



Supplier

Frequently Asked Questions:

PG&E Emerges from Chapter 11 Bankruptcy

For additional information, please visit pge.com/reorganization.

1. What is the status of PG&E's bankruptcy?

- On July 1, 2020, PG&E emerged from Chapter 11, successfully completing its restructuring process and implementing PG&E's Plan of Reorganization ("Plan") that was confirmed by the United States Bankruptcy Court on June 20, 2020.
- PG&E's emergence from Chapter 11 is an important milestone on several fronts:
 - PG&E has implemented the settlement and resolution of all wildfire claims pursuant to the Plan;
 - PG&E has elected to participate in the State's go-forward wildfire fund;
 - PG&E Corporation has seated its new Board of Directors;
 - PG&E is moving forward with commitments regarding its governance, operations, and financial structure to further prioritize safety; and
 - As a result of the Chapter 11 proceedings, PG&E has retired expensive, high-coupon debt and replaced it with lower-cost debt, yielding significant annual savings for customers over the duration of the debt, estimated to be approximately \$250 million annually.
- PG&E's emergence from Chapter 11 marks just the beginning of PG&E's next chapter – as a fundamentally improved company and the safe and reliable utility that its customers, communities and California deserve.

2. What is a Plan of Reorganization?

- A Plan of Reorganization (the "Plan") is a formal proposal prepared by a company in a Chapter 11 case that describes in detail how it will satisfy its pre-bankruptcy obligations to creditors and other stakeholders over time.
- On June 20, 2020, the Bankruptcy Court confirmed PG&E's Plan of Reorganization, determining the Plan meets the necessary requirements for confirmation under the Bankruptcy Code.
- On May 28, 2020, the Plan was approved by PG&E's regulator, the California Public Utilities Commission (CPUC), in its Plan of Reorganization Order Instituting Investigation proceeding.
- The Plan was voted on and received overwhelming support from all but one of the classes of impaired creditors and interest holders entitled to vote, including fire claimants, insurance subrogation claimants, public entity fire claimants, certain holders of prepetition funded debt and other creditors, and shareholders.
 - The Plan was accepted by in excess of 85 percent of wildfire victims who cast votes on the Plan.
 - The sole dissenting class consists of holders of prepetition securities law claims related to PG&E Corporation common stock; these claims are subordinated pursuant to the provisions of the Bankruptcy Code.

3. How does PG&E's Plan of Reorganization work now that the company is out of bankruptcy?

- As part of its Plan, PG&E made a series of commitments, some of which are already underway, regarding its governance, operations, and financial structure, all designed to further prioritize safety. The company made these commitments working with the Governor's Office and



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incorporating guidance from CPUC President Batjer, which was included in the full Commission's approval of the Plan. The commitments include:

- Supported the CPUC's enactment of measures to strengthen PG&E's governance and operations, including enhanced regulatory oversight and enforcement that provides course-correction tools as well as stronger enforcement if it becomes necessary;
 - Began hosting a state-appointed observer to provide the state with insight into the company's progress on safety goals;
 - Appointing an independent safety monitor when the term of the court-appointed Federal Monitor expires;
 - Establishing newly expanded roles of Chief Risk Officer and Chief Safety Officer, with both reporting directly to the PG&E Corporation CEO;
 - Formed an Independent Safety Oversight Committee to provide independent review of operations, including compliance, safety leadership, and operational performance;
 - Assumed all collective bargaining agreements with labor unions, pension obligations, and other employee obligations, and all power purchase agreements and Community Choice Aggregation servicing agreements;
 - Reformed executive compensation to further tie it to safety performance and customer experience;
 - A commitment that PG&E Corporation will not reinstate a common stock dividend until it has recognized \$6.2 billion in non-GAAP core earnings;
 - Filed a proposal with the CPUC requesting a rate-neutral \$7.5 billion securitization transaction after PG&E emerges from Chapter 11 in order to finance costs in an efficient manner that benefits customers and accelerates payment to wildfire victims; and
 - Committing not to seek recovery in customer rates of any portion of the amounts that will be paid to victims of the 2015, 2017, and 2018 wildfires under the Plan when PG&E emerges from Chapter 11 (except through the rate-neutral securitization transaction).
- As part of the Chapter 11 cases, PG&E previously reached settlements with all major wildfire victims' groups to be implemented pursuant to PG&E's Plan valued at approximately \$25.5 billion, including:
 - An approximately \$13.5 billion settlement resolving claims by individual victims and others relating to the 2015 Butte Fire, 2017 Northern California Wildfires (including the 2017 Tubbs Fire), and the 2018 Camp Fire; this includes stock valued at approximately \$6.75 billion based on an agreed-upon formula (the ultimate value of the stock could be higher or lower);
 - A \$1 billion settlement to satisfy the wildfire claims of certain cities, counties, and other public entities; and
 - An \$11 billion settlement with insurance companies and other entities that paid claims by individuals and businesses related to the wildfires.

