



Important update about electric rates

Throughout the year, PG&E submits requests to the California Public Utilities Commission (CPUC) to change our rates. On February 28, 2024, PG&E submitted Advice Letter 7191-E¹ to increase rates on March 1, 2024, to implement approved decisions, resolutions, and advice letters.² Most significantly, PG&E is implementing the Cost of Capital Adjustment Mechanism approved in Advice Letter 7046-E and transmission rate adjustments approved by the Federal Energy Regulatory Commission (FERC).

PREVIOUS Residential Bundled Non-CARE Average Rate as of **January 1, 2024:**
46.6 cents per kilowatt-hour.

NEW Residential Bundled Non-CARE Average Rate as of **March 1, 2024:**
46.8 cents per kilowatt-hour.

Estimated electric bill impacts effective March 1, 2024

	Previous As of 1/1/24 ³	Increase (\$)	Increase (%)	Current As of 2/1/24 ²
Average Non-CARE residential electric bill (500 kilowatt-hours)	\$222.36	\$0.56	0.3%	\$222.92
Average CARE residential electric bill (500 kilowatt-hours)	\$141.35	\$0.37	0.3%	\$141.71

Customers enrolled in the CARE program receive a discount of approximately 35% on their electric bill.

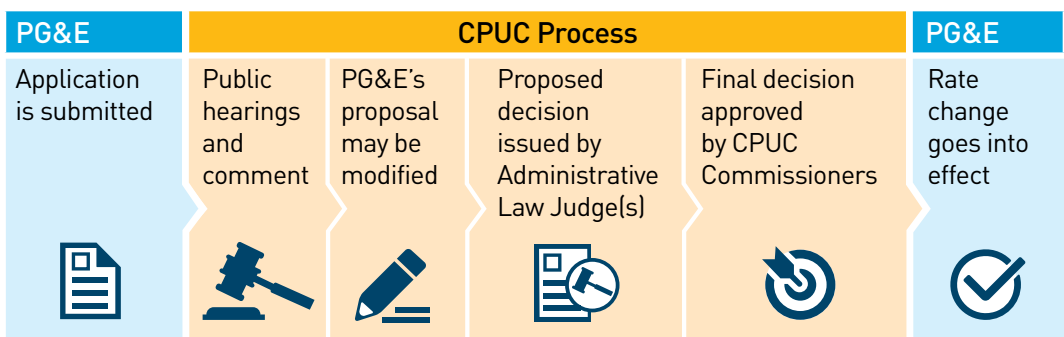
Why are rates increasing?

The primary drivers of the March 1, 2024, rate increase are the following:

- The Cost of Capital proceeding measures the cost PG&E incurs to finance its operations. The Cost of Capital Adjustment Mechanism adjusts what was authorized in that proceeding in response to changes in the financial market. This allows PG&E to continue to attract the level of investment needed to meet the energy needs of our customers. PG&E's request to use the mechanism to adjust the Cost of Capital for 2024 was approved on December 22, 2023, through the previously mentioned Advice Letter 7046-E.
- FERC authorizes PG&E's retail transmission rates. On March 1, 2024, PG&E is implementing a reduction to transmission rates to reflect a lower balance in the Transmission Access Charge Balancing Account filed under Docket No. ER24-599-000. PG&E is also adjusting transmission rates to reflect the removal of the return on equity incentive adder for its continued participation in the California Independent System Operator Corporation pursuant to FERC's Order issued in PG&E's twenty-first Transmission Owner rate case (Docket No. ER24-96-000).
- The California legislature approved Assembly Bill (AB) 1054, which authorized PG&E to establish the Wildfire Hardening Charge rate component and use recovery bonds to fund certain fire risk mitigation costs as well as associated financing costs. On January 9, 2024, as authorized by D.21-06-030 and D.22-08-004, PG&E submitted routine annual true-up advice letters 7106-E and 7126-E which lowered the Wildfire Hardening Charge rate values.⁴

How are rates set?

Rates are set through a regulatory process with the CPUC. The process includes opportunities for the public to attend hearings and/or provide comment. A simplified diagram of the process is shown below.



In addition, the Federal Energy Regulatory Commission (FERC) authorizes PG&E's retail transmission rates. On March 1, 2024, PG&E is implementing a reduction to transmission rates to reflect a lower balance in the Transmission Access Charge Balancing Account filed under Docket No. ER24-599-000. PG&E is also adjusting transmission rates to reflect the removal of the return on equity incentive adder for its continued participation in the California Independent System Operator Corporation pursuant to FERC's Order issued in PG&E's twenty-first Transmission Owner rate case (Docket No. ER24-90-000).

What if I need help paying my bill?

We're here to help by offering you a variety of ways to prepare for higher bills.

- The **Relief for Energy Assistance through Community Help (REACH)** program may help qualifying, income-eligible customers with a credit of up to \$1,000 for past due PG&E bills.
- The **Low Income Energy Assistance Program (LIHEAP)** can provide financial assistance to pay your eligible household energy costs.
- **Budget Billing** is a free program that averages your annual energy costs to help you manage high seasonal bills.
- **Payment plans** are available if you need more time to pay your bill.

Visit [pge.com/programs](https://www.pge.com/programs) for more information.

¹Advice Letter 7191-E is pending approval by the CPUC.

²Advice Letter 7191-E is implementing Advice Letters 7046-E, 7093-E, 7106-E, 7126-E, 7128-E, 7129-E, and 7130-E. Advice 7191-E is also implementing transmission rate adjustments accepted by FERC in Docket No. ER24-599-000 and ER24-96-000.

³Includes the \$110.34 climate credit spread out over 12 months.

⁴Advice letters 7106-E and 7126-E were approved on February 1, 2024 with an effective date of March 1, 2024.