BEFORE THE PUBLIC UTILITIES COMMISSION OF

THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Authority, Among Other Things to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2027. (U 39 M)	Application No. 25-05-009 (Filed May 15, 2025)

CONSUMER WATCHDOG'S COMMENTS ON THE PROPOSED DECISION AUTHORIZING INTERIM RATE RECOVERY

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SUBJECT INDEX OF RECOMMENDED CHANGES

1. Add findings that PG&E announced on September 2, 2026 that it will defer approximately $2 billion of planned 2027 capital investment, and that the record on which the Proposed Decision relies does not reflect that deferral (Section I; Appendix A, Proposed Findings of Fact 1 through 4).

2. Modify the finding on customer interest savings (Proposed Decision, Finding of Fact 4) to state that the estimate rests on pre-deferral spending forecasts (Section I; Appendix A, Proposed Finding of Fact 5).

3. Add a finding and conclusion that the Public Advocates Office's October 23, 2026 motion is pending and bears directly on the revenue requirement from which the interim amount is derived (Section II; Appendix A, Proposed Finding of Fact 6 and Proposed Conclusion of Law 2).

4. Deny interim rate recovery pending resolution of that motion or, in the alternative, condition any interim recovery on a PG&E showing by Major Work Category (Section III; Appendix A, Proposed Conclusions of Law 1 through 3).

TABLE OF AUTHORITIES

California Public Utilities Commission Rules of Practice and Procedure

Rule 1.2 at page 6[1] 3

Rule 1.7 at page 10 3

Rule 13.10 at page 81 3

Rule 14.3 at page 85 3

Record and Filings in A.25-05-009

Proposed Decision Authorizing Interim Rate Recovery (September 23, 2026) 3-6

Motion of the Public Advocates Office to Address PG&E's Announcement of $2 Billion in Deferred Test Year Capital Expenditures and Potential Restructuring (October 23, 2026) 4-6

Response of The Utility Reform Network, California Large Energy Consumers Association, Energy Producers and Users Coalition, And Indicated Shippers to The Motion of The Public Advocates Office to Address Pacific Gas and Electric Company's Announcement Of $2 Billion In Deferred Test Year Capital Expenditures and Potential Restructuring (October 28, 2026) 5

PG&E Response to the Public Advocates Office's Motion (November 9, 2026) 5

PG&E 2027 General Rate Case Application (May 15, 2025) 4

[1] Citations to California Public Utilities Commission Rules of Practice and Procedure codes and documents filed in this proceeding are to the page of the PDF file and not the page number listed at the bottom of the document.

COMMENTS

Pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure, Consumer Watchdog respectfully submits these comments on the Proposed Decision Authorizing Interim Rate Recovery (Proposed Decision), which would authorize Pacific Gas and Electric Company (PG&E) to collect $456 million in interim rates beginning January 1, 2027, subject to refund.

Because these comments are tendered after the period set by Rule 14.3(a). (California Public Utilities Commission Rules of Practice and Procedure at 85), Consumer Watchdog is concurrently and separately tendering a motion for leave to accept them, as Rule 1.7 requires (California Public Utilities Commission Rules of Practice and Procedure at 10). Good cause exists because the facts addressed here arose after the Proposed Decision was mailed, and the Commission may permit deviations from its rules for good cause, (California Public Utilities Commission Rules of Practice and Procedure at 6).

The Proposed Decision contains factual and legal error. The Commission should not adopt the Proposed Decision in its current form. It does not explain why interim relief is needed when PG&E has announced a $2 billion reduction in its 2027 capital plan and projects rising earnings, and it does not address the Public Advocates Office's pending motion concerning that announcement.

I. The Proposed Decision Errs in Finding That Fairness Requires Interim Relief Without Considering PG&E's $2 Billion Deferral and Its Profitability.

The facts in this section are not yet part of the evidentiary record. They are before the Commission as attachments to the Public Advocates Office's pending motion. And that gap is itself the error because the Proposed Decision rests on a record that predates PG&E's announcement. Consumer Watchdog requests that the Commission take official notice of PG&E's September 2, 2026 announcement to the extent permitted by Rule 13.10. (California Public Utilities Commission Rules of Practice and Procedure at 81).

On September 2, 2026, PG&E announced that it "expects to defer approximately $2 billion of planned investment while still investing approximately $11.4 billion in California in

2027," and that its "debt financing needs would be reduced by $2 billion" (Public Advocates Mtn. to Address PG&E's $2 billion deferral announcement at 15).

On the same occasion, PG&E Corporation reaffirmed 2026 non-GAAP core earnings guidance of $1.64 to $1.66 per share and initiated 2027 guidance of $1.78 to $1.82 per share (Public Advocates Mtn. to Address PG&E's $2 billion deferral announcement at 15). PG&E's own filings report 10.6% growth in 2024 non-GAAP core earnings per share and a cumulative three-year total shareholder return of 65.0% (PG&E's 2027 General Rate Case Application at 251).

PG&E has also told the Public Advocates Office that it will fund critical safety work through existing mechanisms, including "retaining earnings to re-invest in the company" (Public Advocates Mtn. to Address PG&E's $2 billion deferral announcement at 10).

