

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 dark 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

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 officers¹ 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”):

¹ 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.

Executive	Base Salary²	STIP³	LTIP⁴
Chief Executive Officer ⁵	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%
Average (excluding CEO)	40%	18%	42%

² 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.

³ 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.)

⁴ 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).

⁵ 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/>.

/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 proposed¹: N/A

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

¹Discuss 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

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

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

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

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
Semptra 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