

PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 7831E
As of March 25, 2026

Subject: Request Additional Rebate Funding for PG&E's Pre-owned EV Rebate Program

Division Assigned: Energy

Date Filed: 02-06-2026

Date to Calendar: 02-16-2026

Authorizing Documents: D2012027

Disposition:	Accepted
Effective Date:	03-08-2026

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

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PUBLIC UTILITIES COMMISSION
505 Van Ness Avenue
San Francisco CA 94102-3298



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to
edtariffunit@cpuc.ca.gov

February 6, 2026

Advice 7831-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Request Additional Rebate Funding for PG&E's Pre-owned EV Rebate Program

Purpose

Pursuant to Ordering Paragraph (OP) 3 of Decision (D.) 20-12-027, the Decision Concerning Low Carbon Fuel Standard Holdback Revenue Utilization (the Decision), Pacific Gas and Electric Company (PG&E) hereby submits this Advice Letter (AL) to request additional funding to ensure there is sufficient funding to sustain operations of the Pre-owned EV Rebate Program (POEV) through the end of the 2026. The POEV program was originally approved in PG&E's Holdback Implementation Plan (AL 6226-E, as supplemented by AL 6226-E-A) through a non-standard disposition letter dated December 24, 2021, and funded by Low Carbon Fuel Standard (LCFS) holdback residential base charging credit and electric forklift credit proceeds.

Specifically, PG&E requests authorization to increase the program's rebate budget by \$18 million to ensure the program operations and rebate issuance remains open and uninterrupted for the entirety of 2026. PG&E is not seeking any further programmatic modifications in this advice letter.

Background

PG&E's 2021 LCFS Implementation Plan was approved by the CPUC in December 2021¹ with the following four "holdback programs"²:

1. Pre-Owned EV Rebate Program;

¹ See Advice Letter (AL) 6226-E, PG&E's 2021 Low Carbon Fuel Standard Implementation Plan, (June 15, 2021) available at https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6226-E.pdf; see also AL 6336-E-A, (Oct. 6, 2021) available at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_6226-EA.pdf.

² "Holdback programs" are funded by the 33% of remaining residential base credit proceeds after funding the California Clean Fuel Reward (CCFR) program, plus credits generated by forklift charging. PG&E is not including the Research and Innovation Fund in this list as it was funded with non-holdback credits.

2. Residential Charging Solutions Pilot;
3. Multi-Family and Small Business Direct Install Pilot; and,
4. Resilient Charging Pilot (known publicly as evPulse for PG&E).

With the exception of the Resilient Charging pilot, each of these programs were intended to begin accepting customer applications in 2022 and close to new customer applications on December 31, 2024.³ On November 10, 2023, PG&E submitted AL 7064-E requesting the extension of the Pre-Owned EV Rebate Program and the Residential Charging Solutions Pilot which was approved on June 11, 2024.⁴ On August 15, PG&E submitted AL 7355-E requesting the extension of the Multi-Family and Small Business Direct Install Pilot, which was approved on October 3rd, 2024.⁵

I. Background on POEV

The POEV rebate program launched in February 2023 with an \$86.55 million budget. This program provides a post-purchase rebate for pre-owned EVs, with a \$1,000 base rebate and a \$4,000 rebate for income-qualified customers (“Rebate Plus”). Originally, the program was anticipated to close to new customer applications by December 31st, 2024. However, on June 11, 2024, the CPUC approved PG&E’s request to extend the program until the end of 2026 (with program closeout occurring in 2027) or until used EV rebates are incorporated into a statewide program.⁶ This extension did not include additional budget, only additional time to spend the entire approved amount. On September 30, 2024, PG&E prepared and submitted its 2025 Forecast Advice Letter⁷ and requested an annual budget of \$18.48 million for POEV. This included \$15.91 million for POEV rebate incentives. Months after submitting its 2025 Forecast Advice Letter, PG&E updated its POEV program forecast to incorporate new EV market assumptions and projected a rebate forecast of \$24.20 million for the year. Due to the reasons outlined below, POEV experienced a notable rise in rebate volume in 2025, leading to more than doubling the program’s rebate spend between 2024 and 2025. There were several drivers that contributed to this higher-than-expected rebate spending:

³ PG&E intended to fund administrative activities related to closing the program (e.g., program evaluation) that would extend to 2025; however, customer applications for these programs would end in December 2024.