Against these facts, the Proposed Decision identifies no need for interim funds. In fact, it finds that PG&E "does not claim a financial emergency in its request for an interim rate relief, and there is none." (Proposed Decision at 25). Its principal justification is an estimated $13.6 million to $21.0 million in avoided interest on memorandum account under collections. (Proposed Decision at 25). That justification assumes the under collection will reflect PG&E's forecast spending. If PG&E will not perform $2 billion of the work underlying its forecast, the under collection, and the claimed interest savings, may be substantially smaller than the Proposed Decision assumes.

Finding of Fact 4 in the Proposed Decision is therefore factual error, because it states a savings estimate without accounting for a material change in PG&E's spending. The legal conclusion that fairness to both the utility and the public requires immediate action rests on that finding and cannot stand without it.

The refund provision does not cure the error. Refunds protect customers only after they have paid, and the Proposed Decision does not tie any refund to the deferred work. The Commission should not authorize interim revenue on spending assumptions that PG&E itself has abandoned.

II. The Proposed Decision Errs by Failing to Address the Public Advocates Office's Pending Motion

On October 23, 2026, the Public Advocates Office moved for relief based on PG&E's announcement, arguing that "[i]t is unjust and unreasonable to set rates with an incomplete record given PG&E's announced capital decreases and potential restructure of PG&E." (Public Advocates Mtn. to Address PG&E's $2 billion deferral announcement at 7). The motion shows that PG&E forecasts $8.5 billion in TY 2027 capital additions but "has failed to identify which of its forecast projects will be reduced or eliminated." (Public Advocates Mtn. to Address PG&E's $2 billion deferral announcement at at 8). In discovery, PG&E stated only that it is "still in the process of evaluating and identifying the specific programs to be deferred in 2027." (Public Advocates Mtn. to Address PG&E's $2 billion deferral announcement at 8).

As an alternative to new rates, the Public Advocates Office proposes a TY 2027 revenue requirement of $15.01 billion based on the 2026 authorized level plus attrition. (Public Advocates Mtn. to Address PG&E's $2 billion deferral announcement at 3). PG&E itself acknowledges "the unique situation in this GRC created by our announcement" (PG&E Response to Public Advocates Mtn. at 8). On October 28, 2026, The Utility Reform Network, California Large Energy Consumers Association, Energy Producers and Users Coalition, and Indicated Shippers responded in support of the Public Advocates Office's October 23, 2026 motion.

The Proposed Decision contains no discussion of the $2 billion deferral, the strategic review, or the pending motion. The motion goes directly to the revenue requirement from which the $456 million interim amount is derived. Adopting interim rates while that motion is unresolved would prejudge it and set rates on a record whose adequacy is under pending, material challenge.

III. Requested Relief

Consumer Watchdog respectfully requests that the Commission modify the Proposed Decision to adopt the findings of fact and conclusions of law in Appendix A and:

1. Deny interim rate recovery at this time and return the matter to the assigned Administrative Law Judges;

2. Resolve the Public Advocates Office's October 23, 2026 motion before authorizing any interim rate recovery; and

3. Require PG&E to identify, by Major Work Category, the deferred 2027 work and its effect on the requested revenue requirement before the Commission sets any interim or general rate increase, and in any event as a condition of any interim recovery the Commission authorizes.

Date: November 17, 2026

Respectfully submitted,

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APPENDIX A

PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

Proposed Additional and Modified Findings of Fact

1. On September 2, 2026, PG&E announced that it expects to defer approximately $2 billion of planned 2027 investment while still investing approximately $11.4 billion in 2027, reducing its debt financing needs by $2 billion.

2. PG&E Corporation reaffirmed 2026 non-GAAP core earnings guidance of $1.64 to $1.66 per share and initiated 2027 guidance of $1.78 to $1.82 per share.

3. PG&E has not identified which of its forecast TY 2027 projects will be reduced or eliminated as a result of the deferral.

4. The record on which this decision relies does not reflect PG&E's announced deferral.

5. (Modifying Finding of Fact 4.) PG&E estimates that interim recovery beginning January 1, 2027 would save customers roughly $13.6 million to $21.0 million in interest, but that estimate rests on spending forecasts that predate PG&E's announced deferral.

6. The Public Advocates Office's October 23, 2026 motion, which challenges the adequacy of the record supporting PG&E's TY 2027 revenue requirement in light of the deferral, is pending.

7. On October 28, 2026, The Utility Reform Network, California Large Energy Consumers Association, Energy Producers and Users Coalition, And Indicated Shippers responded in support of The Public Advocates Office's October 23, 2026 motion.

PROPOSED CONCLUSIONS OF LAW

1. PG&E has not shown that fairness to both the utility and the public requires interim rate relief while the effect of its announced $2 billion deferral on its TY 2027 revenue requirement is unresolved.

2. Interim rate recovery should not be authorized before the Commission resolves the Public Advocates Office's October 23, 2026 motion.

3. Any interim rate recovery the Commission authorizes should be conditioned on PG&E identifying, by Major Work Category, the deferred 2027 work and its effect on the requested revenue requirement.