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

Pacific Gas & Electric Company
ELC (Corp ID 39)
Status of Advice Letter 7972E
As of September 23, 2026

Subject: Notification of Energy Resource Recovery Account Reaching the Trigger Amount in Compliance with Decision 02-10-062, Decision 08-08-011, and Decision 22-01-023

Division Assigned: Energy

Date Filed: 08-28-2026

Date to Calendar: 09-04-2026

Authorizing Documents: D0210062

Authorizing Documents: D0808011

Authorizing Documents: D2201023

Disposition:	**Accepted**
Effective Date:	**09-27-2026**

STATE OF CALIFORNIA **GAVIN NEWSOM,** *Governor*

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

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

edtariffunit@cpuc.ca.gov

AL Certificate Contact Information:

Michael Finnerty
(279) 789-6216
PGETariffs@pge.com

STATE OF CALIFORNIA **GAVIN NEWSOM,** *Governor*

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Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)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

Pacific Gas and Electric Company®

Nika Kjensli
Chief
Regulatory Relations

Pacific Gas and Electric Company
300 Lakeside Drive
Oakland, CA 94612

August 28, 2026

Advice 7972-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: **Notification of Energy Resource Recovery Account Reaching the Trigger Amount in Compliance with Decision 02-10-062, Decision 08-08-011, and Decision 22-01-023**

Purpose

Pacific Gas and Electric Company (PG&E) hereby notifies the California Public Utilities Commission (the Commission or CPUC) that its Energy Resource Recovery Account (ERRA) balance net of the bundled customer share of the Portfolio Allocation Balancing Account (PABA) balances (collectively the known as the ERRA Trigger Balance), has surpassed the five percent trigger threshold based on recorded balances for the July 2026 business cycle accounting close and is forecast to self-correct within one hundred twenty (120) days. PG&E submits this advice letter in compliance with Decision (D.) 02-10-062, D.08-08-011, and D.22-01-023.

PG&E's recorded end-of-July 2026 ERRA Trigger Balance is over-collected by $225 million, or 5.4 percent of the prior year's generation revenues, and is forecasted to reduce to a $120 million over-collection, or 2.9 percent of the prior year's generation revenues, by the end-of-year 2026.[1] The ERRA Trigger Balance forecast is dependent on customer sales demand, market prices and the final market price benchmarks (MPB) for 2026, as ordered in D.19-10-001 and modified in D.22-01-023, for the calculations of Retained Renewable Portfolio Standard (RPS) and Resource Adequacy (RA) values in the PABA and ERRA, among other things.

Background

Under D.02-10-062, PG&E is required to file an expedited application when its ERRA balancing account is four percent over or under-collected of the prior year's recorded generation revenues (or "the ERRA Trigger mechanism").[2] In an ERRA Trigger Application, the utility would include a projected account balance in 60 days or more from

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[1] While currently forecast to self-correct, the end-of year ERRA Trigger Balance forecast may vary significantly from what is presented in Table 1 herein, depending on any changes in customer sales demand, market prices and the final market price benchmarks (MPB) issued by the CPUC's Energy Division for 2026..

[2] D.02-10-062, pp. 59-64; D.04-01-040, p. 177.

the date of filing to illustrate when the balance would reach the five percent threshold. PG&E may, on an expedited basis, request a change in rates to address the over-collection or under-collection and to ensure a timely recovery of the projected ERRA balance.

In D.08-08-011, the Commission authorized PG&E to notify the Commission through an advice letter when the ERRA balance exceeds its trigger amount, instead of in an expedited application, if the utility does not seek a change in rates and the ERRA balance is expected to self-correct below the trigger amount within 120 days of filing.[3]

The ERRA Trigger mechanism was modified in D.22-01-023 to consider ERRA account balances net of PABA balances when calculating whether over- or under-collections exceed the four percent trigger point and five percent threshold of the utility's authorized fuel and power purchase revenue requirement approved in the previous year.[4] Subsequently, PG&E submitted Advice 6515-E to, among other things, modify its Electric Preliminary Statement Part CP to reflect changes to the ERRA Trigger mechanism (e.g., to consider ERRA balance net of PABA balances).[5]

On March 2, 2026, PG&E submitted Tier 1 Advice 7851-E which calculates the ERRA trigger amount for 2026, pursuant to D.02-10-062, D.04-01-050, D.04-12-048, D.15-05-008, and D.22-01-023. [6] In that advice letter, PG&E stated that the balances subject to the ERRA Trigger mechanism exclude the forecast December 2025 balances that are already amortized in the 2026 Annual Electric True-Up (AET) rates through Advice 7797-E-A.[7] Those 2025 year-end balances are already amortized in rates through the Commission-approved ratemaking mechanism and thus are excluded from the ERRA and bundled share of PABA when considering whether the ERRA Trigger balance is above the four percent trigger and five percent threshold amounts of $166.5 million and $208.0 million, respectively.

