP Direct Costs (Ch. 2)**				
2	Expense O&M and Projects (Excludes Nuclear Fuel Procurement)	$ 17,025	$ 63,586	$ 417,724	$ 498,336
3	Nuclear Fuel Expense Amortization (Ch. 2)	$ -	$ -	$ 134,002	$ 134,002
4					
5	**Statutory Fees (Ch. 5)**				
6	Fixed Payment	$ -	$ 7,869	$ 66,479	$ 74,348
7	Volumetric Performance Fee	$ -	$ 19,467	$ 147,638	$ 167,106
8	**Results of Operations Items (Ch.4)**				
9	A&G Allocation	$ -	$ -	$ -	
10	Taxes	$ 1,928	$ 5,211	$ 17,573	$ 24,711
11	Revenue Fees and Uncollectibles	$ 271	$ 787	$ 8,823	$ 9,881
12	Debt Financing Costs (Excluding Nuclear Fuel Debt Financing)	$ -	$ 173	$ 2,925	$ 3,098
13	Nuclear Generation-Related Benefits and Costs	N/A	N/A	N/A	
14	**DCPP Generation Market Revenues (Ch. 6)**	**$ -**	$ (80,044)	$ (544,205)	$ (624,248)
15	**RA Substitution (Ch. 3)**	**$ -**	**$ 14,968**	**$ 183,814**	**$ 198,782**
16					
17	**Other Costs**				
18	Liquidated Damages Subaccount (Ch. 5)	$ -	$ 25,000	$ 200,000	$ 225,000
19	Total Extended Operations Gross Revenue Requirement	$ 19,224	$ 137,061	$ 1,178,978	$ 1,335,264

20	Total Extended Operations Net Revenue Requirement	$ 19,224	$ 57,018	$ 634,773	$ 711,015	See tab D.24-12-033 - Chapter 12

Authorized RRQ - D.24-12-033, as Modified by D.26-05-009

Line No.		2023	2024	2025	Total	
1	**DCPP Direct Costs (Ch. 2)**					
2	Expense O&M and Projects (Excludes Nuclear Fuel Procurement)	$ 17,025	$ 63,586	$ 417,724	$ 498,336	
3	Nuclear Fuel Expense Amortization (Ch. 2)	$ -	$ -	$ 134,002	$ 134,002	
4						
5	**Statutory Fees (Ch. 5)**	**$ -**	**$ -**	**$ -**		
6	Fixed Payment	$ -	$ 7,869	$ 66,479	$ 74,348	
7	Volumetric Performance Fee	$ -	$ 19,467	$ 147,638	$ 167,106	
8	**Results of Operations Items (Ch.4)**					
9	A&G Allocation	$ -	$ -	$ -		
10	Taxes	$ 1,928	$ 5,211	$ 17,573	$ 24,711	
11	Revenue Fees and Uncollectibles	$ 271	$ 787	$ 8,823	$ 9,881	
12	Debt Financing Costs (Excluding Nuclear Fuel Debt Financing)	$ -	$ 173	$ 2,925	$ 3,098	
13	Nuclear Generation-Related Benefits and Costs	N/A	N/A	N/A	N/A	
14	**DCPP Generation Market Revenues (Ch. 6)**	**$ -**	$ (80,044)	$ (544,205)	$ (624,248)	
15	**RA Substitution Costs - Revised (D.26-05-009) (Ch. 3)**	**$ -**	**$ 14,968**	**$ 51,118**	**$ 66,086**	See tab D.26-05-009 - Updated RA Sub.
16						
17	**Other Costs**	$ -	$ -	$ -		
18	Liquidated Damages Subaccount (Ch. 5)	$ -	$ 25,000	$ 200,000	$ 225,000	
19	Total Extended Operations Gross Revenue Requirement	$ 19,224	$ 137,061	$ 1,046,282	$ 1,202,568	
20	Total Extended Operations Net Revenue Requirement	$ 19,224	$ 57,018	$ 502,077	$ 578,319	Table 1-1 Errata
					$730	Variance from Table 1-1 - See tab "D.26-05-009 - Updated RA Sub"
					$ 577,590	Table 1-1 Original