⁴ AL 7064-E, PG&E’s Request to Continue PG&E’s Low Carbon Fuel Standard Holdback Credit Implementation Plan Programs (Nov. 10, 2023) available at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7064-E.pdf.

⁵AL 7355-E, PG&E’s Request to Continue PG&E’s Low Carbon Fuel Standard Holdback Credit Multi-Family and Small Business Direct Install Pilot Program (Aug. 15, 2024) available at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7355-E.pdf.

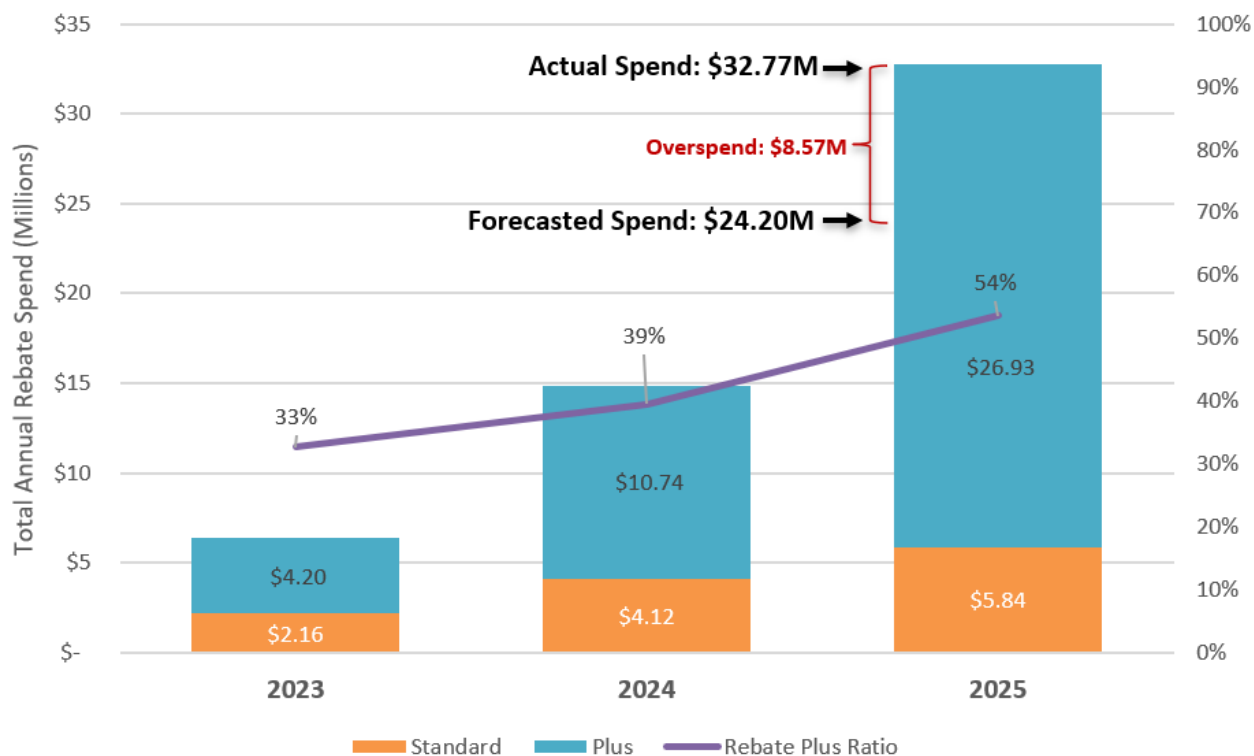
⁶ AL 7064-E, PG&E’s Request to Continue PG&E’s Low Carbon Fuel Standard Holdback Credit Implementation Plan Programs (Nov. 10, 2023) available at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7064-E.pdf.