4. Will PG&E reduce or discontinue ordering goods and services from its suppliers?



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- PG&E will continue to service its customers and will continue to require goods and services from its supplier community consistent with the past.
- PG&E's emergence from Chapter 11 marks just the beginning of PG&E's next chapter – as a fundamentally improved company and the safe and reliable utility that its customers, communities and California deserve.

5. Has my pre-petition claim been addressed? When will that be paid? Will I receive full recovery?

- PG&E's Plan of Reorganization satisfies in full all pre-petition funded debt obligations, all pre-petition trade claims and all prepetition employee-related claims with interest as set forth in the Plan.
- We expect to pay all our suppliers and vendors in full for pre-petition amounts they are owed.
- Distributions on allowed pre-petition claims will begin within 30 days following PG&E's emergence from Chapter 11 in accordance with the Plan.

6. When will the distributions for pre-petition claims be made?

- Distributions on allowed pre-petition claims will begin within 30 days following PG&E's emergence from Chapter 11 in accordance with the Plan.
- Distributions on account of undisputed cure amounts will be made on the effective date or reasonably practicable thereafter in accordance with the Plan.
- Distributions on allowed pre-petition claims will include post-petition interest in accordance with the Plan.

7. How will I get paid for pre-petition amounts owed to me? How will claims be paid?

- Distributions for allowed pre-petition claims will be made on behalf of PG&E by Prime Clerk, the Company's Bankruptcy Court-approved distribution agent.
- Suppliers should note that payments will generally be made based on final allowed pre-petition claim amounts – not individual invoices – and these payments will represent full satisfaction of all pre-petition amounts owed in connection with their claims.
- It is anticipated that distributions on allowed claims and cure payments will reference the specific claim number being satisfied.
- To the extent a supplier timely filed an objection to the proposed Cure Amount or to the assumption of any of its executory contracts or unexpired leases under the Plan, may be resolved in due course either consensually without further order of the Court, or, after notice and an opportunity to be heard, by a Final Order of the Court, which may be entered after the Effective Date.
- For additional information, contact Prime Clerk's hotline at 1-844-339-4217 (toll-free in the U.S.) or 929-333-8977 (for parties outside the U.S.) or email pgeinfo@primeclerk.com.

8. How will distributions for pre-petition payments be made to suppliers or vendors who have sold their claims?

- Distributions for allowed pre-petition claims will be made on behalf of PG&E by Prime Clerk, the Company's Bankruptcy Court-approved distribution agent.



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- A distribution on account of any claim for a cure amount that has been duly and properly sold, assigned, or otherwise transferred prior to the Distribution Record Date (on appropriate notice and otherwise in accordance with applicable Bankruptcy and non-Bankruptcy law) shall be made to the purchaser, assignee, or transferee of such claim for a cure amount as set forth in the Official Claims Register for these Chapter 11 Cases.
- It is anticipated that distributions on allowed claims and cure payments will reference the specific claim number being satisfied.
- For additional information, contact Prime Clerk's hotline at 1-844-339-4217 (toll-free in the U.S.) or 929-333-8977 (for parties outside the U.S.) or email pgeinfo@primeclerk.com.

9. Will suppliers be paid for goods and services provided after PG&E emerges from Chapter 11?

- Yes. PG&E will continue to service its customers and will continue to require goods and services from our supplier community consistent with the past.

10. Can I use my existing contract and purchase order, or do I need new contracts and purchase orders for post-emergence?

- Yes – the process that suppliers will deploy following Chapter 11 for submitting invoices will not change from the current process.

11. Has the Bar Date deadline passed?

- The Bar Dates for all claims have now passed.
- The extended Bar Date for persons or entities that purchased or acquired PG&E's publicly traded debt or equity securities from April 29, 2015, through November 15, 2018 and who may have claims against PG&E for rescission of or damages arising from, a purchase or sale of such publicly traded debt and equity securities, was April 16, 2020, at midnight. The extended Bar Date for unfiled non-governmental fire claims was December 31, 2019 at 5 p.m. (Pacific Time). The Bar Date for all other claims was October 21, 2019 at 5 p.m. (Pacific Time).

12. Can I still file a proof of claim?

- The Bar Dates for all claims have now passed.
- Any holder of a claim that fails to timely file a Proof of Claim by the Bar Date may be barred from asserting their claims against the company and may not receive a distribution on account of such claims going forward.

13. Who do I contact for more information?

- Please reach out to your usual sourcing contact or SupplierInquiries@pge.com with additional questions.
- You can also contact Prime Clerk's hotline at 1-844-339-4217 (toll-free in the U.S.) or 929-333-8977 (for parties outside the U.S.) or by email at pgeinfo@primeclerk.com.