



**Part II** Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See Attachment

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18 Can any resulting loss be recognized? ▶ See Attachment

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See Attachment

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶ David Thomason Date ▶ 10/8/20

Print your name ▶ David Thomason Title ▶ Vice President & Controller

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

**PG&E Corporation and Pacific Gas and Electric Company  
Attachment to Form 8937-Amended  
Report of Organizational Actions Affecting Basis of Securities**

**Disclaimer:** The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any note holder's specific circumstances. Note holders should consult their own tax advisors regarding the particular tax consequences of the Exchange (as defined below) to them, including the applicability and effect of all U.S. federal, state and local and foreign tax laws.

**Form 8937, Part I, Lines 9 and 10**

<b>Debt Instrument Exchanged</b>	<b>CUSIP</b>	<b>Debt Instrument Received<sup>1</sup></b>	<b>CUSIP</b>
Series 6.05% Senior Notes due 2034	694308 GE1	Series 4.55% First Mortgage Bonds Due 2030 Series 4.95% First Mortgage Bonds Due 2050	694308JM0 694308JN8
Series 5.80% Senior Notes due 2037	694308 GJ0		
Series 6.35% Senior Notes due 2038	694308 GM3		
Series 6.25% Senior Notes due 2039	694308 GQ4		
Series 5.40% Senior Notes due 2040	694308 GS0		
Series 5.80% Senior Notes due 2037	694308 GJ0_RO		
Series 5.40% Senior Notes due 2040	694308 GS0_RO		
Series 5.125% Senior Notes due 2043	694308 HF7		
Series 4.25% Senior Notes due 2021	694308 GV3	Series 3.45% First Mortgage Bonds Due 2025 Series 3.75% First Mortgage Bonds Due 2028	694308JL2 694308JK4
Series 3.25% Senior Notes due 2021	694308 GW1		
Series 2.45% Senior Notes due 2022	694308 HB6		
POLL CONT 96C - LOC (4d) 1	130534 XA3	Series 3.15% First Mortgage Bonds Due 2026 Series 4.50% First Mortgage Bonds Due 2040	694308JP3 694308JQ1
POLL CONT 96E - LOC (4d) 1	130534 XX3		
POLL CONT 96F - LOC (4d) 1	130534 XD7		
POLL CONT 97B - LOC (4d) 1	130534 XL9		
POLL CONT 2009A - LOC 1	13003 W3H4		
POLL CONT 2009B - LOC 1	13003 W3J0		
Revolving Credit Facility	n/a		
Term Loan due 2019	n/a		

<sup>1</sup> First Mortgage Bonds are defined as "New Utility Long-Term/Short-Term Notes" in the Plan.

## Form 8937, Part II, Line 14

On January 28, 2019 (the Petition Date), PG&E Corporation and Pacific Gas and Electric Company (collectively, the “Debtors”) filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of California. PG&E Corporation’s and Pacific Gas and Electric Company’s Chapter 11 Cases are being jointly administered under the caption *In re: PG&E Corporation and Pacific Gas and Electric Company, Case No. 19-30088 (DM)*.

On December 12, 2019, the Debtors filed the *Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated December 12, 2019*, which was thereafter amended, modified, or supplemented on January 31, 2020, February 7, 2020, March 9, 2020, March 16, 2020, May 22, 2020, and June 19, 2020 (together with all exhibits and schedules thereto, the “Plan”).

On June 20, 2020, the United States Bankruptcy Court for the Northern District of California entered the *Order Confirming Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization* (the “Confirmation Order”). On July 1, 2020 (the “Effective Date”), the Debtors satisfied the conditions of the Plan and the Plan became effective.<sup>2</sup>

Pursuant to the Plan:

