PACIFIC GAS AND ELECTRIC COMPANY
Risk Spending Accountability Report Discovery 2025
Data Response

PG&E Data Request No.:	ED_001-Q003
PG&E File Name:	RSARDiscovery2025_DR_ED_001-Q003
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Requester DR No.:	001
Requesting Party:	Energy Division
Requester:	Abigail Bender
Date Sent:	September 17, 2026
PG&E Witness(es):	N/A

SUBJECT: NEGATIVE AUTHORIZED AND ACTUAL SPENDING VALUES

QUESTION 003

ED identified several programs containing negative imputed adopted or negative actual expense values. For example, under Attachment 3 – Gas Distribution, tab GD MAT Table Expense, MAT DDA, the 2023 Actual Cost is -$25.8 thousand. See CPUC Attachment 3 for the complete list.

For each instance in CPUC Attachment 3, please explain why the reported amount is negative.

ANSWER 003

Please see responses below.

O&M Expense

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
Gas Distribution	DDA	Field Services - Other	SRM Total (Non-RAMP)	Reallocation of labor costs from MAT DDA to other MAT codes as specific work orders are created in the other MAT codes. Negative recorded costs in MAT DDA to avoid double counting costs.
Gas Distribution	DEF	Advanced Mobile Technology	SRM Total	MAT is no longer in use. 2024 negative recorded costs related to reallocation of Standard Cost Variance to MAT DEF from MAT DE#.
Gas Distribution	DEF	Advanced Mobile Technology	Loss of Containment on Gas Customer Connected Equipment	See MAT DEF SRM Total explanation above.
Gas Distribution	DEF	Advanced Mobile Technology	Loss of Containment on Gas Distribution Main or Service	See MAT DEF SRM Total explanation above.

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
Gas Distribution	JQE	Plastics Program	SRM Total	Work completed in prior year(s) with cash payment due the subsequent year. Discount given on invoice payment if paid quickly and/or with cash which is reflected as a negative recorded amount.
Gas Distribution	JQE	Plastics Program	Loss of Containment on Gas Distribution Main or Service	See MAT JQE SRM Total explanation above.
GT&S	JT1	Engineering Support	SRM Total	Work completed in prior year(s) with cash payment due the subsequent year. Discount given on invoice payment if paid quickly and/or with cash which is reflected as a negative recorded amount.
GT&S	JT1	Engineering Support	Loss of Containment on Gas Transmission Pipeline	See MAT JT1 SRM Total explanation above.
GT&S	JTV	Station Strength Test	SRM Total	All strength test work is initially charged to MAT JTV, but project-specific costs are moved periodically to MAT 76V or MAT JTU (if they are shareholder funded). On a net annual basis, only programmatic costs remain in MAT JTV. However, in 2024, a negative balance resulted due to an overestimate of project costs which was trued up in the following year.
GT&S	JTV	Station Strength Test	Loss of Contnm at Gas Measrm & Cntrl / Cmprsn & Prcssn Facil	See MAT JTV SRM Total explanation above.
Electric Distribution	GAD	Pole Reinforce	SRM Total	The negative actuals is a result of Joint Pole Credits as well as moving costs from expense to capital due to a change in accounting guidelines for Distribution Pole Reinforcement work.
Electric Distribution	GAD	Pole Reinforce	Distribution Overhead	See MAT GAD SRM Total explanation above.
Electric Distribution	GAD	Pole Reinforce	Wildfire	See MAT GAD SRM Total explanation above.
Electric Distribution	GA#	Not assigned	SRM Total (NON-RAMP)	The negative imputed amount for MAT GA# reflects the forecast amounts received from joint pole owners and tenants for their share of costs for work performed on jointly owned or leased facilities.
Electric Distribution	KA#	Not assigned	SRM Total (NON-RAMP)	The negative actuals in 2023 reflects the reconciliation of working stock-related costs and associated overhead allocations of those

