



***PG&E Corporation***<sup>®</sup>

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**SECOND QUARTER EARNINGS CALL**

July 28, 2016



# Forward Looking Statements

This slide presentation contains forecasts and estimates of PG&E Corporation's 2016 financial results and equity issuances, capital expenditures to be made by PG&E Corporation's subsidiary, Pacific Gas and Electric Company (Utility), through 2019, the Utility's rate base through 2019, dividend policy, and general earnings sensitivities. These forecasts, estimates and the underlying assumptions, including but not limited to those relating to future costs, authorized revenues, 2015 GT&S rate case, and incremental equity factors, constitute forward-looking statements that are necessarily subject to various risks and uncertainties and actual results may differ materially. PG&E Corporation and the Utility are not able to predict all the factors that may affect future results. Factors that could cause actual results to differ materially include, but are not limited to:

- the timing and outcomes of the final CPUC decision in Phase 2 of the 2015 GT&S rate case, the 2017 GRC, the TO rate cases, and other ratemaking and regulatory proceedings;
- the timing and amount of fines, penalties, and remedial costs that the Utility may incur in connection with the federal criminal prosecution of the Utility, the CPUC decision in the Utility's natural gas distribution record-keeping practices investigation, the SED's enforcement matters relating to the Utility's compliance with natural gas-related laws and regulations, and other investigations that have been or may be commenced relating to the Utility's compliance with natural gas-related laws and regulations;
- the timing and outcomes of (i) the CPUC's investigation of communications between the Utility and the CPUC that may have violated the CPUC's rules regarding ex parte communications or are otherwise alleged to be improper, and (ii) the U.S. Attorney's Office in San Francisco and the California Attorney General's office investigations in connection with communications between the Utility's personnel and CPUC officials, and whether such matters negatively affect the final decisions to be issued in Phase 2 of the 2015 GT&S rate case or other ratemaking proceedings;
- the outcome of the Butte fire litigation, and whether the Utility's insurance is sufficient to cover the Utility's liability resulting therefrom and otherwise available; and whether additional investigations and proceedings will be opened
- the Utility's ability to control its costs within the authorized levels of spending and the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs;
- changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons;
- the impact that reductions in customer demand for electricity and natural gas have on the Utility's ability to make investments and recover its costs through rates and earn its authorized return on equity, and whether the Utility is successful in addressing the impact of growing distributed and renewable generation resources and changing customer demand for natural gas and electric services;
- the amount and timing of charges reflecting probable liabilities for third-party claims and the extent to which costs incurred in connection with third-party claims or litigation can be recovered through insurance, rates, or from other third parties;
- the ability of PG&E Corporation and the Utility to access capital markets and other sources of debt and equity financing in a timely manner on acceptable terms, and the amount and timing of additional common stock and debt issuances by PG&E Corporation;
- changes in estimated environmental remediation costs, including costs associated with the Utility's natural gas compressor sites;
- the outcome of federal or state tax audits and the impact of any changes in federal or state tax laws, policies, regulations, or their interpretation;
- the impact of changes in GAAP, standards, rules, or policies, including those related to regulatory accounting, and the impact of changes in their interpretation or application; and
- the other factors disclosed in PG&E Corporation and the Utility's joint Annual Report on Form 10-K for the year ended December 31, 2015 and Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2016.

*This presentation is not complete without the accompanying statements made by management during the webcast conference call held on July 28, 2016. The statements in this presentation are made as of July 28, 2016. PG&E Corporation undertakes no obligation to update information contained herein. This presentation, including Appendices, and the accompanying press release were attached to PG&E Corporation's Current Report on Form 8-K that was furnished to the Securities and Exchange Commission on July 28, 2016 and, along with the replay of the conference call, is also available on PG&E Corporation's website at [www.pgecorp.com](http://www.pgecorp.com).*



# Key Focus Areas

## Position PG&E for a Clean Energy Economy

- California policies drive transmission and distribution investment
- Diablo Canyon retirement at end of current NRC licenses
- Voluntary 55% RPS commitment by 2031

## Deliver on Customer Expectations

- Unwavering safety focus; affordable and reliable service
- Significant progress in Q2 on key rate cases
- Aggressive fire preparedness efforts, from ground and air

## Address Outstanding Issues

- Resolve outstanding regulatory and legal proceedings
- Build strong compliance programs
- Continue to execute gas safety work



# Key Assumptions: 2015 GT&S Rate Case

## Revenue Recognition

- Final revenues uncertain pending final Phase 2 decision; billing begins August 1
- Undercollected revenues for revenue requirement increase in 2015 and 7 months of 2016 will be amortized over 36 months
- Timing for revenue recognition
  - 2016 – Recognize 29 months of undercollection: 5 months actual billed revenues plus 24 months of undercollected revenue amortization (collected in rates in 2017 and 2018)
  - 2017 – Recognize remaining 7 months of undercollected revenue amortization (collected in rates in 2019)

## Capital Disallowance

- 2011-2014 Capital Spend Above Authorized
  - ~\$135 million permanently disallowed
  - ~\$400 million in ratebase subject to audit with potential for future recovery (~\$545 million before depreciation and deferred taxes)
- 2015-2018 Capital Spend – Impairment of ~\$55 million in spending in excess of cost caps

## Phase 2 Decision

- Final decision in 2016
- \$850 million San Bruno penalty allocation: ~\$690M capital, ~\$160M expense



# Q2 2016 Earnings Results

	Q2		2016	
	Earnings (millions)	EPS	Earnings (millions)	EPS
<b>Earnings from Operations</b>	<b>\$ 330</b>	<b>\$ 0.66</b>	<b>\$ 737</b>	<b>\$ 1.48</b>
Items Impacting Comparability				
Pipeline related expenses	(16)	(0.03)	(29)	(0.06)
Legal and regulatory related expenses	(8)	(0.02)	(18)	(0.04)
Fines and penalties	(112)	(0.22)	(163)	(0.32)
Butte fire related costs, net of insurance	125	0.25	(101)	(0.20)
GT&S capital disallowance	(113)	(0.23)	(113)	(0.23)
GT&S revenue timing impact	-	-	-	-
<b>Earnings on a GAAP Basis</b>	<b>\$ 206</b>	<b>\$ 0.41</b>	<b>\$ 313</b>	<b>\$ 0.63</b>

Items Impacting Comparability (millions, pre-tax)	Q2	2016
Pipeline related expenses	(27)	\$ (49)
Legal and regulatory related expenses	(14)	(31)
Fines and penalties	(172)	(259)
<i>Charge for disallowed capital</i>	(148)	(235)
<i>Gas distribution recordkeeping fine</i>	(24)	(24)
Butte fire related costs, net of insurance	211	(170)
GT&S capital disallowance	(190)	(190)
GT&S revenue timing impact	-	-
<b>Total</b>	<b>\$ (192)</b>	<b>\$ (699)</b>

Earnings from Operations is not calculated in accordance with GAAP excludes items impacting comparability. See Appendix 2, Exhibit A for a reconciliation of Earnings per Share ("EPS") from Operations to EPS on a GAAP basis and Exhibit G for the use of non-GAAP financial measures.



# Q2 2016: Quarter over Quarter Comparison

## Earnings per Share from Operations



Earnings per Share from Operations is not calculated in accordance with GAAP and excludes items impacting comparability. See Appendix 2, Exhibit A for a reconciliation of EPS from Operations to EPS on a GAAP basis and Exhibit G for the use of non-GAAP financial measures.



# 2016 Earnings Per Share Guidance

	Low	High
<b>Estimated EPS on an Earnings from Operations Basis</b>	<b>\$ 3.65</b>	<b>\$ 3.85</b>
Estimated Items Impacting Comparability		
Pipeline related expenses	(0.18)	(0.12)
Legal and regulatory related expenses	(0.09)	(0.03)
Fines and penalties	~(0.54)	~(0.54)
Butte fire related costs, net of insurance	~(0.20)	~(0.20)
GT&S capital disallowance	(0.23)	(0.23)
GT&S revenue timing impact	~ 0.42	~ 0.42
<b>Estimated EPS on a GAAP Basis</b>	<b>\$ 2.83</b>	<b>\$ 3.15</b>

**Guidance range excludes a disallowance that may be imposed for prohibited ex parte communications in the 2015 GT&S rate case, and any additional potential future fines or penalties**

Changes from prior quarter are noted in blue.

See the Forward Looking Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions. See Appendix 2, Exhibit E for detailed 2016 earnings guidance and Exhibit G for the use of non-GAAP financial measures.