<u>Status of Bundled Share of ERRA and PABA Balance</u>

Ordering Paragraph (OP) 9 of D.22-01-023 directed investor-owned utilities, including PG&E, to modify the Monthly ERRA/PABA Activity Report to include "(a) a description of the attribution of PABA balances to bundled customers, and (b) a description of whether the combined PABA and ERRA balance reached or exceeded the trigger." On August 20, 2026, PG&E submitted its July 2026 ERRA/PABA Activity Report indicating that the Bundled Share of ERRA and PABA is $418 million over-collected.[8] After deducting $193 million of the prior year under-collected balance authorized to be recovered in rates, the

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[3] D. 08-08-011, OP 3.
[4] D. 22-01-023, COL 10, OP 8.
[5] The Commission accepted Advice 6515-E on March 25, 2022.
[6] The Commission accepted Advice 7851-E on April 2, 2026.
[7] The Commission issued a disposition letter on February 2, 2026 stating that Advice 7797-E-A is effective January 1, 2026.

[8]Table 1, Line 7, Column A.

ERRA Trigger over-collection is $225 million or 5.4 percent exceeding the five percent Threshold amount established by Advice 7851-E.[9] The over-collected ERRA Trigger Balance is forecast to self-correct in 120 days[10] and eventually reduce to $120 million or 2.9 percent by the end-of-year 2026.[11]

Table 1 below shows the ERRA Trigger Balances, including recorded amounts through July 2026, consistent with PG&E's July 2026 ERRA/PABA Activity Report, and forecasted balances for August 2026 through December 2026.

TABLE 1
ERRA TRIGGER UNDER/(OVER) COLLECTED BALANCES
(MILLIONS OF DOLLARS)

Line No.	Business Cycle Close	Bundled Share of ERRA and PABA	Dec-25 Forecast Balance Amortize in Rates	ERRA Trigger Balance	5% Threshold Amount	Percent of prior year recorded generation revenues, excluding DWR	
		(A)	(B)	(C)=(A)-(B)	(D)	(E)=(C)/(D/5%)	
1	Jan-26	(323)	(402)	79	258	1.5%	Recorded [1/]
2	Feb-26	(262)	(365)	104	208	2.5%	Recorded [1/]
3	Mar-26	(288)	(339)	51	208	1.2%	Recorded [1/]
4	Apr-26	(342)	(312)	(30)	208	-0.7%	Recorded [1/]
5	May-26	(325)	(281)	(44)	208	-1.1%	Recorded [1/]
6	Jun-26	(393)	(241)	(152)	208	-3.7%	Recorded [1/]
7	Jul-26	(418)	(193)	(225)	208	-5.4%	Recorded [1/]
8	Aug-26	(383)	(146)	(237)	208	-5.7%	Forecast
9	Sep-26	(350)	(103)	(247)	208	-5.9%	Forecast
10	Oct-26	(255)	(70)	(185)	208	-4.5%	Forecast
11	Nov-26	(187)	(36)	(152)	208	-3.6%	Forecast
12	Dec-26	(120)	0	(120)	208	-2.9%	Forecast

Note:

[1/] Recorded based on the monthly Activity Reports submitted to the Energy Division

The "Bundled Share of ERRA and PABA" (Column A) is the sum of

- ERRA which records the power costs associated with PG&E's authorized procurement plan and Public Utilities Code Section 454.5 (d)(3). Power costs recorded in ERRA are applicable solely to PG&E's bundled customers.

[9] Table 1, Line 7, Columns B, C and E.

[10] Table 1, Line 11

[11] Table 1, Line 12

- PABA which records the above-market costs for PCIA-eligible generation resources from both bundled and departing load customers, as authorized in D.18-10-019. The bundled share of PABA is calculated based upon the proportion of revenue requirements attributed to bundled customers in the currently effective rates.

The “Dec-25 Forecast Balance Amortize in Rates” (Column B) is the prior year under-collected balance that is already the subject of a Commission rate-order for amortization in 2026 rates.

The “ERRA Trigger Balance” (Column C) is the difference between the “Bundled Share of ERRA and PABA” balance and the “Dec-25 Forecast Balance Amortize in Rates”. [12] It is then compared to the five percent threshold amount (Column D) to derive the corresponding percentage of prior year generation revenue for that month (Column E).