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
				costs. Working stock is the inventory of commonly used electric materials maintained at PG&E service centers and yards for immediate crew access. It includes minor materials whose costs are recovered through working stock overhead, as well as certain larger materials temporarily stocked for operational efficiency before being directly charged to specific work orders.
Electric Distribution	KB#	Not assigned	SRM Total (NON-RAMP)	The net negative actuals in 2024 reflect the reconciliation of working stock-related costs and associated overhead allocations of those costs. See working stock definition in KA# above.
Nuclear Generation	BV	DCPP Plant Configuration	Core Damaging Event	During the preparation of this data response, PG&E found an inadvertent error in the SRM Expense Combined Excel file. The 2024 Actual cost for DCPP Plant Configuration (MWC BV) Core Damaging Event risk is $23,645.7 and not $(8,010.5). The 2024 Actual cost for DCPP Plant Configuration (MWC BV) Core Extended Shutdown risk is $2,627.3 and not $(890.1). The information reported in Table 4-7: 2023 GRC Cycle Nuclear Generation Expense Comparison By MWC For Safety, Reliability, And Maintenance Work is correct, however, when the information was copied into the combined file, there was a typographic error. PG&E has corrected these items in attachment, RSARDiscovery2025_DR_ED_001-Q004Atch06.
Nuclear Generation	BV	DCPP Plant Configuration	Extended Shutdown	See MWC BV Core Damaging Event explanation above.
Power Generation	BC	Perf Reimburs Wk for Oth	SRM Total (Non-RAMP)	MWC BC contains reimbursable activities performed on behalf of external parties. Costs incurred for these activities are offset by reimbursements received from the requested entities. The negative recorded value reflects that reimbursements and true-up credits exceeded the recorded costs during the reporting period, resulting in a net credit balance rather than a net expense.
Shared Services	BI	Maintain Buildings	Real Estate and Facilities Failure (REFFL)	The negative amount in this MWC represents credits incurred as a result of reclassifying costs in the Santa Rosa Office RAMP Upgrades project.
Shared Services	BI	Maintain Buildings	SRM Total (Non-RAMP)	See MWC BI REFFL explanation above.

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
Shared Services	JV	Maintain Applications and Infrastructure	Cyber Security Incident (CYBER)	The negative amount in this MWC represents vendor discounts received for third-party Cybersecurity Communications control services.
Shared Services	ZC	Overhead Capital Credit	SRM Total (Non-RAMP)	The negative amounts in this MWC represent capital overhead credit entries for Fleet, CRESS and IT. These amounts were forecast in Exhibit 7, Chapters 2, 4 and 7. The capital overhead credit mechanism is part of PG&E's cost model and is designed to recognize the value of services that support organizations provide for both Operations and Maintenance (expense) activities as well as capital investments across the Company. Under this mechanism, support organizations receive credits to their overall expense spending, while corresponding (debit) charges are allocated to capital projects that benefit from those services. The capital overhead rate used to calculate these credits and charges is based on an annual study that applies a one-year historical FERC internal labor average to eligible cost categories. These amounts are then allocated to capital orders across various functional areas.
Gas Distribution	LK#	Gas Distribution Work Requested by Others	Non-SRM Total (Non-RAMP)	Reimbursed costs in connection to work requested by others.
GT&S	AB1	Support	Non-SRM Total (Non-RAMP)	Work completed in prior year(s) with cash payment due the subsequent year. Discount given on invoice payment if paid quickly and/or with cash which is reflected as a negative recorded amount.
GT&S	OS#	Operational Support	Non-SRM Total (Non-RAMP)	Credits associated with capitalization of back-office costs. The negative amount is related to Gas Transmission portion and is driven by resource shifts between transmission and distribution.
Electric Distribution	OS#	Operational Support	Non-SRM	The expense costs for Electric Distribution in MWC OS is net of the credits for the capitalized portion of cost centers within the Electric organization. It also includes a portion of the capitalization credits for some support organizations that sit outside of the Electric and request the full expense portion of their OS costs in their exhibits. For 2024 and 2025, the expense credits for capitalization of these support organization costs exceeded the net cost for OS from Electric organization itself.
Nuclear Generation	BU	Procure DCPP	Non-SRM Total (Non-RAMP)	In 2023, the material burden rate over cleared the warehouse costs charges

