

NOTIFICATION OF PACIFIC GAS AND ELECTRIC COMPANY'S APPLICATION REQUESTING TO INCREASE RATES FOR THE 2016 CATASTROPHIC EVENT MEMORANDUM ACCOUNTS (A.16-10-019)

Summary

On October 31, 2016, Pacific Gas and Electric Company (PG&E) filed an application with the California Public Utilities Commission (CPUC) for approval to increase rates for the recovery of costs recorded to its electric and gas Catastrophic Event Memorandum Accounts (CEMA). The 2016 CEMA Application seeks recovery of \$141 million in electric distribution and gas distribution and gas transmission revenue requirements to be put into rates on January 1, 2018.

Background

California state law authorizes PG&E to record to the CEMA the costs associated with declared emergencies as necessary for (a) restoring utility services to customers; (b) repairing, replacing or restoring damaged utility facilities; and (c) complying with governmental agency orders in connection with events declared disasters by state or federal authorities. The costs from declared disaster events are different from the costs associated with "normal" and "major" emergencies. Unlike the costs for "normal" and "major" emergencies, forecasts for CEMA events are not included in the General Rate Case or Gas Transmission and Storage Rate Case.

How will PG&E's application affect me?

This application will be examined by the CPUC to determine if costs are reasonable and eligible for recovery from customers. If approved, this application would result in a rate increase that would start on January 1, 2018. The rate changes for each customer class will depend on the CPUC's final decision.

Estimated impact on electricity rates

The chart inside illustrates the proposed increases in rates for bundled electric service customers, those who receive electric generation as well as transmission and distribution service from PG&E. For 2018, the forecasted electric revenue requirement increase is \$133 million.



PROPOSED ELECTRIC RATE INCREASE*

Customer Class	Present Average Rate (¢/kWh) [Effective 10/1/2016]	Proposed Class Average (¢/kWh)	Total Class Average Rate Increase (¢/kWh)	Overall Percentage Increase
Bundled Service				
Residential	19.63	19.85	0.22	1.1%
Small Commercial	22.58	22.83	0.25	1.1%
Medium Commercial	19.83	19.99	0.16	0.8%
Large Commercial	17.05	17.17	0.12	0.7%
Streetlights	21.69	21.83	0.14	0.7%
Standby	16.32	16.43	0.11	0.7%
Agriculture	17.25	17.42	0.17	1.0%
Industrial	13.60	13.66	0.06	0.5%
Total System Rate Change	18.42	18.60	0.17	0.9%

PG&E's request would increase electric rates for customers who receive electric generation and distribution services from PG&E. For a typical residential Non-CARE customer using 500 kWh per month, the rate would increase from \$97.77 to \$98.90 or 1.2 percent. Individual customer bills may vary.

How will PG&E's application affect non-bundled customers?

Direct Access (DA) and Community Choice Aggregation (CCA) customers only receive electric transmission and distribution service from PG&E.



PROPOSED ELECTRIC RATE INCREASE*

Customer Class	Present Average Rate (¢/kWh) [Effective 10/1/2016]	Proposed Class Average (¢/kWh)	Total Class Average Rate Increase (¢/kWh)	Overall Percentage Increase
DA/CCA				
Total System Rate Change	8.57	8.69	0.12	1.4%

*The charts above illustrate the estimated total electric system rate increase that would result from PG&E's revenue requirement request in this application.

Departing Load (DL) customers do not receive electric generation, transmission or distribution services from PG&E. However, they are required to pay certain charges by law or CPUC decision. PG&E's request would increase the system average revenue from DL customers by \$153 thousand or 0.5 percent.

Estimated impact on gas rates

For 2018, the forecasted gas distribution revenue increase is \$6.4 million and the gas transmission revenue increase is \$1.6 million. How the increase is distributed to each customer class will ultimately depend on the CPUC's final decision.

For a typical bundled residential Non-CARE customer using 34 therms per month, their bill would increase from \$56.67 to \$56.77 or 0.2 percent. Individual customer bills may vary.

How do I find out more about PG&E's proposals?

If you have questions about PG&E's filing, please contact PG&E at **1-800-743-5000**. For TDD/TTY (speech-hearing impaired), call **1-800-652-4712**. If you would like a copy of PG&E's filing and exhibits, please write to PG&E at the address below:

Pacific Gas and Electric Company
2016 CEMA (A.16-10-019)
P.O. Box 7442
San Francisco, CA 94120

A copy of PG&E's filing and exhibits is also available for review at the CPUC's Central Files Office by appointment only. For more information, contact aljcentralfilesid@cpuc.ca.gov or **1-415-703-2045**. PG&E's application (without exhibits) is available on the CPUC's website at www.cpuc.ca.gov.

CPUC process

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties will present their testimony and may be subject to cross-examination by other parties. These evidentiary hearings are open to the public, but only those who are formal parties in the case can participate.

After considering all proposals and evidence presented during the hearings, the assigned Judge will issue a proposed decision which may adopt PG&E's proposal, modify it or deny it. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled CPUC Voting Meeting.

The Office of Ratepayer Advocates (ORA) may review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about ORA, please call **1-415-703-1584**, email ora@cpuc.ca.gov or visit ORA's website at www.ora.ca.gov.

Stay informed

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribecpuc.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, have informal comments about the application, or have questions about the CPUC processes, you may access the CPUC's Public Advisor Office (PAO) webpage at <http://consumers.cpuc.ca.gov/pao/>.

You may also contact the PAO as follows:

Email: public.advisor@cpuc.ca.gov

Mail: CPUC

Public Advisor's Office

505 Van Ness Avenue, Room 2103

San Francisco, CA 94102

Call: 1-866-849-8390 (toll-free) or 1-415-703-2074

TTY: 1-866-836-7825 (toll-free) or 1-415-703-5282

If you are writing or emailing the Public Advisor's Office, please include the proceeding number (2016 CEMA, A.16-10-019). All comments will be circulated to the Commissioners, the assigned Judge and appropriate CPUC staff, and become public record.