PG&E’s submittal reflects the best available information at this time, and changes in customer sales demands, market conditions, as well as changes to the final 2026 MPB to be issued by Commission for the calculation of the RPS and RA values, among other things, may result in recorded balances varying from the current forecast. PG&E will continue to closely monitor the balances and provide updates as necessary.
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<u>No Rate Change Request is Necessary at This Time</u>

PG&E’s ERRA Trigger over-collected balance for recorded July 2026 accounting close has exceeded the 5 percent trigger threshold. At this time, PG&E expects to self-correct the overcollection in 120 days through current 2026 rates. Accordingly, notification via this advice letter is appropriate and a rate change is not necessary. However, the level of the ERRA Trigger over-collected balance may materially change as discussed above.

<u>Request for Relief</u>

PG&E respectfully requests that the Commission (1) acknowledge the over-collected ERRA Trigger Balance and that this notification advice letter satisfies the D.08-08-011 and D.22-01-023 requirements that PG&E informed the Commission when its ERRA reached the four percent trigger amount; and (2) acknowledge that no rate change is necessary to address the over-collected balance at this time.

<u>Protests</u>

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than September 17, 2026, which is 20 days after the date of this submittal. Protests must be submitted to:

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[12] The “Dec-25 Forecast Balance Amortize in Rates” is the under-collected forecast December 2025 balance authorized for amortization in the 2026 AET rates as presented in Advice 7797-E-A. The Commission issued a disposition letter on February 2, 2026 stating that Advice 7797-E-A is effective January 1, 2026.

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:

Nika Kjensli
Chief, Regulatory Relations
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name and e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

Pursuant to General Order (GO) 96-B, Rule 5.2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on regular notice, September 27, 2026, which is 30 calendar days from the date of submittal.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to parties shown on the attached list and the parties on the service list for A.26-05-007. 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/.

/S/

Nika Kjensli
Chief, Regulatory Relations
CPUC Communications

cc: Service List A.26-05-007

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 (U 39 E)

Utility type:

- [x] ELC
- [ ] GAS
- [ ] WATER
- [ ] PLC
- [ ] HEAT

Contact Person: Michael Finnerty
Phone #: (279) 789-6216
E-mail: PGETariffs@pge.com
E-mail Disposition Notice to: michael.finnerty@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) #: 7972-E

Tier Designation: 2

Subject of AL: Notification of Energy Resource Recovery Account Reaching the Trigger Amount in Compliance with Decision 02-10-062, Decision 08-08-011, and Decision 22-01-023

Keywords (choose from CPUC listing): Compliance

AL Type: [ ] Monthly [ ] Quarterly [ ] Annual [x] One-Time [ ] Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:
D.02-10-062, D.08-08-011, D.22-01-023

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: N/A

Confidential treatment requested? [ ] Yes [x] 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 [x] No

Requested effective date: 9/27/26

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[1]: N/A

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

[1] Discuss in AL if more space is needed.

Clear Form

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: Nika Kiensli
Title: Chief, 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

Albion Power Company
Alta Power Group, LLC

Anderson & Poole
BART

Ava Community Energy

BART
Buchalter
Barkovich & Yap, Inc.
Biering & Brown LLP
Braun Blaising Smith Wynne, P.C.

California Community Choice Association
California Cotton Ginners & Growers Association
California Energy Commission
California Hub for Energy Efficiency
California Alternative Energy and Advanced Transportation Financing Authority
California Strategies

California Public Utilities Commission
Calpine
Cameron-Daniel, P.C.
Casner, Steve
Center for Biological Diversity
Chevron Pipeline and Power

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
Diablo Canyon Independent Safety Committee
Douglass & Liddell
Downey Brand LLP

Duncan Weinberg Genzer Pembroke
Ellison Schneider & Harris LLP
Electrical Power Systems, Inc. Fresno
Engie North America
Engineers and Scientists of California

GenOn Energy, Inc.
Green Power Institute

Hanna & Morton LLP

ICF consulting

iCommLaw

International Power Technology
Intertie

Intestate Gas Services, Inc.

Kaplan Kirsch LLP
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
McClintock IP
McKenzie & Associates
Modesto Irrigation District
NLine Energy Inc.
NOSSAMAN LLP
NRG Energy Inc.

Pacific Gas and Electric Company
Peninsula Clean Energy
Pioneer Community Energy

Public Advocates Office
Redwood Coast Energy Authority

Regulatory & Cogeneration Service, Inc.
Resource Innovations
Rockpoint Gas Storage

San Diego Gas & Electric Company
San Jose Clean Energy
SPURR

Sempra Utilities

Sentinel Utilities
Sierra Telephone Company, Inc.

Southern California Edison Company

Southern California Gas Company
Spark Energy

Sun Light & Power
Sunshine Design
Stoel Rives LLP

Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

Utility Cost Management

Water and Energy Consulting

Yep Energy