- Utility Impaired Senior Note Claims are comprised of the 6.05% Senior Notes due March 1, 2034, the 5.8% Senior Notes due March 1, 2037, the 6.35% Senior Notes due February 15, 2038, the 6.25% Senior Notes due March 1, 2039, the 5.4% Senior Notes due January 15, 2040, and the 5.125% Senior Notes due November 15, 2043. On the Effective Date, holders of Utility Impaired Senior Notes received New Utility Long-Term Notes in equal amounts of the following New Utility Long-Term Notes equal to the Utility Impaired Senior Note Claim Principal Amount (i) \$3.1 billion in 4.55% First Mortgage Bonds due in 2030, and (ii) \$3.1 billion in 4.95% First Mortgage Bonds due in 2050.
- Utility Short-Term Senior Note Claims are comprised of the 3.5% Senior Notes due October 1, 2020, the 4.25% Senior Notes due May 15, 2021, the 3.25% Senior Notes due September 15, 2021, and the 2.45% Senior Notes due August 15, 2022. On the Effective Date, holders of Utility Impaired Senior Notes received New Utility Short-Term Notes in equal amounts of the following New Utility Short-Term Notes equal to the Utility Short-Term Senior Note Claim Principal Amount (i) \$875 million in 3.45% First Mortgage Bonds due in 2025, and (ii) \$875 million in 3.75% First Mortgage Bonds due in 2028.

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<sup>2</sup> All capitalized terms not otherwise defined in this disclosure have the same meaning as those defined terms in the Plan.

- Utility Funded Debt Claims are comprised of the Utility Revolver Documents, the Utility Term Loan Documents, and the PC Loan Documents. On the Effective Date, Utility Funded Debt Claims received New Utility Funded Debt Exchange Notes in equal amounts of the following New Utility Funded Debt Exchange Notes equal to the Utility Funded Debt Claim Principal Amount (i) \$1,951 million in 3.15% First Mortgage Bonds due in 2026, and (ii) \$1,951 million in 4.50% First Mortgage Bonds due in 2040.
- Utility Reinstated Senior Note Claims are comprised of all bonds issued by the Utility that will not have matured in accordance with their terms as of September 30, 2020 and are not Utility Impaired Senior Note Claims or Utility Short-Term Senior Note Claims. On the Effective Date, each holder of a Utility Reinstated Senior Note Claim had such claim reinstated. All obligations related to the Utility Reinstated Senior Note Documents were secured on the Effective Date pursuant to the equal and ratable clauses in the applicable indentures to the same extent and against the same collateral as granted to new indebtedness issues by the Utility pursuant to the Plan.

For more information regarding the Exchange, please see the Plan of Reorganization dated December 12, 2019, and the Disclosure Statement dated March 16, 2020, filed with the Bankruptcy Court, available at <https://restructuring.primeclerk.com/pge/Home-DocketInfo>.

### **Form 8937, Part II, Line 15**

*The following summary of certain U.S. federal income tax consequences is for informational purposes only and is not a substitute for careful tax planning and advice based upon your individual circumstances. All Holders of Claims and Interests are urged to consult their tax advisor for the U.S. federal, state, local, and other tax consequences applicable under the Plan.*

Pursuant to the Plan, holders of Allowed Utility Impaired Senior Note Claims, Utility Short-Term Senior Note Claims and Utility Funded Debt Claims will receive (i) cash equal to their Utility Impaired Senior Note Claim Interest Amount, Utility Short-Term Senior Note Claim Interest Amount or their Utility Funded Debt Claims Interest and Charges Amount, as applicable, and (ii) in satisfaction and discharge of the remainder of their Allowed Claims, New Utility Long-Term Notes, New Utility Short-Term Notes or New Utility Funder Debt Exchange Notes (collectively, the "New Utility Notes"), as applicable.

The receipt of a new debt instrument in satisfaction for an existing debt instrument will be treated as an "exchange" for U.S. federal income tax purposes, if the terms of the two instruments (taking into account any related transactions) are significantly different as determined for U.S. federal income tax purposes. The Debtors expect, and the discussion herein assumes, that the receipt of New Utility Notes by a holder of Utility

Senior Note Claims or Utility Funded Debt Claims will be respected as an “exchange” for U.S. federal income tax purposes.