Recorded Actuals

Line No.		2023	2024	2025	Total
1	**DCPP Direct Costs (Ch. 2)**				
2	Expense O&M and Projects (Excludes Nuclear Fuel Procurement)	$ 17,550	$ 96,858	$ 431,248	$ 545,656
3	Nuclear Fuel Expense Amortization (Ch. 2)	$ -		$ 134,002	$ 134,002
4					
5	**Statutory Fees (Ch. 5)**				
6	Fixed Payment		$ 7,869	$ 66,479	$ 74,348
7	Volumetric Performance Fee			$ 178,434	$ 178,434
8	**Results of Operations Items (Ch.4)**				
9	A&G Allocation	$ -	$ -	$ -	
10	Taxes	$ -	$ -	$ -	$ -
11	Revenue Fees and Uncollectibles	$ -	$ -	$ -	$ -
12	Debt Financing Costs (Excluding Nuclear Fuel Debt Financing)			$ 3,098	$ 3,098
13	Nuclear Generation-Related Benefits and Costs	N/A	N/A	N/A	N/A
14	**DCPP Generation Market Revenues (Ch. 6)**		$ (50,549)	$ (409,706)	$ (460,256)
15	**RA Substitution Costs - Revised (D.26-05-009) (Ch. 3)**		$ 15,493	$ 51,118	$ 66,611
16					
17	**Other Costs**				
18	Liquidated Damages Subaccount (Ch. 5)		$ 25,000	$ 200,000	$ 225,000
19	Total Extended Operations Gross Revenue Requirement	$ 17,550	$ 145,220	$ 1,064,379	$ 1,227,150
20	Total Extended Operations Net Revenue Requirement	$ 17,550	$ 94,671	$ 654,673	$ 766,894

Variance Recorded Actuals vs. Authorized

Line No.		2023	2024	2025	Total	
1	**DCPP Direct Costs (Ch. 2)**					
2	Expense O&M and Projects (Excludes Nuclear Fuel Procurement)	$ 525	$ 33,272	$ 13,524	$ 47,321	
3	Nuclear Fuel Expense Amortization (Ch. 2)	$ -	$ -	$ 0	$ 0.48	
4						
5	**Statutory Fees (Ch. 5)**					
6	Fixed Payment	$ -	$ -	$ -	$ -	
7	Volumetric Performance Fee	$ -	$ (19,467)	$ 30,796	$ 11,329	
8	**Results of Operations Items (Ch.4)**					
9	A&G Allocation	$ -	$ -	$ -	$ -	
10	Taxes	$ (1,928)	$ (5,211)	$ (17,573)	$ (24,711)	
11	Revenue Fees and Uncollectibles	$ (271)	$ (787)	$ (8,823)	$ (9,881)	
12	Debt Financing Costs (Excluding Nuclear Fuel Debt Financing)	$ -	$ (173)	$ 173	$ 0	
13	Nuclear Generation-Related Benefits and Costs	N/A	N/A	N/A	N/A	
14	**DCPP Generation Market Revenues (Ch. 6)**	$ -	$ 29,494	$ 134,498	$ 163,993	
15	**RA Substitution Costs - Revised (D.26-05-009) (Ch. 3)**	$ -	$ 525	$ -	$ 525	
16						
17	**Other Costs**					
18	Liquidated Damages Subaccount (Ch. 5)	$ -	$ -	$ -	$ -	
19	Total Extended Operations Gross Revenue Requirement	$ (1,674)	$ 8,159	$ 18,097	$ 24,582	2.04%
20	Total Extended Operations Net Revenue Requirement	$ (1,674)	$ 37,654	$ 152,595	$ 188,575	

RA Substitution Revised based on Final MPB issued in October 2025

ATTACHMENT 3

PG&E Response to WEM Data Request Set 2, Question 1

PACIFIC GAS AND ELECTRIC COMPANY
DCPP Extended Operations 2027 Forecast
Application 26-03-031
Data Response

PG&E Data Request No.:	WEM_002-Q001
PG&E File Name:	DCPP-ExtendedOperations2027-Forecast_DR_WEM_002-Q001
Request Date:	June 2, 2026
Requester DR No.:	002
Requesting Party:	Women's Energy Matters
Requester:	Jean Merrigan
Date Sent:	July 10, 2026
Witness(es):	George Clavier – Energy Policy & Procurement

QUESTION 001

Is the CAISO Energy Market Revenue Forecast Methodology described in Chapter 6, the same methodology that was used in the 2024/2025 and 2026 Diablo Canyon extended operations forecast proceedings?

ANSWER 001

Yes, the California Independent System Operator (CAISO) Energy Market Revenue Forecast Methodology described in Chapter 6 is the same methodology that was used in the 2024/2025 and 2026 Diablo Canyon extended operations forecast proceedings.