⁷ AL 7385-E, PG&E’s 2025 Annual Low Carbon Fuel Standard Electric Credit and Revenue Estimate (September 30, 2024) available at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7385-E.pdf.

- **Federal EV tax credit:** Anticipation of the ending of the federal EV tax credit accelerated consumer purchase activity, contributing to higher-than-forecasted participation volumes.
- **Rebate Plus volume:** The program experienced a notable increase in income-qualified rebate applications, reflecting strong demand for incentives among price-sensitive customers. While this is a positive trend and something PG&E has been driving for, Rebate Plus participants receive four times as much incentive as standard participants, leading to greater rebate spend.
- **Marketing and outreach:** PG&E aimed to boost program visibility and participation by using digital marketing and reaching out through community-based organizations. These actions led to a modest yet noticeable improvement in how effectively the program engaged with the used EV market within PG&E’s service area.

Figure 1 shows the program’s annual rebate spend since the program launch, with the Standard rebate spend shown in orange and the Rebate Plus spend in blue. The purple line shows the percentage of all paid rebates going to Rebate Plus.

Figure 1: Rebate Spend Since Program Launch (in \$M)



The extra \$8.57 million was pulled from the funding remaining in the program's \$86.55 million budget. As the program is 100% funded through LCFS, there was no impact to ratepayers.

II. Impact to the Program in 2026

PG&E prepared and submitted its 2026 Forecast Advice Letter in September 2025, before the impacts of the federal tax credit ending were fully realized on the program. The forecast included a \$22.82 million rebate budget for POEV in 2026, which at the time was expected to be enough to keep the program open to applications through 2026 before fully exhausting the \$86.55 million budget through closeout activities in early 2027. However, the extra \$8.57 million in rebate spend for 2025 essentially was pulled forward from 2026, leading to less being available to spend in 2026. As of January 2026, PG&E has a remaining and uncommitted rebate budget of roughly \$16M left for the year.

There is substantial uncertainty in what car sales will look like in 2026—discussed more below—but the program would have to see a 50% reduction in rebate spending from 2025 to be able to keep the program open for the entire year without any funding gaps. PG&E does not believe this is likely, and as a result, anticipates that the program will exhaust the remaining rebate budget during the year and will have to pause to new applications unless the program budget is increased using available but unassigned LCFS dollars.

Rebate Forecasts

PG&E's current projections show that, absent supplemental funding, the program may exhaust remaining POEV rebate funds as early as June 2026, resulting in an estimated \$18 million funding gap entering the 2026 program year. Figure 2 shows three forecasts, representing low, medium, and high rebate spend scenarios. The horizontal black bars show the approved rebate budget for 2026 from the Forecast AL and the remaining rebate budget in the program; the difference between them is the reduction from the budget that was instead spent in 2025.⁸ The dashed vertical bars show when the program will expend its remaining rebate budget. Under a low forecast scenario, the program will run out of

⁸ Note that the reduction in the available rebate budget is less than the \$9 million used in 2025 due to a buffer included in the 2026 forecast budget.

funds in September; under a high forecast scenario, the program will run out of funds in June.

