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PG&E Proposes Critical Investments to Enhance Wildfire Safety and Help Reduce Wildfire Risk

Additional Diablo Canyon Power Plant Proposal Affirms PG&E's Commitment to Meet California's Renewable and Clean Energy Goals

SAN FRANCISCO, Calif.—Reflecting the company's commitment to address the growing threat of wildfires, PG&E is proposing a series of important additional safety investments as part of its 2020 General Rate Case (GRC) to help further protect the 16 million people it serves.

The company's GRC proposal, filed today with the California Public Utilities Commission (CPUC), includes additional precautionary measures implemented after the 2017 and 2018 wildfires to help further reduce wildfire threats. Such measures will help bolster wildfire prevention, risk monitoring and emergency response; add new and enhanced safety measures; increase vegetation management; and harden PG&E's electric system to help further reduce wildfire risk.

2020 General Rate Case

More than half of PG&E's proposed increase would be directly related to wildfire prevention, risk reduction, and additional safety enhancements. Among the important wildfire safety investments in the GRC proposal are the following components of PG&E's expanded Community Wildfire Safety Program:

- Installing stronger and more resilient poles and covered power lines across 2,000 miles of high fire-risk areas;
- Increasing ongoing work to keep power lines clear of branches from an estimated 120 million trees with the potential to grow or fall into overhead power lines, including annual vegetation inspection of approximately 81,000 miles of high-voltage electric distribution lines;
- Implementing SmartMeter™ technology to more quickly identify and respond to fallen power lines;
- Expanding the network of weather stations to enhance weather forecasting and modeling by adding 1,300 new weather stations in high fire-risk areas by 2022; and
- Installing nearly 600 new high-definition cameras in high fire-threat areas, increasing coverage across these areas to more than 90 percent.

While the GRC proposal will help fund a series of important safety investments, this proposal does not request funding for potential claims resulting from the devastating 2017 and 2018

Northern California wildfires, the largest of which are still under investigation. The proposal also does not request recovery of PG&E Corporation or Utility officer compensation.

"We understand and embrace our responsibility to safely provide electricity and gas to the communities we have the privilege to serve. As California experiences more frequent and intense wildfires and other extreme weather events, we must take necessary, bold and urgent steps to protect our customers. The prudent investments we are proposing will help build a safer and more resilient energy system for the future," said Steve Malnight, PG&E Senior Vice President of Energy Supply and Policy.

Open and Transparent Public Process

As with any GRC proposal, all investments and expenditures are subject to open and transparent public review and approval by the CPUC. The Commission will thoroughly review PG&E's proposal, including holding public hearings across the state. PG&E strongly encourages its customers to provide feedback and participate in this important public process that will help shape customer rates and California's energy future.

Customer Bills

If the CPUC approves the proposed investments, the average monthly bill for a typical residential electric and gas customer would increase by $10.57 a month, or 6.4 percent. This includes $8.73 for electric and $1.84 for gas service. The resulting rate change would occur in 2020 following the Commission's decision.

"PG&E recognizes that any increase to a customer's energy bill has a significant impact, and we are committed to keeping customer costs as low as possible, while ensuring we are meeting our responsibilities to safely serve our customers," Malnight added.

2018 Nuclear Decommissioning Cost Triennial Proceeding

PG&E filed a second and separate proposal today at the CPUC that is referred to as the 2018 Nuclear Decommissioning Cost Triennial Proceeding (NDCTP). The filing is consistent with the CPUC's decision to retire Diablo Canyon Power Plant (DCPP) in 2025 to meet California's evolving energy policies and increase the use of renewable energy and energy efficiency resources. The NDCTP filing proposes an updated cost estimate for the safe decommissioning of DCPP and to restart the collection of customer contributions that are necessary to fund the project.

"Diablo Canyon continues to be an important resource for California in achieving our clean energy goals. When the plant has completed its service at the end of the operating licenses, we are committed to safely decommissioning Diablo Canyon in a fashion that is consistent not only with all laws and regulations, but also recognizes its important location to the community and California. We will remain firmly focused on working with the state, local leaders and our neighbors to determine the most appropriate path forward concerning the surrounding lands and coastline," said Malnight. "This proposal will ensure we have the proper funding to achieve these important environmental and community goals."

Process to Close Diablo Canyon

Following the 2016 announcement to retire DCPP in 2025, PG&E completed a comprehensive, site-specific DCPP decommissioning analysis. The study informed PG&E's updated project cost estimate of $4.8 billion and proposal to re-start the collection of customer contributions into a separate trust established to finance the decommissioning project, safely store used fuel until the federal government takes storage responsibility and to remove all supporting campus infrastructure such as office buildings, warehouses and the site's marina.

Currently, PG&E has approximately $3.2 billion set aside in the decommissioning trust for the project and needs an additional $1.6 billion in 2017 dollars to fully fund the safe decommissioning of DCPP.

In the NDCTP filing, PG&E is requesting that customer contributions for decommissioning restart in 2020 and conclude at the end of 2025. This will ensure that only those customers who benefit from the clean, reliable and affordable energy produced by DCPP will be responsible for supporting its decommissioning. It will also ensure compliance with California and federal laws requiring the reasonable costs of decommissioning be funded prior to the closure of a nuclear power plant.

The decommissioning cost estimate could potentially decrease in the future if existing campus infrastructure, such as the site's marina, is repurposed for alternative uses. Decisions on future repurposing will be made by PG&E with the input of the Diablo Canyon Decommissioning Engagement Panel and the local community, and are subject to regulatory approval.

Customer Bills

Approval of the 2018 NDCTP would result in a short-term monthly bill increase for a period of six years. For an average non-CARE bundled residential electric customer in 2020, the bill impact is about 2 percent, or $1.98.

Open and Transparent Public Process

The NDCTP filing, as with the 2020 GRC proposal, are subject to open and transparent public review and approval by the CPUC. The Commission will perform a thorough review of PG&E's proposals, which will include public hearings across the state. PG&E strongly supports and encourages its customers to provide feedback and participate in this important public process which will help shape customer rates and California's energy future.

Cautionary Statement Concerning Forward-looking Statements

This news release includes forward-looking statements that are not historical facts, including statements about the beliefs, expectations, estimates, future plans and strategies of Pacific Gas and Electric Company (PG&E). These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include the timing and outcome of the remaining investigations into the 2017 and 2018 Northern California wildfires, weakened credit conditions that may impair PG&E Corporation's and PG&E's ability to access the capital markets, and other factors disclosed in PG&E Corporation and PG&E's annual report on Form 10-K for the year ended December 31, 2017, their most recent quarterly report on Form 10-Q for the quarter ended September 30, 2018, and their subsequent reports filed with the Securities and Exchange Commission. PG&E Corporation and PG&E undertake no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise.

About PG&E

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation (NYSE:PCG), is one of the largest combined natural gas and electric energy companies in the United States. Based in

San Francisco, with more than 20,000 employees, the company delivers some of the nation's cleanest energy to nearly 16 million people in Northern and Central California. For more information, visit www.pge.com/ and pge.com/news.

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