ATTACHMENT 4

PG&E Response to WEM Data Request Set 1, Questions 4, 5 and 6

PACIFIC GAS AND ELECTRIC COMPANY
DCPP Extended Operations 2027 Forecast
Application 26-03-031
Data Response

PG&E Data Request No.:	WEM_001-Q004
PG&E File Name:	DCPP-ExtendedOperations2027-Forecast_DR_WEM_001-Q004
Request Date:	June 26, 2026
Requester DR No.:	001
Requesting Party:	Women's Energy Matters
Requester:	Jean Merrigan
Date Sent:	July 14, 2026
PG&E Witness(es):	Donna Barry – Energy Policy & Procurement

QUESTION 004

What is the methodology PG&E uses to arrive at "recorded actuals"?

ANSWER 004

PG&E understands the question is asking about the recorded actuals for the net CAISO market revenues and charges received for DCPP generation during the recorded accounting period.

Recorded actuals refer to actual California Independent System Operator (CAISO) market revenues that have been settled during an accounting period (monthly or annually) or are estimated to settle by the end of the accounting period. Any estimated settlement in a monthly entry is referred to as an accrual and is included in amounts recorded in the month-end accounting close process.

Additionally, any amounts that were accrued (estimated) in prior months that now have final actual amounts (based on invoiced amounts from the CAISO), are trued-up or trued-down in the amounts recorded in the month-end accounting close process.

For a more in-depth description on the CAISO settlement process, please see the narrative below, which is included in PG&E’s annual ERRA Compliance Testimony reviewing balancing account entries:

> The CAISO market costs and revenues reflect the portion of PG&E’s electric supply portfolio for which PG&E is the Scheduling Coordinator (SC). SCs are entities authorized by the CAISO to schedule and bid power on behalf of CAISO market participants. SCs also make and receive market payments and can validate and dispute market charges with the CAISO.
>
> The Electric Settlements Department at PG&E is responsible for fulfilling this payment and validation role of the CAISO charges and revenues. The CAISO utilizes over 172 charge codes to settle its

markets and the various instruments and products associated with those markets.

The CAISO publishes multiple iterations of settlement statements that market participants can download and validate prior to invoicing. Settlement statements are published for each trade date. SCs can dispute these statements if errors are discovered.

Beginning on the January 1, 2021 trade date, CAISO revised its timeline for publishing settlement data to T+9B (B = business days), T+70B, T+11M, 10 T+21M and T+24M. (CAISO settlement statement publications include: (1) T+9B (9 business days after the trade day); (2) T+70B (70 business days after the trade day); (3) T+11M (11 months after the trade day); (4) T+21M (21 months after the trade day); and (5) T+24M (24 months after the trade day).

For example, 2025 recorded entries in any balancing account would include T+70B statements for January 2025 through August 2025 trade months, T+9B statements for September 2025 through November 2025, and a combination of T+9B statements and estimated data for December 2025. In addition, 2025 recorded activity includes true-ups for resettlement values for any resettlement values issued for T+24M (M = Month), T+21M and T+11M statements issued during the year for the full set of days within a calendar month.

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PG&E Data Request No.:	WEM_001-Q005
PG&E File Name:	DCPP-ExtendedOperations2027-Forecast_DR_WEM_001-Q005
Request Date:	June 26, 2026
Requester DR No.:	001
Requesting Party:	Women's Energy Matters
Requester:	Jean Merrigan
Date Sent:	July 14, 2026
PG&E Witness(es):	Donna Barry – Energy Policy & Procurement

QUESTION 005

Do "recorded actuals" correspond to the actual dollar amount physically received by PG&E from CAISO in exchange for DCPP Generation? Please clarify as specifically as possible the process CAISO uses and PG&E relies on, for CAISO's determination of what it owes PG&E each year for DCPP Generation.

ANSWER 005

Please refer to PG&E's response to Question 4 of this response. PG&E records amounts that have been validated and invoiced pursuant to CAISO Settlement Statements as explained in response to Question 4. In addition, an estimate (accrual) for amounts that flowed during the month but are not yet settled in the CAISO Statements are included in the amounts recorded during the account period (monthly or annual).

PACIFIC GAS AND ELECTRIC COMPANY
DCPP Extended Operations 2027 Forecast
Application 26-03-031
Data Response

PG&E Data Request No.:	WEM_001-Q006
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PG&E Witness(es):	Donna Barry – Energy Policy & Procurement

QUESTION 006

How frequently does PG&E receive money from CAISO in exchange for DCPP Generation? In other words, does PG&E have an ongoing running total throughout the year, as opposed to having to wait until the end of the year to receive the revenue and announce recorded actuals to date?

ANSWER 006

PG&E settlement with the California Independent System Operator (CAISO) for Diablo Canyon generation occurs weekly. Invoices are received from CAISO on a Wednesday with cash settlement due four business days later on the following Tuesday.