Figure 2. POEV 2026 Forecast Scenarios

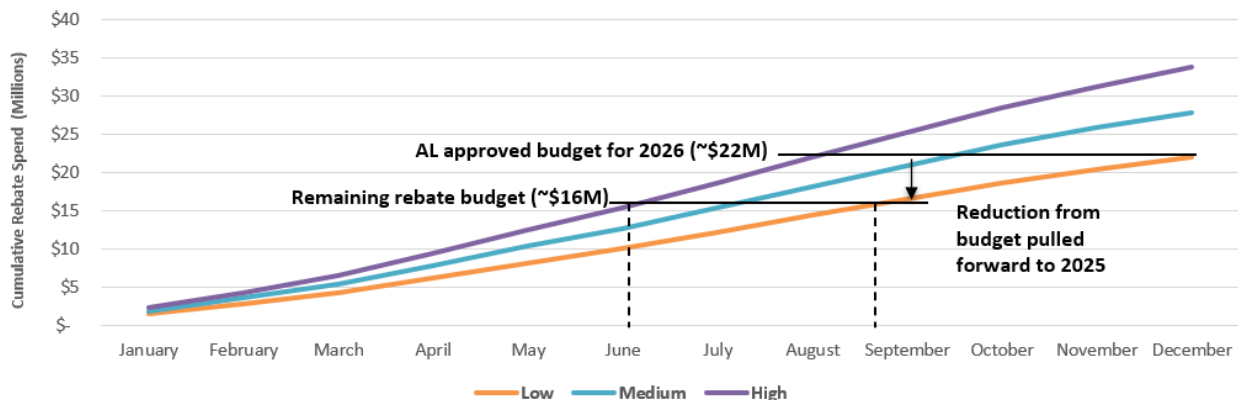


Table 1 below provides more detail into the forecasts. All forecasts are based on the 2025 actual rebate spend, adjusted to account for the impacts of the ending of the Federal Tax Credit. Specifically, PG&E applied average percent increase in application volume from the shoulder months (June/July and November/December) between 2024 and 2025 actuals. This calculation provided a more accurate forecast for August and September absent the impacts of the Federal Tax Credit.

Table 1: 2026 Forecast Scenarios

Scenarios (% of Adjusted 2025 Act.) ⁹		Rebates	Spend	Gap
Low	-25%	8,211	\$22,001,000	\$ (6,001,000)
Medium	-5%	10,401	\$27,868,000	\$(11,868,000)
High	15%	12,591	\$33,735,000	\$(17,735,000)
AL Forecast¹⁰	-	8,581	\$22,482,000	\$(6,482,000)

The low forecast scenario, which is closest to the forecast submitted in the 2026 Forecast AL, represents a 25% decrease in adjusted rebate spend from 2025. The medium forecast scenario represents a 5% decrease, and the high forecast scenario a 15% increase. However, because of the spend pulled forward to 2025, even a low forecast scenario results in the program running out of rebate funds in September – a gap of over

⁹ The 2026 forecast scenarios are grounded in the actual results from 2025, with adjustments made to account for the surge in volume resulting from the conclusion of the Federal Tax Credit, as this event is created anomalous market behavior.

¹⁰ AL 7714-E, Pacific Gas and Electric Company's 2026 Annual Low Carbon Fuel Standard Electric Credit and Revenue Estimate (Oct. 03, 2023) available at: https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7714-E.pdf

\$6 million in rebate spend. On the high end, the program runs out of funds in June, and the gap is just under \$18 million.

Forecasting what will occur with used EV sales in 2026 is challenging, as it is hard to tell just how critical the federal tax credit was to the used EV market. However, there is data to suggest that the market may rebound fairly quickly. In particular, analysts project that the number of EVs returning to the used market will surge in 2026, driven by a wave of lease maturities: returning EV lease volumes are forecast to increase by roughly 230% in 2026.¹¹ This trend will significantly expand the available inventory and model diversity of used EVs. Increased supply of used EVs may also lower prices, making them more affordable and desirable, driving an increase in used EV sales.

As a result, PG&E anticipates that program participation is more likely to be in the medium to high forecast range and intends for the request in this AL to allow the program to meet any level of demand in this transitional year.

III. Program, Portfolio and Market Impacts if Additional Funding is Not Approved

A mid-year suspension of the POEV Program due to insufficient funding would reduce the program's effectiveness and hinder progress toward the Commission's transportation electrification objectives, including those established under SB 350 and SB 100. The program is structured to influence time-sensitive vehicle purchase decisions in the pre-owned EV market, where incentive availability is a key consideration for many customers. An unexpected interruption would disrupt market participation, including transactions already underway, and may result in foregone EV purchases that are not fully recoverable later in the year.

