

DATE: December 2, 2025

TO: STATE, CITY AND LOCAL OFFICIALS

NOTICE OF PACIFIC GAS AND ELECTRIC COMPANY'S APPLICATION FOR REVIEW AND RECOVERY OF COSTS ASSOCIATED WITH THE 2019 KINCADE FIRE AND 2021 DIXIE FIRE UNDER AB 1054 (A.25-11-001)

Why am I receiving this notice?

On November 14, 2025, Pacific Gas and Electric Company (PG&E) filed an application with the California Public Utilities Commission (CPUC). PG&E is requesting approval to recover in rates approximately \$1.59 billion for wildfire-related costs recorded in its **Wildfire Expense Memorandum Account (WEMA)** and approximately \$314 million for restoration and emergency response costs recorded in its **Catastrophic Event Memorandum Account (CEMA)** related to the 2019 Kincade Fire and 2021 Dixie Fire. You are receiving this notice because PG&E's request, if approved, will result in increases to your electric and/or gas rates.

Why is PG&E requesting this rate increase?

The California Legislature enacted Assembly Bill (AB) 1054 to address the recovery of costs associated with wildfires attributed to electrical equipment which ignited on or after July 12, 2019, referred to as "covered wildfires." PG&E incurred costs to respond to and resolve legal matters, which include claim payments and legal fees, resulting from the 2019 Kincade Fire and 2021 Dixie Fire, both of which qualify as "covered wildfires." The CPUC reviews these costs under AB 1054 to determine whether the costs will be recovered in customer rates. Some of the costs are being paid by the California Wildfire Fund established by AB 1054. Those costs are therefore not being requested from customers.

How could this affect my monthly electric rates?

If the CPUC approves PG&E's request to recover costs recorded in the electric **WEMA**, PG&E will file a separate application to finance those costs through recovery bonds. Financing through recovery bonds reduces the impact on customers and supports affordability. If this financing approach is approved, PG&E estimates that it would recover costs in electric rates over a 25-year period beginning in 2028. If the CPUC approves PG&E's request to recover restoration costs recorded in the electric **CEMA**, PG&E has proposed to recover those costs in customer rates over a 12-month period starting in 2027. While the final rate impact would depend on the terms of the recovery bonds, PG&E estimates the average NON-CARE¹ residential monthly bill using 500 kWh per month would increase by approximately \$2.92 or 1.4% per month for those costs in the first period and \$0.85 or 0.4% in the second period. By law, customers enrolled in the CARE and FERA programs¹ are exempt from paying the recovery charge associated with the financing order.

Direct Access (DA) and Community Choice Aggregation (CCA) customers only receive electric transmission and distribution services from PG&E. If this application is approved, on average, rates for services provided by PG&E to these customers would increase by 1.9% compared to current rates in the first period and 0.9% compared to current rates in the second period. DA providers and CCAs set their own generation rates. Check with your DA provider or CCA to learn how this would impact your overall bill.

Another category of nonbundled customers is Departing Load. These customers do not receive electric generation, transmission, or distribution services from PG&E. However, these customers are required to pay certain charges by law or CPUC decision. On average, existing Departing Load customers would see a rate increase of 0.8% compared to current rates in the first period and 0.7% compared to current rates in the second period. Actual impacts will vary depending on usage and are subject to CPUC regulatory approval. Detailed rate information will be sent directly to customers in a bill insert in December 2025.

How could this affect my monthly gas rates?

Bundled gas customers receive transmission, distribution, and procurement services from PG&E. If the CPUC approves PG&E's request, costs would be recovered through gas rates over a 12-month period starting in 2027. PG&E estimates

¹ CARE (California Alternate Rates for Energy) is an income qualified discount program. Electric CARE customers are exempt from certain charges and receive a 35% discount on non-exempt charges for an overall average discount of approximately 38%. The Family Electric Rate Assistance (FERA) program provides an 18% discount for qualified households with three or more people.

the average NON-CARE¹ monthly residential bill using 31 therms per month would increase by approximately \$1.19 or 1.4% per month. Detailed rate information will be sent directly to customers in a bill insert in December 2025.

How does the rest of this process work?

This application will be assigned to a CPUC Administrative Law Judge who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt PG&E's application, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

CONTACT CPUC

Parties to the proceeding may review PG&E's application, including the Public Advocates Office. The Public Advocates Office is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information about the Public Advocates Office, please call **1-415-703-1584**, email: **PublicAdvocatesOffice@cpuc.ca.gov** or visit **PublicAdvocates.cpuc.ca.gov**.

Please visit **apps.cpuc.ca.gov/c/A2511001** to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding. Your participation by providing your thoughts on PG&E's request can help the CPUC make an informed decision.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Email: Public.Advisor@cpuc.ca.gov

Mail: CPUC
Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102

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

Please reference **PG&E's Wildfire Cost Recovery Request Under AB 1054 Application A.25-11-001** in any communications you have with the CPUC regarding this matter.

Where can I get more information?

CONTACT PG&E

If you have questions about PG&E's filing, please contact PG&E at **1-800-743-5000**. For TTY call **711**. Para obtener más información sobre cómo este cambio podría afectar su pago mensual, llame al **1-800-660-6789** • 詳情請致電 **1-800-893-9555**.

If you would like an electronic copy of the filing and exhibits, please write to the address below:

Pacific Gas and Electric Company
Wildfire Cost Recovery Request Under AB 1054 Application (A.25-11-001)
P.O. Box 1018
Oakland, CA 94604-1018