



PG&E Corporation[®]

FOURTH QUARTER EARNINGS CALL

February 10, 2015



Safe Harbor Statements

Management's statements and assumptions about PG&E Corporation's 2015 earnings from operations (including estimates and forecasts of costs, capital expenditures, rate base, and equity issuances) are forward-looking statements that reflect management's judgment and opinions. These statements and assumptions are necessarily subject to various risks and uncertainties, the realization or resolution of which may be outside of management's control. PG&E Corporation and the Utility are not able to predict all the factors that may affect future results. Some of the factors that could cause actual results to differ materially include:

- the final outcomes of the pending CPUC investigations and enforcement matters, the federal criminal prosecution of the Utility, and the other investigations that have been or may be commenced relating to the Utility's compliance with natural gas-related laws and regulations, including the ultimate amount of fines imposed, whether a monitor is appointed to oversee the Utility's natural gas operations, and the ultimate amount of costs related to the Utility's natural gas operations that is disallowed or unrecoverable;
- the timing and outcome of additional regulatory enforcement actions or criminal investigations that may be or have been commenced relating to communications between the Utility and the CPUC and whether such outcomes or investigations negatively affect the final decisions to be issued in the 2015 GT&S rate case, the pending CPUC investigations, or other ratemaking proceedings;
- whether PG&E Corporation and the Utility are able to repair the harm to their reputations caused by negative publicity about the San Bruno accident, the criminal prosecution, the citations issued by the SED against the Utility under the CPUC's gas safety citation program, the state and federal investigations, the CPUC's restrictions on the Utility's communications with the CPUC, and the Utility's ongoing work to remove encroachments from transmission pipeline rights-of-way;
- the amount and timing of additional common stock and debt issuances by PG&E Corporation;
- the ability of PG&E Corporation and the Utility to access capital markets and other sources of debt and equity financing in a timely manner on acceptable terms;
- changes in credit ratings that could result in increased borrowing costs especially if PG&E Corporation or the Utility were to lose its investment grade credit ratings;
- whether the ultimate outcome of investigations and enforcement proceedings affects the Utility's ability to make distributions to PG&E Corporation, and, in turn, PG&E Corporation's ability to pay dividends;
- the occurrence of events, including cyber-attacks, that cause unplanned outages, reduce generating output, disrupt service to customers, damage property owned by the Utility or third parties, subject the Utility to claims by third parties, or result in the imposition of civil, criminal, or regulatory penalties on the Utility;
- the impact of changes in GAAP, standards, rules, or policies, including those related to regulatory accounting, and the impact of changes in their interpretation or application; and
- the other factors disclosed in PG&E Corporation's and the Utility's joint Annual Report on Form 10-K for the year ended December 31, 2014.

This presentation is not complete without the accompanying statements made by management during the webcast conference call held on February 10, 2015.

This presentation, including Appendices, and the accompanying press release were attached to PG&E Corporation's Current Report on Form 8-K that was furnished to the Securities and Exchange Commission on February 10, 2015 and, along with the replay of the conference call, is also available on PG&E Corporation's website at www.pge-corp.com.



Key Focus Areas

Resolve gas issues

- Execute critical gas work
- Complete regulatory and legal proceedings as soon as possible

Position company for success

- Rigorous multi-year planning
- Drive continuous improvement

Partner effectively

- Strengthen local presence
- Engage in public policy development

Executing on Operations

2014 Operational Results

- