



ELECTRIC PRELIMINARY STATEMENT PART JA
CUSTOMER CREDIT FOR FIXED RECOVERY CHARGE

Sheet 1

JA. Customer Credit for Fixed Recovery Charge

1. PURPOSE:

The purpose of this section is to establish a Customer Credit in connection with the Fixed Recovery Charge established in Preliminary Statement IX pursuant to a Financing Order (Decision (D.) 21-05-015) issued by the California Public Utilities Commission. As described in the Financing Order, PG&E will provide a Customer Credit in an amount equal to the Fixed Recovery Charge in each billing period to the extent sufficient funds are available from the Customer Credit Trust (defined below) and other sources, as set forth below. The Customer Credit will appear on customers' bills under one line item called "Recovery Bond Credit."

(N)
(N)

2. APPLICABILITY:

The Customer Credit shall apply to all customers¹ except for those customers participating in the California Alternate Rates for Energy or Family Electric Rate Assistance programs pursuant to Section 850.1(i). For customers who would be municipal departing load as a result of a municipalization proceeding after the issuance date of the Financing Order, May 11, 2021, the applicability of the Customer Credit will be determined by the California Public Utilities Commission in the municipalization proceeding.

(T)

3. FUNDING OF CUSTOMER CREDIT:

The Customer Credit will be an amount equal to the Fixed Recovery Charge in each billing period to the extent sufficient funds are available. The Customer Credit will be funded from (1) a trust established pursuant to D.21-04-030 to hold and invest shareholder assets contributed to the trust for purposes of funding the Customer Credit (Customer Credit Trust), and (2) payments that PG&E will receive from the Special Purpose Entity (SPE) that issued the Recovery Bonds authorized by the Financing Order for servicing and administration associated with the Recovery Bonds and for the authorized return on PG&E's equity contribution to the SPE. The portion of the Customer Credit specified in item (2) will be funded outside of the Customer Credit Trust and provided to applicable customers regardless of the balance of the Customer Credit Trust.

If there are insufficient funds in the Customer Credit Trust to fund the portion of the Customer Credit specified in item (1) above, PG&E will adjust the Customer Credit to be an amount less than the Fixed Recovery Charge, as set forth below. Any future Customer Credit Trust balance will be used first (up to the amount of the balance of the Trust) to make up any previous shortfalls in the Customer Credit, i.e., periods when the Customer Credit was less than the Fixed Recovery Charge.

¹ References to "customer" include the term "consumer" as defined in Section 850(b)(3) and as used in Section 850.1(b). See Pub. Util. Code § 850(b)(3) ("Consumer" means any individual, governmental body, trust, business entity, or nonprofit organization that consumes electricity that has been transmitted or distributed by means of electric transmission or distribution facilities, whether those electric transmission or distribution facilities are owned by the consumer, the electrical corporation, or any other party.")

(Continued)

<i>Advice</i>	6568-E	<i>Issued by</i>	<i>Submitted</i>	April 22, 2022
<i>Decision</i>	21-06-030	Robert S. Kenney	<i>Effective</i>	May 22, 2022
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	



ELECTRIC PRELIMINARY STATEMENT PART JA
CUSTOMER CREDIT FOR FIXED RECOVERY CHARGE

Sheet 2

JA. Customer Credit for Fixed Recovery Charge (Cont'd)

1. CUSTOMER CREDIT ADJUSTMENTS:

When PG&E submits Routine or Non-Routine True-Up Mechanism Advice Letters to adjust the Fixed Recovery Charge, as described in the Financing Order, PG&E will also submit an Advice Letter to adjust the Customer Credit so that it remains an amount equal to the Fixed Recovery Charge in each billing period, provided the balance of the Customer Credit Trust is sufficient. In the absence of a negative response from the Commission or the Commission's Energy Division, as applicable, the adjustments to the Customer Credit will become effective on 1) March 1, in the case of an annual Routine True-Up; 2) September 1, in the case of a semi-annual Routine True-Up; 3) the first day of the month that is at least 50 days after the submission of an interim Routine True-Up; and 4) the date specified in the Advice Letter in the case of a Non-Routine True-Up provided that date is at least 90 days after submission of the Advice Letter.

In addition to adjustments based on the Routine and Non-Routine True-Up Mechanism for the Fixed Recovery Charges, PG&E will project the balance of the Customer Credit Trust for the upcoming year. If the projected balance is less than the annual projected Fixed Recovery Charges for the year (after deducting for the portion of the Customer Credit funded outside of the Customer Credit Trust as set forth above), PG&E will submit an Advice Letter to reduce the Customer Credit such that the projected Customer Credit Trust-funded portion of the Customer Credit for the following 12 months would equal the projected balance of the Customer Credit Trust at the end of the year. The portion of the Customer Credit funded outside of the Customer Credit Trust (item (2) above) will continue to be provided without adjustment. In the absence of a negative response from the Commission's Energy Division, these adjustments to the Customer Credit will become effective on March 1 following submission of the Advice Letter.

If the Customer Credit has been adjusted downward as set forth above, any future Customer Credit Trust balance will be used first (up to the amount of the balance of the Trust) to make up any previous shortfalls in the Customer Credit, i.e., periods when the Customer Credit was less than the Fixed Recovery Charge. PG&E will submit an Advice Letter to adjust the Customer Credit such that it repays any previous shortfalls, including the amount of any Fixed Recovery Tax Amounts (FRTA) charged on the shortfalls, and is thereafter in an amount equal to the Fixed Recovery Charge (up to the balance of the Customer Credit Trust).

2. CUSTOMER CREDIT² (\$ per kWh):

CUSTOMER CREDIT.....(\$0.00597) (R)

² Displayed as Recovery Bond Credit on Consumers' bills.

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