# Assumptions for 2016

## Capital Expenditures

(\$ millions)

	<u>2016</u>
Electric Distribution	2,000
Electric Transmission	1,200
Gas Transmission <sup>(1)</sup>	700
Gas Distribution	1,000
Generation	700
<b>Separately Funded</b>	
PSEP <sup>(2)</sup>	<u>50</u>
<b>Total CapEx</b>	~5.6 billion

## Authorized Rate Base (weighted average)

(\$ billions)

	<u>2016</u>
Electric Distribution	13.8
Electric Transmission	5.9
Gas Transmission	2.8
Gas Distribution	4.4
Generation	<u>5.5</u>
<b>Total Rate Base</b>	~32.4 billion

<sup>(1)</sup> Includes ~\$300M of estimated capital disallowance from San Bruno Penalty Decision

<sup>(2)</sup> Amounts previously reserved for limits on PSEP authorized spend

## Authorized Cost of Capital\*

<b>Return on Equity:</b>	10.4%
<b>Equity Ratio:</b>	52%

\*CPUC authorized

Changes from prior quarter are noted in blue.

See the Forward Looking Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions.

## Other Factors Affecting Earnings from Operations

- Gas Transmission & Storage rate case
  - Final Phase 2 decision in 2016
  - Expense and capital allocation consistent with San Bruno penalty decision
  - Amounts not requested
- + Tax benefits
- + Incentive revenues

CWIP earnings: offset by below-the-line costs



# 2016 Items Impacting Comparability

(\$ millions, pre-tax)	2016
Pipeline related expenses <sup>(1)</sup>	(100 - 150)
Legal and regulatory related expenses	(25 - 75)
Fines and penalties	~ (434)
Butte fire related costs, net of insurance	~ (170)
GT&S capital disallowance	(190)
GT&S revenue timing impact	~350
<b>2016 Items Impacting Comparability Total</b>	<b>~ (\$569 - 669)</b>

Fines and penalties (millions, pre-tax)	
Charge for disallowed capital	~ (280)
Charge for disallowed expense	~ (130)
Gas distribution recordkeeping fine	(24)
<b>Total</b>	<b>~ (\$434)</b>

**Items Impacting Comparability range excludes a disallowance that may be imposed for prohibited ex parte communications in the 2015 GT&S rate case, and any additional potential future fines or penalties**

<sup>(1)</sup> "Pipeline related expenses" includes costs to identify and remove encroachments from transmission pipeline rights of way. The company spent ~\$210 million on this work in 2013-2015.

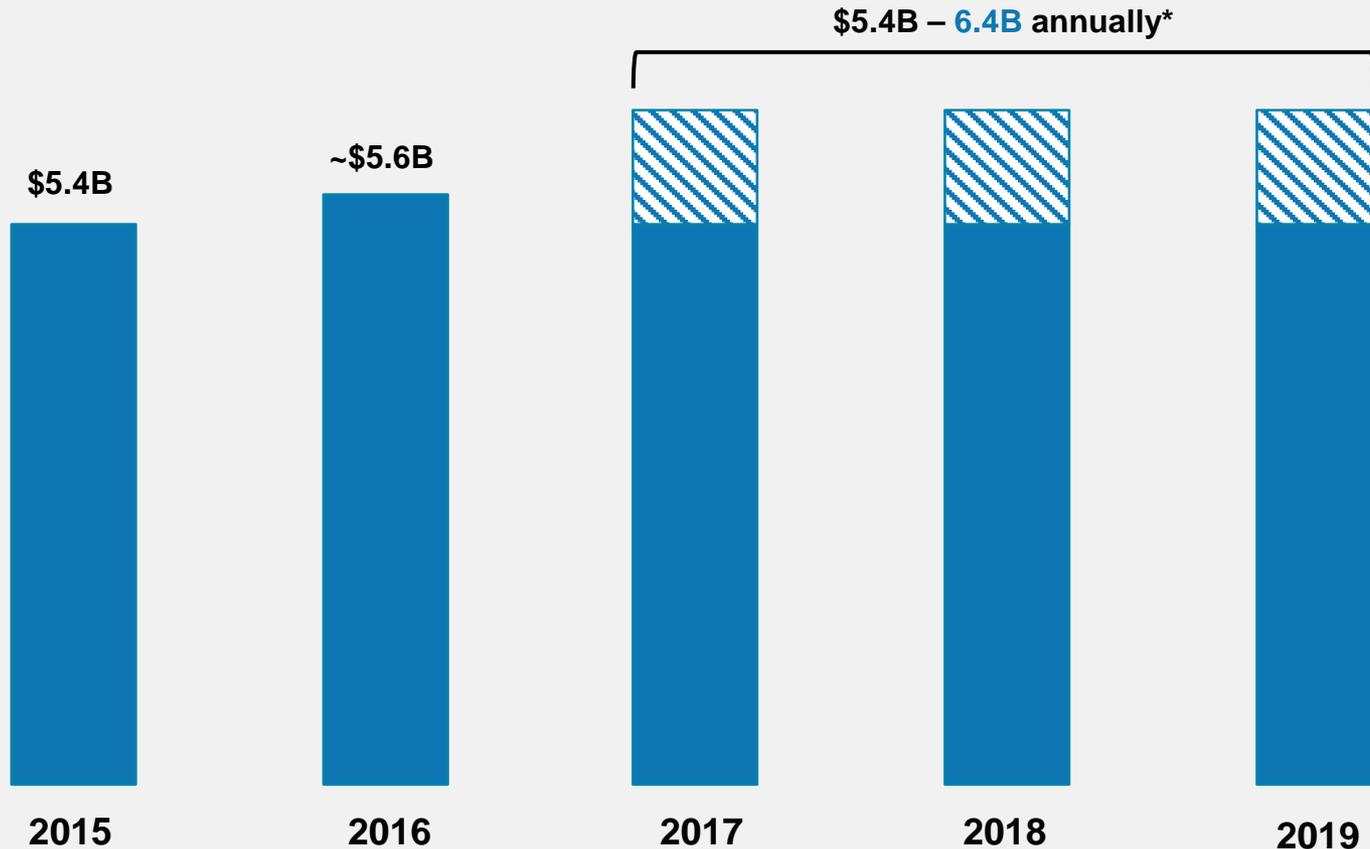
Changes from prior quarter are noted in blue.

See the Forward Looking Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions. See Appendix 2, Exhibit E for detailed 2016 earnings guidance and Exhibit G for the use of non-GAAP financial measures.





# Capital Expenditures 2015-2019



\* Ranges reflect authorized amounts, amounts requested but not yet authorized, amounts that are currently planned subject to future authorization requests, and historic spending patterns. Ranges also include ~\$300 million in 2016 (total of \$692 million) for estimated capital disallowance in San Bruno Penalty Decision.

Changes from prior quarter are noted in blue.

See the Forward Looking Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions.



# Rate Base Growth 2016-2019

## 2016-2019 Weighted Average Rate Base



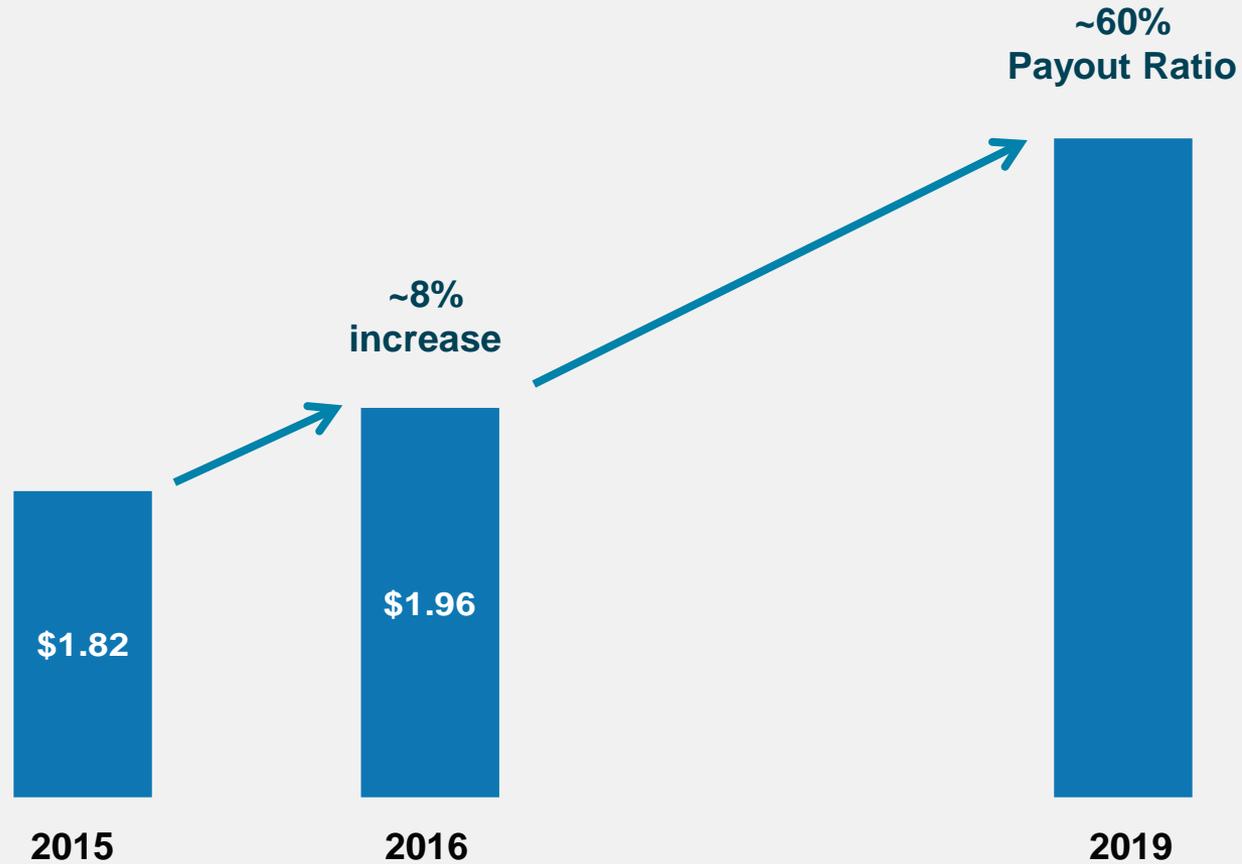
Estimates reflect authorized amounts, amounts requested but not yet authorized, amounts that are currently planned to be subject to future authorization requests, and historic spending patterns

Changes from prior quarter are noted in blue.

See the Forward Looking Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions.



# PG&E Dividend Policy



**Targeting 55-65% payout ratio over time**



# Appendix 1 – Guidance and Regulatory Matters

- Updates to Appendix 1 Since the Previous Quarter slide 15

## Regulatory

- CPUC Penalty Decision in Gas Transmission Pipeline Investigations slide 16
- 2015 CPUC Gas Transmission and Storage Rate Case slide 17
- 2017 CPUC General Rate Case slide 18
- FERC Transmission Owner Rate Cases slide 19
- CPUC Investigative Proceedings Schedule slide 20

## Guidance

- Incremental Equity Factors slide 21



# Updates to Appendix 1 Since the Previous Quarter

- **Slide 16** CPUC Penalty Decision in Gas Transmission Pipeline Investigations
- **Slide 17** 2015 CPUC Gas Transmission and Storage Rate Case
- **Slide 18** 2017 CPUC General Rate Case
- **Slide 19** FERC Transmission Owner Rate Case
- **Slide 20** CPUC Investigative Proceedings Schedule
- **Slide 21** Incremental Equity Factors



# CPUC Penalty Decision in Gas Transmission Pipeline Investigations

(\$ millions)	Q2 2016	Cumulative Charges June 30, 2016	Estimated Future Periods	Total
Fine paid to the State		\$ 300		\$ 300
Customer bill credit		400		400
Charge for disallowed capital <sup>(1)</sup>	\$ 235	642	50	692
Disallowed revenue for pipeline safety expenses <sup>(2)</sup>			158	158
CPUC estimated cost of other remedies <sup>(3)</sup>				50
<b>Total Penalty Decision fines and remedies</b>	<b>\$ 235</b>	<b>\$ 1,342</b>	<b>\$ 208</b>	<b>\$ 1,600</b>

<sup>(1)</sup> The Penalty Decision disallows the Utility from recovering \$850 million in costs associated with pipeline safety-related projects and programs that the CPUC will identify in a final phase two decision to be issued in the Utility's 2015 GT&S rate case. The CPUC recommended in its May 5, 2016 proposed decision in the Utility's 2015 GT&S rate case that at least \$692 million of the \$850 million cost disallowance be allocated to capital expenditures. (In the final phase one decision, the CPUC requested comments on whether the percentage of the disallowance that should be applied to capital expenditures as opposed to expense should be changed.) The Utility estimates that approximately \$642 million of cumulative capital spending is probable of disallowance, subject to adjustment based on the CPUC final phase two decision in the Utility's 2015 GT&S rate case.

<sup>(2)</sup> These costs are being expensed as incurred. Future GT&S revenues will be reduced for these unrecovered expenses after a final Phase 2 decision in the 2015 GT&S rate case.

<sup>(3)</sup> In the San Bruno Penalty Decision, the CPUC estimated that the Utility would incur \$50 million to comply with the remedies specified in the Penalty Decision, which does not reflect the Utility's remedy-related costs already incurred nor the Utility's estimated future remedy-related costs. These costs are being expensed as incurred.



# 2015 CPUC Gas Transmission and Storage Rate Case

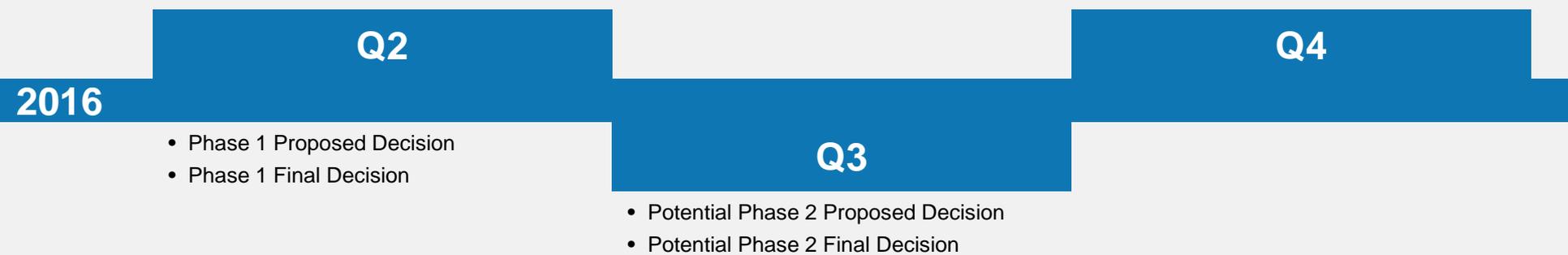
- Application filed with the CPUC December 19, 2013
- On June 23, 2016, the CPUC voted out a final decision in Phase 1 of the proceeding

(\$ millions)	2015	2016	2017	2018
Utility Requested Revenue Requirement	\$ 1,263	\$ 1,346	\$ 1,488	\$ N/A
Adopted Revenue Requirement	\$ 1,046	\$ 1,110	\$ 1,220	\$ 1,324
Ex Parte Disallowance	(\$ 138)			
<b>Adopted Revenue Requirement before San Bruno Penalty</b>	<b>\$ 908</b>	<b>\$ 1,110</b>	<b>\$ 1,220</b>	<b>\$ 1,324</b>

- In Phase 2, the CPUC will decide on the impact of the San Bruno penalty decision to the adopted interim revenue requirement

**Assigned Commissioner:** Peterman (Florio recused from proceeding)

**Administrative Law Judge:** Dudney (case reassigned from Wong, Yip-Kikugawa, Duda)





# 2017 CPUC General Rate Case

- Application filed with the CPUC September 1, 2015
- Request for authorized revenue requirement for 2017-2019
- 2017 requested revenue requirement of \$8.24 billion includes increase of \$319 million
- Request includes new investments in:
  - **Smart grid technologies** that better integrate and manage more rooftop solar and renewable energy and enable a growing array of other technologies, from electric vehicles to smart appliances and battery storage
  - **Emergency preparedness** for major disruptions like earthquakes, including construction of a backup gas control center
  - **Stronger prevention and management of wildfires** through increased patrols and new laser-based technology
  - **Advanced mobile technology** to provide field workers with tools to get work done more effectively and efficiently
  - **Faster response times** to customer calls about possible gas leaks
- Settlement conference scheduled for August 3, 2016

**Assigned Commissioner:** Picker

**Administrative Law Judge:** Roscow





# FERC Transmission Owner Rate Case

## TO17

- **July 29, 2015** – TO17 filed with FERC; requested revenue requirement of \$1.5 billion, a \$314 million increase over TO16
- **September 30, 2015** – FERC accepted TO17 and rate changes suspended until March 1, 2016
- **February 4-5, 2016** – FERC settlement conference
- **March 18, 2016** – FERC settlement conference
- **May 3, 2016** – FERC settlement conference
- **June 3, 2016** – FERC settlement conference

## TO18

- **July 29, 2016** – TO18 filed with FERC



# CPUC Investigative Proceedings Schedule

2016		May	June	July	August	September
<b>Gas Distribution Oil and Order to Show Cause</b> I. 14-11-008	<b>4/1:</b> Reply briefs		<b>6/1:</b> Presiding officer's decision  <b>6/28:</b> Carmel appeal of presiding officer's decision	<b>7/1:</b> SED appeal of presiding officer's decision  <b>7/18:</b> PG&E response to appeals		
<b>Ex Parte Oil</b> I. 15.11.015	<b>4/18:</b> Meet and confer report  <b>4/20:</b> Prehearing conference	<b>5/20:</b> Opening briefs	<b>6/10:</b> Reply briefs		<b>8/12:</b> Status report on due diligence efforts	Additional prehearing conference
<b>Safety Culture Oil</b> I. 15.08.019	NorthStar Consulting begins assessment					

## Incremental Equity Factors for Unrecovered Costs

<u>Equity Impacting Event</u>	<u>Multiplier</u>
Fine payable to Government <sup>(1)</sup>	100%
Customer bill credit <sup>(2)</sup> <sup>(4)</sup>	60%
Charge for disallowed capital <sup>(3)</sup> <sup>(4)</sup>	30%
Disallowed revenue / unrecoverable expenses <sup>(1)</sup> <sup>(4)</sup>	60%
GT&S revenue timing impact <sup>(1)</sup> <sup>(5)</sup>	60%

- (1) Half of multiplier applies at time of accrual; remaining half applies at time of cash charge
- (2) Half of multiplier applies at time of the non-cash impact; remaining half applies when cash is returned to customers
- (3) Applies to charges in the year in which they are incurred
- (4) Assumes costs tax deductible
- (5) Half of multiplier applies at time of revenue recognition; remaining half applies over amortization period



## Appendix 2 – Supplemental Earnings Materials

<b>Exhibit A:</b> Reconciliation of PG&E Corporation’s Earnings from Operations to Consolidated Income Available for Common Shareholders in Accordance with GAAP	slide 23-24
<b>Exhibit B:</b> Key Drivers of PG&E Corporation’s Earnings per Common Share from Operations	slide 25
<b>Exhibit C:</b> Operational Performance Metrics	slide 26-27
<b>Exhibit D:</b> Sales and Sources Summary	slide 28
<b>Exhibit E:</b> PG&E Corporation’s Earnings Per Share Guidance	slide 29-30
<b>Exhibit F:</b> General Earnings Sensitivities	slide 31
<b>Exhibit G:</b> Use of Non-GAAP Financial Measures	slide 32
<b>Exhibit H:</b> Expected Timelines of Selected Regulatory Cases	slide 33-38



# Exhibit A: Reconciliation of PG&E Corporation's Earnings from Operations to Consolidated Income Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles ("GAAP")

Page 1 of 2

## Second Quarter, 2016 vs. 2015 (in millions, except per share amounts)

	Three Months Ended June 30,				Six Months Ended June 30,			
	Earnings		Earnings per Common Share (Diluted)		Earnings		Earnings per Common Share (Diluted)	
	2016	2015	2016	2015	2016	2015	2016	2015
PG&E Corporation's Earnings from Operations <sup>(1)</sup>	\$ 330	\$ 442	\$ 0.66	\$ 0.91	\$ 737	\$ 860	\$ 1.48	\$ 1.78
Items Impacting Comparability: <sup>(2)</sup>								
Pipeline related expenses <sup>(3)</sup>	(16)	(9)	(0.03)	(0.02)	(29)	(19)	(0.06)	(0.04)
Legal and regulatory related expenses <sup>(4)</sup>	(8)	(10)	(0.02)	(0.02)	(18)	(18)	(0.04)	(0.04)
Fines and penalties <sup>(5)</sup>	(112)	(44)	(0.22)	(0.09)	(163)	(413)	(0.32)	(0.85)
Butte fire related costs, net of insurance <sup>(6)</sup>	125	-	0.25	-	(101)	-	(0.20)	-
GT&S capital disallowance <sup>(7)</sup>	(113)	-	(0.23)	-	(113)	-	(0.23)	-
GT&S revenue timing impact <sup>(8)</sup>	-	-	-	-	-	-	-	-
Insurance recoveries for natural gas matters <sup>(9)</sup>	-	23	-	0.05	-	23	-	0.05
<b>PG&amp;E Corporation's Earnings on a GAAP basis</b>	<b>\$ 206</b>	<b>\$ 402</b>	<b>\$ 0.41</b>	<b>\$ 0.83</b>	<b>\$ 313</b>	<b>\$ 433</b>	<b>\$ 0.63</b>	<b>\$ 0.90</b>

All amounts presented in the table above are tax adjusted at PG&E Corporation's tax rate of 40.75 percent, except for the fine accrued in connection with the presiding officer's decision in the gas distribution record-keeping investigation, which is not tax deductible. See Footnote 5 below.

- "Earnings from operations" is a non-GAAP financial measure. See Exhibit G: Use of Non-GAAP Financial Measures.
- "Items impacting comparability" represent items that management does not consider part of the normal course of operations and affect comparability of financial results between periods. See Exhibit G: Use of Non-GAAP Financial Measures.
- The Utility incurred costs of \$27 million pre-tax (before tax impact of \$11 million) and \$49 million pre-tax (before tax impact of \$20 million), during the three and six months ended June 30, 2016, respectively, for pipeline related expenses incurred in connection with the multi-year effort to identify and remove encroachments from transmission pipeline rights of way.
- The Utility incurred costs of \$14 million pre-tax (before tax impact of \$6 million) and \$31 million pre-tax (before tax impact of \$13 million), during the three and six months ended June 30, 2016, respectively, for legal and regulatory related expenses incurred in connection with various enforcement, regulatory, and litigation activities regarding natural gas matters and regulatory communications.
- The Utility incurred costs of \$172 million pre-tax and \$259 million pre-tax, during the three and six months ended June 30, 2016, respectively, associated with fines and penalties imposed by the CPUC for natural gas enforcement proceedings. This includes costs of \$148 million pre-tax (before tax impact of \$60 million) and \$235 million pre-tax (before tax impact of \$96 million), during the three and six months ended June 30, 2016, respectively, associated with penalties imposed by the CPUC on April 9, 2015 ("San Bruno Penalty Decision") in the gas transmission pipeline investigations. These are estimated charges for safety-related capital costs that the Utility believes are probable of disallowance in phase two of the 2015 Gas Transmission and Storage ("GT&S") rate case. In addition, for the three and six months ended June 30, 2016, the Utility accrued fines of \$24 million, which are not tax deductible, in connection with the presiding officer's decision in the CPUC's investigation regarding natural gas distribution record-keeping practices.

(in millions, pre-tax)	Three Months Ended	Six Months Ended
	June 30, 2016	June 30, 2016
Charge for disallowed capital	(148)	(235)
Gas distribution record-keeping fine	(24)	(24)
<b>Fines and penalties</b>	<b>\$ (172)</b>	<b>\$ (259)</b>

Future fines or penalties may be imposed in connection with other enforcement, regulatory, and litigation activities regarding natural gas matters and regulatory communications.



**Exhibit A: Reconciliation of PG&E Corporation’s Earnings from Operations to Consolidated Income Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles (“GAAP”)**  
**Page 2 of 2**

- (6) The Utility accrued charges of \$0 and \$350 million pre-tax (before tax impact of \$143 million), during the three and six months ended June 30, 2016, respectively, related to estimated third-party claims in connection with the Butte fire, partially offset by \$260 million pre-tax (before tax impact of \$106 million) accrued during the three and six months ended June 30, 2016, as probable of insurance recovery. The Utility also incurred charges of \$49 million pre-tax (before tax impact of \$20 million) and \$80 million pre-tax (before tax impact of \$32 million), during the three and six months ended June 30, 2016, respectively, for Utility clean-up, repair, and legal costs associated with the Butte fire.

(in millions, pre-tax)	Three Months Ended June 30, 2016	Six Months Ended June 30, 2016
Third-party claims and Utility clean-up, repair, and legal costs	(49)	(430)
Insurance	260	260
<b>Butte fire related costs, net of insurance</b>	<b>\$ 211</b>	<b>\$ (170)</b>

- (7) The Utility incurred charges of \$190 million pre-tax (before tax impact of \$77 million), during the three and six months ended June 30, 2016, for capital expenditures that the Utility believes are probable of disallowance based on the CPUC decision dated June 23, 2016 in phase one of the 2015 GT&S rate case, including \$134 million pre-tax (before tax impact of \$54 million) for 2011 through 2014 capital expenditures in excess of adopted amounts and \$56 million pre-tax (before tax impact of \$23 million) for the Utility’s estimate of 2015 through 2018 capital expenditures that are probable of exceeding authorized amounts.
- (8) “GT&S revenue timing impact” refers to the revenues that are expected to be recorded in excess of the 2016 authorized cost of service after the CPUC issues a decision in phase two of the 2015 GT&S rate case to address the allocation of the \$850 million disallowance for safety-related work adopted in the San Bruno Penalty Decision. Due to the uncertainty regarding the revenue requirement the CPUC will ultimately adopt, the Utility will not be able to record a true-up of revenues under-collected since January 1, 2015 until after a final phase two decision is issued.
- (9) The Utility received \$39 million pre-tax (before tax impact of \$16 million), during the three and six months ended June 30, 2015, for insurance recoveries related to third-party claims and associated legal costs related to natural gas matters.



## Exhibit B: Key Drivers of PG&E Corporation's Earnings per Common Share ("EPS") from Operations

### Second Quarter and Year to Date, 2016 vs. 2015 (\$/Share, Diluted)

Second Quarter 2015 EPS from Operations <sup>(1)</sup>	\$	0.91
Growth in rate base earnings		0.05
Timing of taxes <sup>(2)</sup>		(0.08)
Nuclear refueling outage		(0.06)
Regulatory and legal matters <sup>(3)</sup>		(0.05)
Increase in shares outstanding		(0.03)
Miscellaneous		(0.08)
<b>Second Quarter 2016 EPS from Operations <sup>(1)</sup></b>	<b>\$</b>	<b>0.66</b>
2015 YTD EPS from Operations <sup>(1)</sup>	\$	1.78
Growth in rate base earnings		0.10
Timing of taxes <sup>(2)</sup>		(0.16)
Nuclear refueling outage		(0.06)
Regulatory and legal matters <sup>(3)</sup>		(0.05)
Increase in shares outstanding		(0.05)
Gain on disposition of SolarCity stock <sup>(4)</sup>		(0.03)
Miscellaneous		(0.05)
<b>2016 YTD EPS from Operations <sup>(1)</sup></b>	<b>\$</b>	<b>1.48</b>

- (1) See Exhibit A for a reconciliation of EPS from Operations to EPS on a GAAP basis. All amounts presented in the table above are tax adjusted at PG&E Corporation's tax rate of 40.75 percent.
- (2) Represents the timing of taxes reportable in quarterly financial statements.
- (3) Represents the net impact of various legal matters and regulatory proceedings.
- (4) Represents the gain recognized during the three months ended March 31, 2015. No comparable gain was recognized for the same period in 2016.



## Exhibit C: Operational Performance Metrics

### 2016 Year to Date

	2016 Performance Results		
	Q2 YTD Actual	EOY Target	Meets YTD Target <sup>(1)</sup>
<b>Safety (includes both public and employee safety metrics)</b>			
<u>Nuclear Operations Safety</u>			
Unit 1 Performance Indicator	100.0	98.7	✓
Unit 2 Performance Indicator	100.0	98.7	✓
<u>Electric Operations Safety</u>			
Transmission & Distribution Wires Down	(72.3)%	0.0%	-
911 Emergency Response	98.1%	97.5%	✓
<u>Gas Operations Safety</u>			
Gas In-Line Inspection and Upgrade Index	0.60	1.00	-
Gas Dig-ins Reduction	1.73	2.03	✓
Gas Emergency Response	20.20	21.00	✓
<u>Employee Safety</u>			
Lost Workday Case Rate	0.269	0.320	-
Serious Preventable Motor Vehicle Incident Rate	0.285	0.239	-
Timely Reporting of Injuries	64.5%	67.1%	-
<b>Customer</b>			
Customer Satisfaction Score	75.7	75.7	✓
System Average Interruption Duration Index (SAIDI)	57.4	96.3	-
<b>Financial</b>			
Earnings from Operations	\$ 737	See note <sup>(1)</sup>	See note <sup>(1)</sup>

See following page for definitions of the operational performance metrics. The operational performance goals set under the PG&E Corporation 2016 Short Term Incentive Plan (“STIP”) are based on the same operational metrics and targets.

(1) The 2016 target for earnings from operations is not publicly reported but is consistent with the guidance range provided for 2016 EPS from operations of \$3.65 to \$3.85.



## Definitions of 2016 Operational Performance Metrics from Exhibit C

### **Safety**

Public and employee safety are measured in four areas: (1) Nuclear Operations Safety, (2) Gas Operations Safety, (3) Electric Operations Safety, and (4) Employee Safety.

1. The safety of the Utility's nuclear power operations, Unit 1 and Unit 2, is an index comprised of 12 performance indicators for nuclear power generation that are regularly benchmarked against other nuclear power generators.
2. The safety of the Utility's electric operations is represented by (a) the percentage improvement in the number of wire down events with resulting unplanned sustained outages compared to the same report period of the previous year, and (b) the percentage of time that Utility personnel are on site within 60 minutes after receiving a 911 call of a potential Utility electric hazard.
3. The safety of the Utility's natural gas operations is represented by (a) the ability to complete planned in-line inspections and pipeline retrofit projects, measured by two equally weighted components of In-Line Inspections and In-Line Upgrades; (b) the number of third party "dig-ins" (i.e., damage resulting in repair or replacement of underground facility) to Utility gas assets per 1,000 Underground Service Alert tickets; and (c) the timeliness (measured in minutes) of on-site response to gas emergency service calls.
4. The safety of the Utility's employees is represented by (a) the number of lost workday cases incurred per 200,000 hours worked (or for approximately every 100 employees), (b) the number of serious preventable motor vehicle incidents that the driver could have reasonably avoided, per one million miles driven, and (c) the percentage of work-related injuries reported to the 24/7 Nurse Report Line within one day of the incident.

### **Customer**

Customer satisfaction and service reliability are measured by:

1. The overall satisfaction (measured as a score of zero to 100) of customers with the products and services offered by the Utility, as measured through a quarterly survey performed by an independent third-party research firm.
2. The total time (measured in minutes) the average customer is without electric power during a given time period.

### **Financial**

Earnings from Operations (shown in millions of dollars) measures PG&E Corporation's earnings power from ongoing core operations. It allows investors to compare the underlying financial performance of the business from one period to another, exclusive of items that management believes do not reflect the normal course of operations (items impacting comparability). EFO is not calculated in accordance with GAAP. For a reconciliation of EFO to Consolidated Income Available for Common Shareholders as reported in accordance with GAAP, see Exhibit A.



## Exhibit D: Pacific Gas and Electric Company Sales and Sources Summary

### Second Quarter and Year to Date, 2016 vs. 2015

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Sales from Energy Deliveries (in millions kWh)	19,879	20,682	39,419	40,041
Total Electric Customers at June 30			5,340,013	5,300,466
Total Gas Sales (in Bcf)	167	192	393	409
Total Gas Customers at June 30			4,437,073	4,410,636
Sources of Electric Energy (in millions kWh)				
Total Utility Generation	7,070	7,569	15,687	15,371
Total Purchased Power	11,228	11,747	19,767	21,038
Total Electric Energy Delivered <sup>(1)</sup>	19,879	20,682	39,419	40,041
Diablo Canyon Performance				
Overall Capacity Factor (including refuelings)	82%	100%	92%	100%
Refueling Outage Period	4/30/16-6/2/16	None	4/30/16-6/2/16	None
Refueling Outage Duration during the Period	33	None	33	None

(1) Includes other sources of electric energy totaling 1,581 kWh and 1,366 kWh for the three months ended June 30, 2016 and 2015, respectively, and 3,965 kWh and 3,632 kWh for the six months ended June 30, 2016 and 2015, respectively.

*Please see the 2015 Annual Report on Form 10-K for additional information about operating statistics.*



2016 EPS Guidance	Low	High
Estimated EPS on an Earnings from Operations Basis	\$ 3.65	\$ 3.85
Estimated Items Impacting Comparability: <sup>(1)</sup>		
Pipeline related expenses <sup>(2)</sup>	(0.18)	(0.12)
Legal and regulatory related expenses <sup>(3)</sup>	(0.09)	(0.03)
Fines and penalties <sup>(4)</sup>	~ (0.54)	~ (0.54)
Butte fire related costs, net of insurance <sup>(5)</sup>	~ (0.20)	~ (0.20)
GT&S capital disallowance <sup>(6)</sup>	(0.23)	(0.23)
GT&S revenue timing impact <sup>(7)</sup>	~ 0.42	~ 0.42
<b>Estimated EPS on a GAAP Basis</b>	<b>\$ 2.83</b>	<b>\$ 3.15</b>

All amounts presented in the table above are tax adjusted at PG&E Corporation's tax rate of 40.75 percent, except for the fine accrued in connection with the presiding officer's decision in the gas distribution record-keeping investigation, which is not tax deductible. See Footnote 4 below.