These impacts would disproportionately affect income-qualified customers who rely on incentives to participate. Post-enrollment survey data reflects that 60% of income-qualified rebate recipients report that POEV was essential to their purchase/lease.¹² In addition, a pause in program operations would diminish the value of prior outreach and administrative efforts, create operational inefficiencies associated with suspension and restart, and introduce avoidable uncertainty for participating Community Based Organizations and customers. Incentive programs that repeatedly start and stop appear unreliable to consumers, making it challenging for them to trust the program will be available when they are ready to make their purchase decision. Maintaining continuous program funding supports market stability, administrative efficiency, and consistent progress toward the Commission's emissions reduction and equity goals.

¹¹ J.D. Power E-Vision Intelligence Report: Used-Vehicle Market About to Get Complicated as Returning EV Lease Volumes on Track to Spike in 2026 available at:

<https://www.jdpower.com/business/resources/e-vision-intelligence-report-october-2024>

¹² Based on internal PG&E program survey data.

In addition, the POEV Program is a pivotal component of PG&E's overall residential EV portfolio, complementing initiatives such as the Affordable Public Charging, Residential Charging Solutions Program, and the newly-proposed Optimized Charging Program. Together, these programs provide a coordinated set of incentives and infrastructure support that addresses multiple barriers to EV adoption, from upfront vehicle cost to home charging access and grid integration. The POEV Program specifically enables increased adoption of pre-owned EVs, expanding participation among income-qualified and price-sensitive customers, and enhancing the effectiveness of PG&E's broader portfolio. Interruptions in POEV funding could reduce the synergy among these programs and diminish the ability to deliver the Commission's transportation electrification and equity objectives efficiently.

State EV Incentive Program

PG&E recognizes the Governor's announcement regarding the State's intent to pursue an alternative incentive framework following the anticipated expiration of the federal EV tax credit. While this effort may provide longer-term support for electric vehicle adoption, the timing, structure, and eligibility parameters of any new state program are not yet finalized. In the interim, uninterrupted operation of the POEV Program remains important to maintain market continuity and provide near-term incentive certainty, particularly for pre-owned EV transactions that rely on point-of-sale support. Continued POEV funding through the end of the program year will help bridge this transitional period and ensure consistent progress toward the Commission's transportation electrification and equity objectives.

IV. Request and 2027 Planning

PG&E requests that the CPUC allow PG&E to add \$18 million of rebate budget to the existing POEV program budget of \$86.55 million. PG&E does not request any other programmatic changes to POEV to keep this request simple, given the urgency of the funding shortfall in 2026 and the need to resolve it quickly to avoid program interruptions. PG&E would like to avoid pausing the POEV program in 2026, so this request precedes the 2027 LCFS annual forecast AL. Approving the \$18 million budget request will allow PG&E to continue providing consistent market signals to its customers.

Later this year, PG&E intends to file an advice letter to extend POEV through 2027, with closeout occurring in 2028 (currently the program will sunset at the end of 2026). PG&E will request this extension through the 2027 annual forecast AL, if the CPUC approves the process identified in AL 7591-E, or an ad hoc AL if not.¹³ This extension request will also come with programmatic changes based on PG&E's learnings managing POEV for the past several years. For example, PG&E expects to use this filing to shift the program to 100% equity, based on the survey data showing that income-qualified customers view

¹³ AL 7591-E, "Joint Request to Streamline Low Carbon Fuel Standard Processes and Align with California Air Resources Board Regulation," filed May 7, 2025, accessed at https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_7591-E.pdf.

the incentive as far more impactful to their purchase than the standard rebate recipients do. Any unspent funding from this AL's budget request for the 2026 program year will be carried forward and included in PG&E's planned Tier 2 Advice Letter to extend the program into 2027.

V. Timing of CPUC Approval Request

PG&E is requesting approval of this advice letter by April 1, 2026. If a decision cannot be provided by this date, PG&E and its implementer, the Center for Sustainable Energy, will need to take action to inform potential applicants of the pending application closure at least 30 days ahead of forecasted budget shortfall, which could occur as soon as June 2026.

