November 9, 2026

Commissioner Matthew Baker
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Withdraw Proposed $456 Million Interim Rate Increase for PG&E — Application A.25-05-009

Dear Commissioner Baker,

Consumer Watchdog and Every Fire Survivor's Network oppose your proposed approval of $456 million in interim rate recovery for Pacific Gas & Electric (PG&E) and return the matter to the Administrative Law Judge for reconsideration before the Commission takes a vote. PG&E's announcement that it will defer $2 billion in planned infrastructure investments raises serious questions about its revenue needs. Moving forward without resolving those questions would be an abdication of the Commission's responsibility to protect ratepayers.

PG&E cannot have it both ways. The utility claims it cannot afford to complete essential infrastructure projects, including new electricity connections for approximately 25,000 customers, while simultaneously seeking hundreds of millions of dollars in additional rate recovery. Your proposed decision was issued September 23, three weeks after PG&E announced its spending cuts yet it fails to reconcile those reductions with the utility's request for more money.

On October 23, the Public Advocates Office filed a motion warning that PG&E's $2 billion reduction renders its proposed 2027 revenue requirement overstated and inconsistent with the evidentiary record. The office concluded that it would not be just or reasonable to authorize a revenue requirement based on a record that fails to account for the company's reduced investments.

That warning cannot be ignored when considering interim rate recovery. The Commission should not authorize additional revenues based on spending assumptions that PG&E itself has called into question.

PG&E's threatened service delays also raise serious questions about its legal duty to serve. Under CPUC Decision 02-01-039 and Decision 02-07-043, the utility's obligation to finance necessary service connections takes priority, and its holding company may be required to provide capital when necessary to meet those obligations. The Commission should determine whether PG&E's proposed deferrals violate those requirements before rewarding the utility with higher rates.

The company's financial claims deserve scrutiny, not deference. PG&E plans to invest another $11.4 billion in infrastructure in 2027 yet asserts that wildfire liability uncertainty prevents it from financing $2 billion in additional planned projects. It has not demonstrated why those projects must be deferred, what alternatives it considered, or whether its holding company can supply the necessary capital.

PG&E has thus far failed to provide a project-by-project accounting of how much of the deferred infrastructure is already financed by developers and customers seeking new service. Ratepayers should not be asked to underwrite spending that may never occur or costs that other parties are already obligated to finance.

Approving this interim increase would send a dangerous message that utilities can threaten to withhold essential services, pressure lawmakers for favorable legislation, and still expect regulators to approve additional ratepayer funding without accounting for their changed spending plans.

The Commission's duty is to ratepayers, not PG&E shareholders. The Commission's growing practice of granting interim rate increases before examining the underlying costs and determining their reasonableness undermines the General Rate Case process and its responsibility to protect ratepayers. PG&E should not receive additional rate recovery without demonstrating that its request is justified in light of its announced spending cuts.

We urge you to withdraw your proposed decision and return it to the ALJ to examine PG&E's revised spending plans, its duty to serve, and whether any rate increase is justified. California customers deserve a regulator that demands proof before approving higher rates, not one that rewards threats to delay essential service.

Sincerely,



Alexandra Nagy
Organizing Director, Consumer Watchdog



Joy Chen
Executive Director, Every Fire Survivor’s Network