(1) "Items impacting comparability" represent items that management does not consider part of the normal course of operations and affect comparability of financial results between periods. See Exhibit G: Use of Non-GAAP Financial Measures.

(2) "Pipeline related expenses" includes costs incurred to identify and remove encroachments from transmission pipeline rights-of-way. The pre-tax range of estimated costs is shown below. The offsetting tax impacts for the low and high EPS guidance range are \$61 million and \$41 million, respectively.

(in millions, pre-tax)	2016	
	Low EPS guidance	High EPS guidance
Pipeline related expenses	\$ (150)	\$ (100)

(3) "Legal and regulatory related expenses" includes costs incurred in connection with various enforcement, regulatory, and litigation activities regarding natural gas matters and regulatory communications. The pre-tax range of estimated costs is shown below. The offsetting tax impacts for the low and high EPS guidance range are \$31 million and \$10 million, respectively.

(in millions, pre-tax)	2016	
	Low EPS guidance	High EPS guidance
Legal and regulatory related expenses	\$ (75)	\$ (25)

(4) "Fines and penalties" includes actual and future fines and penalties resulting from various enforcement, regulatory, and litigation activities regarding natural gas matters and regulatory communications. Guidance of \$434 million is consistent with the estimated 2016 components of the \$1.6 billion final San Bruno Penalty Decision in the gas transmission pipeline investigations and a non-deductible \$24 million fine accrued in connection with the presiding officer's decision in the CPUC's investigation regarding natural gas distribution record-keeping practices. Guidance does not include amounts for other potential future fines or penalties, including a disallowance that may be imposed for prohibited ex parte communications made in the 2015 GT&S rate case. The pre-tax range of estimated costs is shown below. The offsetting tax impact for the low and high EPS guidance range is \$167 million.

(in millions, pre-tax)	2016	
	Low EPS guidance	High EPS Guidance
Charge for disallowed capital	~\$ (280)	~\$ (280)
Charge for disallowed expense	~ (130)	~ (130)
Gas distribution record-keeping fine	(24)	(24)
<b>Fines and penalties</b>	<b>~\$ (434)</b>	<b>~\$ (434)</b>



- (5) "Butte fire related costs, net of insurance" includes charges of \$430 million pre-tax (before tax impact of \$175 million) recorded for the six months ended June 30, 2016 related to estimated third-party claims and Utility clean-up, repair, and legal costs associated with the Butte fire. Guidance is consistent with the low end of the estimated range of these costs. The Utility is currently unable to estimate the high end of the range. This amount is partially offset by \$260 million pre-tax (before tax impact of \$106 million) accrued as probable of insurance recovery for the six months ended June 30, 2016. The pre-tax range of estimated costs is shown below. The offsetting tax impact for the low and high EPS guidance range is \$69 million.

(in millions, pre-tax)	2016	
	Low EPS	High EPS
	guidance	guidance
Third-party claims and Utility clean-up, repair, and legal costs	(430)	(430)
Insurance	~ 260	~ 260
<b>Butte fire related costs, net of insurance</b>	<b>~\$ (170)</b>	<b>~\$ (170)</b>

- (6) "GT&S capital disallowance" includes capital expenditures that the Utility believes are probable of disallowance based on the CPUC decision dated June 23, 2016 in phase one of the 2015 GT&S rate case, including \$134 million pre-tax (before tax impact of \$54 million) for 2011 through 2014 capital expenditures in excess of adopted amounts and \$56 million pre-tax (before tax impact of \$23 million) for the Utility's estimate of 2015 through 2018 capital expenditures that are probable of exceeding authorized amounts. The pre-tax range of estimated costs is shown below. The offsetting tax impact for the low and high EPS guidance range is \$77 million.

(in millions, pre-tax)	2016	
	Low EPS	High EPS
	guidance	guidance
GT&S capital disallowance	\$ (190)	\$ (190)

- (7) "GT&S revenue timing impact" refers to the revenues that are expected to be recorded in excess of the 2016 authorized cost of service after the CPUC issues a decision in phase two of the 2015 GT&S rate case to address the allocation of the \$850 million disallowance for safety-related work adopted in the San Bruno Penalty Decision. Due to the uncertainty regarding the revenue requirement the CPUC will ultimately adopt in the final phase two decision, the Utility will not be able to record a true-up of revenues under-collected since January 1, 2015 until after the final phase two decision is issued. In addition, accounting rules allow the Utility to recognize revenues in a given year only if they will be collected from customers within 24 months of the end of that year. Because the phase one decision directs the Utility to collect the difference between the adopted "interim" revenue requirements and the amounts previously collected in rates, retroactive to January 1, 2015, over a 36-month period, the Utility will complete recording the full true-up of under-collected revenues in 2017. The pre-tax range of estimated revenues is shown below. The offsetting tax impact for the low and high EPS guidance range is \$143 million.

(in millions, pre-tax)	2016	
	Low EPS	High EPS
	guidance	guidance
GT&S revenue timing impact	~\$ 350	~\$ 350



## Exhibit F: General Earnings Sensitivities PG&E Corporation and Pacific Gas and Electric Company

Variable	Description of Change	Earnings Impact
Rate base	+/- \$100 million change in allowed rate base	+/- \$5 million
Return on equity (ROE)	+/- 0.1% change in allowed ROE	+/- \$17 million
Share count	+/- 1% change in average shares	+/- \$0.04 per share
Revenues	+/- \$8 million change in at-risk revenue (pre-tax)	+/- \$0.01 per share

*These general earnings sensitivities on factors that may affect 2016 earnings are forward-looking statements that are based on various assumptions. Actual results may differ materially. For a discussion of the factors that may affect future results, see the Forward-Looking Statements.*



## Exhibit G: Use of Non-GAAP Financial Measures

### **PG&E Corporation and Pacific Gas and Electric Company: Use of Non-GAAP Financial Measures**

PG&E Corporation discloses historical financial results and provides guidance based on “earnings from operations” in order to provide a measure that allows investors to compare the underlying financial performance of the business from one period to another, exclusive of items impacting comparability.

“Earnings from operations” is a non-GAAP financial measure and is calculated as income available for common shareholders less items impacting comparability. “Items impacting comparability” represent items that management does not consider part of the normal course of operations and affect comparability of financial results between periods, including certain pipeline related expenses, certain legal and regulatory related expenses, fine and penalties, Butte fire costs, and impacts of the GT&S rate case. PG&E Corporation uses earnings from operations to understand and compare operating results across reporting periods for various purposes including internal budgeting and forecasting, short- and long-term operating planning, and employee incentive compensation. PG&E Corporation believes that earnings from operations provide additional insight into the underlying trends of the business allowing for a better comparison against historical results and expectations for future performance.

Earnings from operations are not a substitute or alternative for GAAP measures such as consolidated income available for common shareholders and may not be comparable to similarly titled measures used by other companies.