VI. Conclusion

For the reasons described above, PG&E requests approval of additional funding to allow the POEV Program to continue operating without interruption through the end of 2026. Continuous funding will enable the program to function as approved, preserve administrative efficiency, and provide consistent market signals to customers and participating CBOs. This request does not propose any changes to the Commission-authorized scope, eligibility, or incentive levels, and is intended solely to address higher-than-forecast participation. Approval will support orderly program implementation and continued progress toward the Commission's transportation electrification, emissions reduction, and equity objectives.

This submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than February 26, 2026, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
E-mail: EDTariffUnit@cpuc.ca.gov

The protest shall also be electronically sent to PG&E via E-mail at the address shown below on the same date it is electronically delivered to the Commission:

Sidney Bob Dietz II
Director, Regulatory Relations
c/o Megan Lawson
E-mail: PGETariffs@pge.com



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 U39 E)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Kimberly Loo

Phone #: (279)789-6209

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: Kimberly.Loo@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) #: 7831-E

Tier Designation: 2

Subject of AL: Request Additional Rebate Funding for PG&E's Pre-owned EV Rebate Program

Keywords (choose from CPUC listing): Rebates

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.20-12-027

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:

No. of tariff sheets: N/A

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:

Service affected and changes proposed¹: N/A

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

¹Discuss in AL if more space is needed.

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

California Public Utilities Commission
Energy Division Tariff Unit Email:
EDTariffUnit@cpuc.ca.gov

Contact Name: Sidnev Bob Dietz II. c/o Megan Lawson
Title: Director, Regulatory Relations
Utility/Entity Name: Pacific Gas and Electric Company

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email: PGETariffs@pge.com

Contact Name:
Title:
Utility/Entity Name:

Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

CPUC
Energy Division Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Clear Form

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

AT&T	Ellison Schneider & Harris LLP	Pacific Gas and Electric Company
Albion Power Company		Peninsula Clean Energy
Alta Power Group, LLC	Electrical Power Systems, Inc. Fresno	Pioneer Community Energy
Anderson & Poole	Engie North America	Public Advocates Office
BART	Engineers and Scientists of California	Redwood Coast Energy Authority
Ava Community Energy		Regulatory & Cogeneration Service, Inc.
BART		Resource Innovations
Buchalter	GenOn Energy, Inc.	Rockpoint Gas Storage
Barkovich & Yap, Inc.	Green Power Institute	
Biering & Brown LLP		San Diego Gas & Electric Company
Braun Blasing Smith Wynne, P.C.	Hanna & Morton LLP	San Jose Clean Energy
		SPURR
California Community Choice Association	ICF consulting	
California Cotton Ginners & Growers Association	iCommLaw	Sempra Utilities
California Energy Commission	International Power Technology	Sierra Telephone Company, Inc.
California Hub for Energy Efficiency	Intertie	Southern California Edison Company
California Alternative Energy and Advanced Transportation Financing Authority	Intestate Gas Services, Inc.	Southern California Gas Company
California Public Utilities Commission		Spark Energy
Calpine	Kaplan Kirsch LLP	Sun Light & Power
Cameron-Daniel, P.C.	Kelly Group	Sunshine Design
Casner, Steve	Ken Bohn Consulting	Stoel Rives LLP
Center for Biological Diversity	Keys & Fox LLP	
Chevron Pipeline and Power	Leviton Manufacturing Co., Inc. Los Angeles County Integrated	Tecogen, Inc.
		TerraVerde Renewable Partners
		Tiger Natural Gas, Inc.
Clean Power Research	Waste Management Task Force	
Coast Economic Consulting		Utility Cost Management
Commercial Energy	MRW & Associates	
Crossborder Energy	Manatt Phelps Phillips	
Crown Road Energy, LLC	Marin Energy Authority	Water and Energy Consulting
	McClintock IP	
	McKenzie & Associates	
Davis Wright Tremaine LLP	Modesto Irrigation District	
Day Carter Murphy	NLine Energy Inc.	Yep Energy
Dept of General Services	NOSSAMAN LLP	
Douglass & Liddell	NRG Energy Inc.	
Downey Brand LLP		