

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE



March 24, 2022

**Advice Letter 4419-G/6157-E-A**

Erik Jacobson  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**SUBJECT: Tier 1 Advice Letter re Executive Compensation.**

Dear Mr. Jacobson:

Advice Letter 4419-G/6157-E-A is effective as of March 17, 2022, per resolution E-5187 ordering paragraphs.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Skala".

Pete Skala  
Interim Deputy Executive Director for  
Energy & Climate Policy, CPUC  
Director for Procurement, Efficiency, and  
Electrification, Energy Division, CPUC



**Erik Jacobson**  
Director  
Regulatory Relations

Pacific Gas and Electric Company  
77 Beale St., Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415-973-3582

April 30, 2021

**Advice 4419-G-A/6157-E-A**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject: Supplemental: Tier 1 Advice Letter re Executive Compensation**

**Purpose**

On April 9, 2021, Pacific Gas and Electric Company (“PG&E”) submitted a Tier 1 Advice Letter (“Advice Letter”) to report on PG&E’s 2020 executive officer compensation awards, and to address how such awards comply with certain requirements of Assembly Bill 1054 and the California Public Utilities Commission’s June 1, 2020 Decision Approving the Chapter 11 Reorganization Plan of PG&E and PG&E Corporation (D.20-05-053). PG&E’s Advice Letter included a chart showing the percentages of various components of compensation granted to PG&E’s executive officers in 2020. PG&E subsequently discovered that the chart contained an error in the percentages associated with one executive officer, which, in turn, affected the averages presented in the chart. PG&E submits this supplement to correct the error, as well as an error in a cross-reference in footnote 3 of the Advice Letter. These errors do not affect any of the other information or analyses presented in the Advice Letter.

**Discussion**

The following corrected chart summarizes the mix of compensation granted to PG&E’s executive officers<sup>1</sup> in July 2020 (following PG&E’s emergence from Chapter 11) in the form of salaries, cash incentive awards through PG&E’s 2020 Short-Term Incentive Plan (“STIP”), and performance share equity incentive awards granted for 2020 through PG&E Corporation’s 2014 Long-Term Incentive Plan (“LTIP”):

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<sup>1</sup> As used herein, “executive officers” refers to the individuals who qualify as “executive officers” within the meaning of Public Utilities Code §§ 451.5 and 8389(e)(4), as described in footnote 1 of the Advice Letter.

<b>Executive</b>	<b>Base Salary<sup>2</sup></b>	<b>STIP<sup>3</sup></b>	<b>LTIP<sup>4</sup></b>
Chief Executive Officer <sup>5</sup>	100%	0%	0%
Senior Vice President	27%	19%	53%
Senior Vice President	48%	17%	35%
Senior Vice President	37%	22%	41%
Vice President	38%	18%	44%
Vice President	38%	18%	44%
Senior Director	49%	15%	36%
<b>Average (excluding CEO)</b>	<b>40%</b>	<b>18%</b>	<b>42%</b>

<sup>2</sup> Base salary percentages reflect annualized amounts based on the executive officers' salaries following PG&E's July 1, 2020 emergence from Chapter 11. For any individual who was not in an executive officer position during the entirety of the post-emergence portion of 2020, the base salary percentage reflects an annualized figure based on such individual's salary during the period such individual was an executive officer.

<sup>3</sup> STIP percentages reflect target awards pursuant to the 2020 STIP for the 2020 STIP's performance period. Payouts were provided in March 2021, following conclusion of the 2020 performance period and certification of the STIP performance score by the PG&E Corporation Compensation Committee. (For a general discussion of the concept of "target" awards, please refer to (i) the testimony of John Lowe submitted by PG&E on January 31, 2020 in I.19-09-016; and (ii) PG&E's January 15, 2021 letter to the Wildfire Safety Division.)

<sup>4</sup> LTIP percentages reflect target award levels pursuant to the 2020 LTIP performance share awards. Unlike the STIP, which has a one-year performance period, the 2020 LTIP performance shares have a three-year performance period. Accordingly, actual payouts pursuant to the 2020 LTIP performance shares will not be determined until after 2020 (*i.e.*, likely in February 2023).

