



PG&E Advice Letters – PG&E submits its annual year end consolidated electric revenue and January 1 rate change advice letters (ALs) in accordance with Resolution E-5217. PG&E's preliminary and final ALs provide information on the implementation of new electric rates and their associated tariffs from previously authorized decisions, resolutions, and advice letters, most significantly the recent Energy Resource Recovery Account (ERRA) Forecast Proceeding decision for PG&E issued in December 2022. The changes set forth in these ALs will result in an electric rate and bill increase beginning on January 1, 2023.

Estimated Bill Impacts of All Requested Electric Rate Changes Effective January 1, 2023:

Estimated Electric Bill Impacts ¹	PG&E as of January 1, 2023
➤ Average Residential Non-CARE electric bill	\$179.24
➤ Average Residential Non-CARE electric bill increase	\$5.45 (3.1%)
➤ Average Residential CARE ² electric bill	\$116.56
➤ Average Residential CARE electric bill increase	\$3.51 (3.1%)

Below are the primary drivers of PG&E's January 1, 2023 electric rate changes, which involve a revenue increase for its electric utility operations and capital investments.

The primary drivers of the January 1st rate increase are:

- The ERRA Forecast Decision 22-12-044
 - The combined effect of an increase in forecast 2023 power costs and the recovery of under-collections in regulatory accounts contributed to much of the increase (all of which are pass-through costs for which the utility receives no profit).
 - The ERRA increase raises PG&E's average residential bills by 1.5%, which is equivalent to a bill impact of \$1.70 for the average CARE customer and \$2.62 for the average non-CARE customer.
- Energy Cost Recovery Amounts (ECRA)
 - PG&E established the ECRA rate to recover the revenue associated with the Energy Recovery Bond balance.

¹ Based on a "typical" residential bundled customer using, on average, 500 kilowatt-hours per month.

² The California Alternate Rates for Energy (CARE) program provides discounts to qualifying low-income residents on their utility bills.



- The ECRA recovery will increase PG&E's average residential bills by 1.2%, which is equivalent to \$1.36 for the average CARE customer and \$2.09 for the average non-CARE customer.
 - Public Purpose Program (PPP)
 - PG&E's PPP includes costs for programs such as Behind-the Meter Storage (SGIP), Bioenergy Market Adjusting Tariff, EPIC R&D, the Tree Mortality Non-Bypassable Charge, CARE, Energy Savings Assistance, and Energy Efficiency.
 - The revenue associated with PG&E's PPP will raise the average residential bills by 1.1%, which is equivalent to a bill impact of \$1.23 for the average CARE customer and \$1.89 for the average non-CARE customer.
- ✚ In addition to the increases noted above, the combined effect of updating regulatory account balances, implementation of authorized programs with some at 2022 levels, bond charge recovery, and a decrease in cost of capital resulted in revenue reductions with a corresponding residential bill decrease of 0.7% for CARE residential customers and non-CARE residential customers. These reductions are incorporated into the overall rate/bill impacts in the table above illustrating the overall increase.