The U.S. federal income tax consequences of the Plan to a U.S. Holder of Utility Senior Note Claims or Utility Funded Debt Claims depends, in part, on whether such claims and the New Utility Notes constitute “securities” for U.S. federal income tax purposes. In the event that the applicable Utility Senior Note Claims, Utility Funded Debt Claims and New Utility Notes constitute “securities” for U.S. federal income tax purposes, a U.S. Holder’s receipt of New Utility Notes in exchange for Allowed Utility Senior Note Claims or Allowed Utility Funded Debt Claims should be treated as a “recapitalization” for U.S. federal income tax purposes. The classification as a recapitalization generally serves to defer the recognition of any gain or loss by the U.S. Holder. However, a U.S. Holder will recognize any gain to the extent of any cash received, other than cash received in respect of accrued but unpaid interest and possibly accrued original issue discount (“OID”). In addition, in the case of an exchange that qualifies as a recapitalization exchange, the Tax Code indicates that any accrued market discount in respect of such Claims should only be currently includable in income to the extent of any gain recognized in the recapitalization exchange.

In the event that an Allowed Utility Senior Note Claim or Allowed Utility Funded Debt Claim, as applicable, does not constitute a “security” for U.S. federal income tax purposes, or the New Utility Note received does not constitute a “security” for U.S. federal income tax purposes, a U.S. Holder of such an Allowed Claim generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the sum of the “issue price” of the New Utility Notes received and the amount of any cash received in satisfaction of its Claims (other than any cash received in respect of a Claim for accrued but unpaid interest), and (ii) the U.S. Holder’s adjusted tax basis in its Claims (other than any tax basis attributable to accrued but unpaid interest). The “issue price” of the New Utility Notes is expected to be the fair market value of such notes at issuance.

The “issue price” of any series of New Utility Notes will depend on whether such notes, or a substantial portion of the Allowed Utility Senior Note Claims or Allowed Utility Funded Debt Claims exchanged for such series of New Utility Notes, are traded on an established market. If, as the Debtors expect, the New Utility Notes are treated for U.S. federal income tax purposes as traded on an established market, the issue price of the New Utility Notes will equal their fair market value on the Effective Date.

To the extent that any consideration received pursuant to the Plan by a U.S. Holder of a Claim is received in satisfaction of interest accrued during its holding period, such amount will be taxable to the U.S. Holder as interest income (if not previously included in the U.S. Holder’s gross income).

### **Form 8937, Part II, Line 16**

In a recapitalization exchange, a U.S. Holder's tax basis in the New Utility Notes as it relates to its Allowed Utility Senior Note Claims or Utility Funded Debt Claims should equal such U.S. holder's adjusted tax basis in its Claims, increased by any gain or interest income recognized in the exchange, and decreased by any deductions claimed in respect of any previously accrued but unpaid interest and the amount of cash received. In general, the holder's holding period for such portion of the New Utility Notes would include the holder's holding period for its Claim, except to the extent that any New Utility Notes are issued in respect of a Claim for accrued but unpaid interest.

In a taxable exchange, a U.S. Holder of Utility Senior Note Claims or Utility Funded Debt Claims will generally have a tax basis in the New Utility Notes received in satisfaction of its Claims equal to the fair market value of such notes. The holder's holding period in the New Utility Notes should begin the day following the Effective Date.

A U.S. Holder generally will not be required to include separately in income cash payments (other than in respect of qualified stated interest) received on its New Utility Notes; instead, such payments will reduce the holder's adjusted tax basis in such interest by the amount of the payment.

### **Form 8937, Part II, Line 17**

Sections 354, 356, 358, 368(a)(1)(E); 1001, 1012, 1273.

### **Form 8937, Part II, Line 18**

A holder that exchanges the notes described in Part 1, lines 9 and 10 under "Debt Instruments Exchanged" for New Utility Notes in an exchange treated as a recapitalization generally will not be permitted to recognize any loss on the exchange.

If the Debt Exchange is a taxable disposition of the notes described in Part 1, lines 9 and 10 under "Debt Instruments Exchanged", a U.S. Holder may be eligible to recognize a loss to the extent such U.S. Holder's adjusted basis in an Existing Note exceeds the amount realized pursuant to such Exchange.

### **Form 8937, Part II, Line 19**

The Exchange was consummated on July 1, 2020. For a holder whose taxable year is the calendar year, the reportable tax year is 2020.

More information relating to these determinations is available on PG&E Corporation's Investor Relations web page: <http://investor.pgecorp.com/investors/default.aspx>