<sup>5</sup> PG&E's Chief Executive Officer departed PG&E on August 3, 2020, shortly after PG&E's emergence from Chapter 11. In accordance with his departure arrangements, he was not eligible for awards under the 2020 STIP or for 2020 LTIP performance shares. He is not included in the averages in the chart.

**Protests**

Pursuant to CPUC General Order 96-B, Section 7.5.1, PG&E hereby requests the protest period be waived.

**Effective Date**

Pursuant to General Order (GO) 96-B, Rule 5.1., and D.20-05-053, this supplemental advice letter is submitted with a Tier 1 designation. PG&E requests that this Tier 1 advice submittal become effective concurrent with original Advice Letter 4419-G/6157-E on April 9, 2020.

**Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for I.19-09-016. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

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/S/

Erik Jacobson  
Director, Regulatory Relations

cc: Service List I.19-09-016



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39M)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
 PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 4419-G-A/6157-E-A

Tier Designation: 1

Subject of AL: Supplemental: Tier 1 Advice Letter re Executive Compensation

Keywords (choose from CPUC listing): Compliance

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.20-05-053

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested?  Yes  No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required?  Yes  No

Requested effective date: 4/9/21

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Erik Jacobson, c/o Megan Lawson  
Title: Director, Regulatory Relations  
Utility Name: Pacific Gas and Electric Company  
Address: 77 Beale Street, Mail Code B13U  
City: San Francisco, CA 94177  
State: California Zip: 94177  
Telephone (xxx) xxx-xxxx: (415)973-2093  
Facsimile (xxx) xxx-xxxx: (415)973-3582  
Email: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: District of Columbia Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

**PG&E Gas and Electric  
Advice Submittal List  
General Order 96-B, Section IV**

AT&T  
Albion Power Company

Alta Power Group, LLC  
Anderson & Poole

Atlas ReFuel  
BART

Barkovich & Yap, Inc.  
California Cotton Ginners & Growers Assn  
California Energy Commission

California Hub for Energy Efficiency  
Financing

California Alternative Energy and  
Advanced Transportation Financing  
Authority  
California Public Utilities Commission  
Calpine

Cameron-Daniel, P.C.  
Casner, Steve  
Cenergy Power  
Center for Biological Diversity

Chevron Pipeline and Power  
City of Palo Alto

City of San Jose  
Clean Power Research  
Coast Economic Consulting  
Commercial Energy  
Crossborder Energy  
Crown Road Energy, LLC  
Davis Wright Tremaine LLP  
Day Carter Murphy

Dept of General Services  
Don Pickett & Associates, Inc.  
Douglass & Liddell

East Bay Community Energy Ellison  
Schneider & Harris LLP Energy  
Management Service  
Engineers and Scientists of California

GenOn Energy, Inc.  
Goodin, MacBride, Squeri, Schlotz &  
Ritchie

Green Power Institute  
Hanna & Morton  
ICF

IGS Energy  
International Power Technology  
Intestate Gas Services, Inc.  
Kelly Group  
Ken Bohn Consulting  
Keyes & Fox LLP  
Leviton Manufacturing Co., Inc.

Los Angeles County Integrated  
Waste Management Task Force  
MRW & Associates  
Manatt Phelps Phillips  
Marin Energy Authority  
McKenzie & Associates

Modesto Irrigation District  
NLine Energy, Inc.  
NRG Solar

Office of Ratepayer Advocates  
OnGrid Solar  
Pacific Gas and Electric Company  
Peninsula Clean Energy

Pioneer Community Energy

Redwood Coast Energy Authority  
Regulatory & Cogeneration Service, Inc.  
SCD Energy Solutions  
San Diego Gas & Electric Company

SPURR  
San Francisco Water Power and Sewer  
Sempra Utilities

Sierra Telephone Company, Inc.  
Southern California Edison Company  
Southern California Gas Company  
Spark Energy  
Sun Light & Power  
Sunshine Design  
Tecogen, Inc.  
TerraVerde Renewable Partners  
Tiger Natural Gas, Inc.

TransCanada  
Utility Cost Management  
Utility Power Solutions  
Water and Energy Consulting Wellhead  
Electric Company  
Western Manufactured Housing  
Communities Association (WMA)  
Yep Energy