## Exhibit H: Pacific Gas and Electric Company Expected Timelines of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
2015 Gas Transmission and Storage Rate Case	A.13-12-012	<p>Dec 19, 2013 – Application filed</p> <p>Jan 16, 2014 – PG&amp;E workshop</p> <p>Mar 7, 2014 – Supplemental testimony served</p> <p>Mar 12, 2014 – Prehearing conference</p> <p>Jul 15, 2014 – Supplemental testimony served</p> <p>Aug 11, 2014 – ORA and Intervenor testimony</p> <p>Aug 12, 2014 – Public participation hearings begin</p> <p>Sep 9, 2014 – Public participation hearings conclude</p> <p>Sep 15, 2014 – Rebuttal testimony</p> <p>Sep 15, 2014 – PG&amp;E files notice of improper ex parte communications</p> <p>Sep 17, 2014 – Order to Show Cause regarding ex parte communications</p> <p>Sep 24, 2014 – Case temporarily reassigned to Chief ALJ</p> <p>Sep 25, 2014 – GT&amp;S hearing and subsequent proceeding schedule suspended</p> <p>Oct 1, 2014 – Case reassigned to ALJ Yip-Kikugawa</p> <p>Oct 2, 2014 – Responses to Order to Show Cause</p> <p>Oct 7, 2014 – Hearing on Order to Show Cause</p> <p>Oct 16, 2014 – Proposed Decision and Alternate Proposed Decision in Order to Show Cause</p> <p>Oct 20, 2014 – Prehearing conference</p> <p>Nov 5, 2014 – Comments on Proposed and Alternate Proposed Decisions in Order to Show Cause</p> <p>Nov 10, 2014 – Reply comments on Proposed and Alternate Proposed Decisions in Order to Show Cause</p> <p>Nov 20, 2014 – Final Decision and penalty issued in Order to Show Cause</p> <p>Dec 19, 2014 – Supplemental comments on potential remedies regarding delayed schedule and SED report</p> <p>Dec 30, 2014 – ORA Supplemental Testimony</p> <p>Jan 9, 2015 – Supplemental reply comments</p> <p>Jan 12, 2015 – PG&amp;E Rebuttal to ORA Supplemental Testimony</p> <p>Feb 2-27, Mar 16-23, 2015 – Evidentiary hearings</p> <p>Apr 29, 2015 – Opening briefs</p> <p>May 20, 2015 – Reply briefs</p> <p>Jun 1, 2015 – Impact of penalty remedies on GT&amp;S Rate Case</p> <p>Jun 3, 2015 – Prehearing Conference</p> <p>Jun 8, 2015 – Serve San Bruno Compliance Plan</p> <p>June 11, 2015 – Assigned Commissioner/ALJ Ruling Amending Scope and Schedule</p> <p>Jun 24, 2015 – Supplemental testimony on penalty remedies overlap with GT&amp;S</p> <p>Jul 17, 2015 – Intervenor Testimony</p> <p>Aug 7, 2015 – PG&amp;E Rebuttal Testimony</p> <p>Sep 1, 2015 – Hearings</p> <p>Sep 16, 2015 – Opening briefs on penalty remedies overlap with GT&amp;S forecast</p> <p>Sep 23, 2015 – Reply briefs on penalty remedies overlap with GT&amp;S forecast</p> <p>Oct 28, 2015 – Oral Argument</p> <p>May 5, 2016 – Phase 1 Proposed Decision and Alternate Proposed Decision</p> <p>Jun 23, 2016 – Phase 1 Final Decision</p> <p>Jun 29, 2016 – Case reassigned to ALJ Dudney</p> <p>Jul 7, 2016 – Opening briefs on allocation of \$850 million safety-related disallowance</p> <p>Jul 19, 2016 – PG&amp;E illustrative rate and tax impact of allocation scenarios of \$850 million disallowance</p> <p>Jul 26, 2016 – Supplemental opening briefs on allocation of \$850 million safety-related disallowance</p> <p>Aug 2, 2016 – Reply briefs on allocation of \$850 million safety-related disallowance</p>



## Exhibit H: Pacific Gas and Electric Company Expected Timelines of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
2017 General Rate Case (Phase I)	A. 15-09-001	<p>Sep 1, 2015 – Application Filed</p> <p>Sep 29, 2015 – Application Workshop</p> <p>Oct 29, 2015 – Prehearing conference</p> <p>Jan 22, 2016 – PG&amp;E Supplemental Testimony on gas distribution recordkeeping</p> <p>Feb 22, 2016 – PG&amp;E Supplemental Testimony on updated tax forecast, labor escalation</p> <p>Apr 8, 2016 – ORA testimony</p> <p>Apr 29, 2016 – Intervenor testimony</p> <p>May-Jun, 2016 – Settlement discussions</p> <p>May 2016 – Public participation hearings</p> <p>May 27, 2016 – Rebuttal testimony</p> <p>Aug 3, 2016 – Settlement conference</p> <p>Aug 25, 2016 – Possible hearings on a settlement or contested issues</p> <p>October, 2016 - Possible legal briefs</p> <p>Jan 5, 2017 – Proposed decision anticipated</p> <p>Feb 9, 2017 – Final decision anticipated</p>
Transmission Owner Rate Case (TO17)	ER15-2294	<p>Jul 29, 2015 – PG&amp;E files TO17 rate case seeking an annual revenue requirement for 2016</p> <p>Sep 30, 2015 – FERC accepts TO17 making rates effective March 1, 2016 and establishing settlement process</p> <p>Oct 19, 2015 – FERC settlement conference</p> <p>Feb 4-5, 2016 – FERC settlement conference</p> <p>Mar 18, 2016 – FERC settlement conference</p> <p>May 3, 2016 – FERC settlement conference</p> <p>Jun 3, 2016 – FERC settlement conference</p>
Transmission Owner Rate Case (TO18)		<p>Jul 29, 2016 – PG&amp;E files TO18 rate case seeking an annual revenue requirement for 2017</p>
Gas Distribution System Records Order Instituting Investigation and Order to Show Cause	I.14-11-008	<p>Nov 20, 2014 – OII issued</p> <p>Dec 15, 2014 – Comments on preliminary scoping memo</p> <p>Dec 18, 2014 – SED reply comments</p> <p>Dec 22, 2014 – PG&amp;E initial report in OII and reply comments on preliminary scoping memo</p> <p>Mar 9, 2015 – Prehearing conference</p> <p>Sept 30, 2015 – SED supplemental testimony and workpapers</p> <p>Oct 14, 2015 – Intervenor testimony</p> <p>Nov 12, 2015 – PG&amp;E reply testimony</p> <p>Dec 18, 2015 – SED and intervenor rebuttal testimony</p> <p>Jan 19-22, 2016 – Hearings</p> <p>Feb 26, 2016 – Opening briefs</p> <p>Apr 1, 2016 – Reply briefs</p> <p>Jun 1, 2016 – Presiding Officer's Decision fining PG&amp;E \$24.3 million</p> <p>Jun 28, 2016 – City of Carmel-by-the-Sea appeal of Presiding Officer's Decision</p> <p>Jul 1, 2016 – Safety and Enforcement Division appeal of Presiding Officer's Decision</p> <p>Jul 18, 2016 – PG&amp;E response to appeals</p>



## Exhibit H: Pacific Gas and Electric Company Expected Timelines of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
Ex Parte Order Instituting Investigation and Order to Show Cause	I.15-11-015	<p>Nov 23, 2015 – OII issued</p> <p>Dec 3, 2015 – City of San Bruno, City of San Carlos and TURN comments on need for evidentiary hearings, issues and schedule in the proceeding</p> <p>Jan 8, 2016 – ALJ Bushey orders meet and confer among parties and sets prehearing conference date</p> <p>Jan 27, 2016 – Parties meet to discuss issues for hearing and briefing</p> <p>Jan 28, 2016 – PG&amp;E (on behalf of parties) submits joint report on meet and confer to determine hearing issues</p> <p>Feb 26, 2016 – Status report on resolving hearing issues due to Commission</p> <p>Mar 1, 2016 – Prehearing conference</p> <p>Apr 18, 2016 – Joint meet and confer report filed by parties</p> <p>Apr 20, 2016 – Prehearing conference</p> <p>May 20, 2016 – Opening briefs on inclusion of additional emails (“Category 3”)</p> <p>Jun 10, 2016 – Reply briefs on inclusion of Category 3 emails</p> <p>Jul 12, 2016 – Revised preliminary scoping memo</p> <p>Aug 12, 2016 – Parties provide proposed stipulations for 135 communications (“Category 1”)</p> <p>Aug 12, 2016 – PG&amp;E will provide status report if not all discovery responses have been completed</p> <p>Sept 2016 – Status conference to set schedule for rest of proceeding</p>
Safety Culture and Governance Order Instituting Investigation	I.15-08-019	<p>Sept 2, 2015 – OII issued</p> <p>Oct 30, 2015 – PG&amp;E submits discovery responses to SED</p> <p>Dec 15, 2015 – PG&amp;E submits discovery responses to SED</p> <p>Jan 25, 2016 – PG&amp;E submits discovery responses to SED</p> <p>Beginning May 2016 – ongoing discovery by CPUC’s consultant NorthStar</p>
Electric Vehicle Infrastructure and Education Program	A. 15-02-009	<p>Feb 9, 2015 – Filed application</p> <p>Mar 2, 2015 – MCE filed Motion to Consolidate IOUs’ applications</p> <p>Mar 13, 2015 – Protests to the application</p> <p>Mar 17 2015 – Responses to Motion to Consolidate</p> <p>Mar 23 2015 – Replies to protests</p> <p>May 5, 2015 – Prehearing Conference</p> <p>Jun 12, 2015 – Second Prehearing Conference</p> <p>Jun 16, 2015 – ALJ Ruling requesting comments on phasing of PG&amp;E’s proposal</p> <p>Sep 4, 2015 – Scoping Memo</p> <p>Oct 12, 2015 – Phase 1 Supplemental testimony</p> <p>Nov 30, 2015 – Phase 1 Intervenor testimony</p> <p>Dec 21, 2015 – Phase 1 Rebuttal testimony</p> <p>Mar 1, 2016 – Report on status of settlement negotiations</p> <p>Mar 8, 2016 – Phase 1 Case Management statement due</p> <p>Mar 21, 2016 – PG&amp;E and several parties file settlement agreement</p> <p>Apr 25-28, 2016 – Evidentiary hearings</p> <p>Jun 17, 2016 – Opening briefs</p> <p>Jul 8, 2016 – Reply briefs</p>