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
		Materials & Svcs		associated with material procurement resulting in a negative balance. During the preparation of this data response, PG&E found an inadvertent error in the Non-SRM O&M Expense Combined Excel file. The 2024 Imputed Adopted cost for Procure DCPP Materials & Svcs (MWC BU) is $(0.0) and not $10.4. The information reported in Table 4-9: 2023 GRC Cycle Nuclear Generation Expense Comparison By MWC For Non-Safety, Reliability, And Maintenance Work is correct, however, when the information was copied into the combined file, there was a typographic error. PG&E has corrected these items in attachment, RSARDiscovery2025_ DR_ED_001-Q004Atch08.
Nuclear Generation	EO	Provide Nuclear Support	Non-SRM Total (Non-RAMP)	In 2023 the Corporate Support organization charges in to DCPP associated with Nuclear extended operations were over-cleared resulting in a negative balance. During the preparation of this data response, PG&E found an inadvertent error in the Non-SRM O&M Expense Combined Excel file. The 2024 Imputed Adopted cost for Provide Nuclear Support (MWC EO) is $10.4 and not $466.9. The information reported in Table 4-9: 2023 GRC Cycle Nuclear Generation Expense Comparison By MWC For Non-Safety, Reliability, And Maintenance Work is correct, however, when the information was copied into the combined file, there was a typographic error. PG&E has corrected these items in attachment, RSARDiscovery2025_ DR_ED_001-Q004Atch08.
Customer and Communications	AR	Read & Investigate Meters	Non-SRM Total (Non-RAMP)	The negative amounts in this MWC represent PG&E's unallocation of Meter Data Management Agent (MDMA) Services fees (revenue) from Direct Access and Community Choice Aggregation providers; see Electric Schedule E-CCA and E-ESP.
IT	AB	Misc Expense	Non-SRM Total	The negative amount in this MWC represents the indirect overhead labor cost mechanism which is a part of PG&E's cost model designed to plan non-billable time for specific resource types. These costs are typically allocated to orders using specific PG&E activity types. The negative amount results when there is a variance between the planned and actual overhead labor costs.

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
Shared Services	JL	Procure Materials & Services	Non-SRM Total	The negative amount in this MWC represents vendor rebates received in 2025 for multiple functional areas across the Company.
Shared Services	ZC	Corporate Items	Non-SRM Total	See Shared Services MWC ZC SRM Total (Non-RAMP) explanation above.
IT	ZC	Corporate Items	Non-SRM Total	See Shared Services MWC ZC SRM Total (Non-RAMP) explanation above.
Companywide Expense - Human Resources: Rewards & Recognition Program	N/A	N/A	N/A	PG&E has a negative imputed amounts for 2023 – 2025 and zero actuals for the same time period because PG&E makes a high-level adjustment to remove these costs from the revenue requirement. PG&E's Rewards & Recognition Program forecasted costs are embedded into the functional area forecasts; thus PG&E removes Rewards and Recognition costs at a high level in the Results of Operations (RO) Model as a negative forecast.
Companywide Expense - Administrative & General: Meals & Sports Adjustment	N/A	N/A	N/A	PG&E has a negative imputed amounts for 2023 – 2025 and zero actuals for the same time period because PG&E makes a high-level adjustment to remove these costs from the revenue requirement. PG&E's meals and sports forecasted costs are embedded into the functional area forecasts; thus PG&E removes meals and sports costs at a high level in the Results of Operations (RO) Model as a negative forecast. This methodology has been in place since the 2014 GRC.

Capital Expenditures

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
Electric Distribution	2AQ	Ceramic Post Insulators	SRM Total	The negative actuals are a result of steel lattice materials moved back to inventory.
Electric Distribution	2AQ	Ceramic Post Insulators	Distribution Overhead	See MAT 2AQ SRM Total explanation above.
Electric Distribution	49A	Distribution Automation Recloser SCADA Installations	SRM Total	The negative actuals are primarily driven by adjustments between accrual estimates and final amounts incurred, and orders cancellations.
Electric Distribution	49A	Distribution Automation Recloser SCADA Installations	Distribution Overhead	See MAT 49A SRM Total explanation above.
Electric Distribution	48E	Replace Electric Distribution Substation Switches	SRM Total	The negative actuals in 2023 are due to a cancelled order. The negative actuals in 2025 are due to an order being credited for unused materials that were sent back to the yard when the project was put on hold.
Electric Distribution	48E	Replace Electric Distribution	Substation	See MAT 48E SRM Total explanation above.

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
		Substation Switches		
Electric Distribution	48E	Replace Electric Distribution Substation Switches	Wildfire	See MAT 48E SRM Total explanation above.
Electric Distribution	48H	Replace Electric Distribution Substation Civil Structures	Substation	Negative actuals are due to order costs from 2022 that were reversed in 2023 when the order was cancelled.
Electric Distribution	49#	Not assigned	SRM Total	Negative actuals are due to Regulators being purchased within 49# and then later moved out to different programs where the regulators are being used. Working stock standard cost variance was also applied to MAT 49# which contributed to the negative actuals.
Electric Distribution	49#	Not assigned	SRM (NON-RAMP)	See MAT 49# SRM Total explanation above.
Electric Distribution	56S	Replace Obsolete UG Switches	SRM Total	The negative actuals are primarily driven by adjustments between accrual estimates and final amounts incurred and orders cancellations.
Electric Distribution	56S	Replace Obsolete UG Switches	Underground	See MAT 56S SRM Total explanation above.
Electric Distribution	58A	Electric Distribution Substation - Fire Protection and Suppression	SRM Total	The negative actuals are a result of a goods receipt reversal against an outstanding construction contract accrual from 2022.
Electric Distribution	58A	Electric Distribution Substation - Fire Protection and Suppression	Substation	See MAT 58A SRM Total explanation above.
Electric Distribution	58A	Electric Distribution Substation - Fire Protection and Suppression	Wildfire	See MAT 58A SRM Total explanation above.
Electric Distribution	06K	Power Factor Management	SRM Total (Non-RAMP)	The negative actuals are primarily driven by order cancellations, adjustments between accrual estimates and final amount incurred, and Joint Pole Credits received for work done on jointly owned poles.
Electric Distribution	21	Misc Capital	Emergency Preparedness & Response	The negative actuals are primarily due to incorrect operative dates tagged to orders: 5531501 & 5531502 and reversal of AFUDC charges moving out of capital orders to expense. This project costs include IT costs for setting up primary HAWC in San Ramon after moving from Beale Street office, and setting up back-up of WSOC (now known as HAWC) in San Ramon with common office machine and computer equipment setup.
Electric Distribution	2AI	SF Historical Streetlights	SRM Total	The negative actuals are due to adjustments between accrual estimates and final amount incurred.
Electric Distribution	2AI	SF Historical Streetlights	Distribution Overhead	See MAT 2AI SRM Total explanation above.

Functional Area	MWC or MAT	MWC or MAT Description	RAMP Risk Name	Reason for Negative Actuals
Electric Distribution	49A	Distribution Line Automation	SRM Total	The negative actuals are primarily driven by adjustments between accrual estimates and final amounts incurred, and order cancellations.
Electric Distribution	49A	Distribution Line Automation	Distribution Overhead	See MAT 49A SRM Total explanation above.
Electric Distribution	49T	Single Phase Line Recloser	SRM Total	The negative actuals in 2025 are primarily driven by materials being returned to warehouse and orders being credited.
Electric Distribution	49T	Single Phase Line Recloser	Distribution Overhead	See MAT 49A SRM Total explanation above.
Electric Distribution	3UC	Distribution Line Motorized Switch Operators	SRM Total	The negative actuals in 2025 are mainly driven by the MAT code receiving Joint Pole Credits for work done on jointly owned poles.
Electric Distribution	3UC	Distribution Line Motorized Switch Operators	Wildfire	See MAT 3UC SRM Total explanation above.
Gas Distribution	47C	Construct/Acquire New Facility Gas Regulatory Station	SRM Total	Shift in accounting eligibility of AFUDC (Allowance for Funds Used During Construction) for specific capital work.
Gas Distribution	47C	Construct/Acquire New Facility Gas Regulatory Station	Insufficient Capacity to Meet Customer Demand	See MAT 47C SRM Total explanation above.
GT&S	75S	Direct Assessment	SRM Total	Cancellation of a job caused costs to move from MAT 75S to shareholder funded MAT code. Negative recorded costs in MAT DDA to avoid double counting costs.
GT&S	75S	Direct Assessment	Loss of Containment on Gas Transmission Pipeline	See MAT 75S SRM Total explanation above.
GT&S	75U	Non-TIMP Strength Test	SRM Total	Moved costs to the appropriate bucket based on project scope found out in the field. As part of capital projects, adjacent work can be considered expense if it does not meet the capital criteria.