## Exhibit H: Pacific Gas and Electric Company Expected Timelines of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
2015 Electric Distribution Resources Plan (DRP)	A.15-07-006 R.14-08-013	<p>Aug 13, 2014 – Commission issues OIR directing utilities to file Electric Distribution Resources Plans</p> <p>Sep 5, 2014 – Comments on OIR</p> <p>Sep 17, 2014 – Workshop I</p> <p>Sep 22, 2014 – Reply Comments on OIR</p> <p>Nov 17, 2014 – Draft Guidance Issued</p> <p>Dec 12, 2014 – Comments on Draft Guidance</p> <p>Jan 8, 2015 – Workshop II</p> <p>Feb 6, 2015 – Final Guidance Ruling issued</p> <p>Apr 13, 2015 – Workshop III</p> <p>Jul 1, 2015 – PG&amp;E files Electric Distribution Resources Plan</p> <p>Aug 31, 2015 – Protests/comments due</p> <p>Sep 15, 2015 – Replies to protests due</p> <p>Sep 30, 2015 – Prehearing Conference</p> <p>Nov 6, 2015 – Joint IOU/CAISO Workshop</p> <p>Nov 9-10, 2015 – Integration Capacity Analysis (ICA) Workshop</p> <p>Dec 3, 2015 – ICA Workshop Report filed</p> <p>Jan 8, 2016 – ALJ Ruling inviting pre-workshop comments to Locational Net Benefits Analysis (LNBA) methodologies and Demonstration Project (Demo) B</p> <p>Jan 26, 2016 – Pre-LNBA Workshop Comments Filed</p> <p>Jan 27, 2016 – ACR/ALJ Ruling issuing Scope and Schedule</p> <p>Feb 1, 2016 – LNBA, Alternate Proposal and Related Demo B Workshop</p> <p>Feb 4, 2016 – Case reassigned to ALJ Kelly</p> <p>Apr 29, 2016 – ALJ Ruling seeking responses to data access questions</p> <p>May 2, 2016 – Commissioner Ruling refining ICA and LNBA and related demos A-B</p> <p>May 13, 2016 – Responses to ALJ Ruling on data access questions</p> <p>May 17, 2016 – ALJ and Assigned Commissioner Ruling on Field Demos C-E</p> <p>Jun 16, 2016 – ICA/LNBA Implementation Plan filed</p> <p>Jun 28, 2016 – Workshop on Field Demos C-E</p> <p>Jul 22, 2016 – Comments on Field Demos C-E</p> <p>Jul 29, 2016 – Reply Comments on Field Demos C-E</p>
Order Instituting Rulemaking to Examine the Commission's Energy Efficiency Risk/Reward Incentive Mechanism.	R.09-01-019	<p>Jan 22, 2016 – Amended Scoping Memo setting forth the schedule and scope for the hearing</p> <p>Feb 5, 2016 – Ruling revising the schedule</p> <p>Mar 18, 2016 – Proposals to resolve issues in scope</p> <p>Apr 8, 2016 – Opening comments on the proposals</p> <p>Apr 15, 2016 – Deadline to request evidentiary hearings</p> <p>May 24, 2016 – Prehearing conference; PG&amp;E, TURN, and ORA announced a settlement in principle</p> <p>Jun 6, 2016 – Ruling requesting additional information to help set a schedule for hearing</p> <p>Jun 14, 2016 – Parties propose a schedule for hearings</p> <p>Jun 24, 2016 – PG&amp;E, TURN and ORA motion for approval of settlement agreement</p> <p>Jul 12, 2016 – ALJ ruling adopting a proposed schedule for discovery for SCE, SoCal Gas and SDG&amp;E</p>



## Exhibit H: Pacific Gas and Electric Company Expected Timelines of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates	
Order Instituting Rulemaking on the Commission's Natural Gas and Electric Safety Citation Programs	R.14-05-013	May 21, 2014 – Commission issues OIR for electric citation program by Jan 1, 2015 complying with SB 291 Jun 20, 2014 – Opening comments on proposed electric citation program	
	D.14-12-001	Jul 1, 2014 – SB 291 deadline for gas citation program Jul 7, 2014 – Reply comments on proposed electric citation program	
	D.15-05-054	Aug 13, 2014 – Prehearing conference Sep 26, 2014 – Scoping memo Oct 29, 2014 – Proposed decision on electric citation program Nov 18, 2014 – Comments on proposed decision Nov 24, 2014 – Reply comments on proposed decision Dec 4, 2014 – Final interim decision adopting electric safety citation program Jan 7, 2015 – PG&E application for rehearing May 21, 2015 – Application for rehearing denied Aug 20, 2015 – PG&E pays first electric citation (\$450k) Oct 1, 2015 – Phase II Scoping Memo Nov 2, 2015 – Opening Comments on the Phase II Scoping Memo Dec 2, 2015 – Reply Comments on Phase II Scoping Memo Jun 15, 2016 – Amended Phase II Scoping Memo; SED report recommending criteria and reporting requirements for self-reported potential violations Jul 15, 2016 – Opening comments on SED report Aug 5, 2016 – Reply comments on SED report 90 days after reply comments – Phase II proposed decision anticipated	
	2016 Integrated Resource Plan / Long Term Procurement Plan	R.16-02-007	Feb 11, 2016 – CPUC opens Order Instituting Rulemaking Mar 14, 2016 – Comments on OIR May 26, 2016 – Joint Assigned Commissioner and ALJ Ruling and Scoping Memo issued Jun 14, 2016 – Workshop on the State Agencies' California PATHWAYS study. Aug 2016 – Workshop on the parties' proposals for the IRP content and IRP process Fall 2016 – Workshop hosted by CARB, CEC, and the CPUC on agency collaboration Fall 2016 – CARB develops electric sector GHG emissions reduction targets Fall 2016 – Working group led by CPUC staff conducts flexibility modeling according to the 2016 Assumptions and Scenarios Dec 2016 – Staff proposal on Guidance on IRP process and contents issued Winter 2017 – Workshop presenting modeling results from 2016 Assumptions and Scenarios with emphasis on grid flexibility needs Winter 2017 – Decision adopting 2017 Assumptions and Scenarios (in keeping with process alignment agreements with CEC and CAISO) Winter 2017 – Parties submit comments on staff proposal on guidance for IRPs Spring 2017 – Decision adopting guidance for IRP process and contents Spring 2017 – CARB finalizes electric sector GHG emissions reduction targets Summer 2017 – LSEs conduct optimization modeling for their own portfolios to support IRP filings Fall 2017 – IRPs to be filed



## Exhibit H: Pacific Gas and Electric Company Expected Timelines of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
Integration of Distributed Energy Resources	R.14-10-003	Sept 22, 2015 – Decision to expand scope to include distributed energy resources (DERs) on system side of customer's meter
	D.16-06-007	Mar 24, 2016 – Working Group established to focus on contracting of DER products and services
		Mar 28, 2016 – Workshop on various competitive solicitations experiences
		Apr 4, 2016 – Assigned Commissioner Ruling (ACR) introducing a regulatory incentive proposal for DER deployment
		May 3, 2016 – Proposed decision updating the CPUC's cost-effectiveness framework
		May 9, 2016 – Comments on ACR
		May 23, 2016 – Reply comments on ACR
		May 25, 2016 – Opening comments on Proposed Decision updating the CPUC's cost-effectiveness framework
		May 31, 2016 – Reply comments on Proposed Decision updating the CPUC's cost-effectiveness framework
		Jun 13, 2016 – Workshop on ACR
		Jun 15, 2016 – Final Decision updating the CPUC's cost-effectiveness framework
		Jul 8, 2016 – Post Workshop comments on ACR
		Aug 1, 2016 – Final Report on contracting of DER products and services

*Most of these regulatory cases are discussed in PG&E Corporation and Pacific Gas and Electric Company's combined Annual Report on Form 10-K for the year ended December 31, 2015.*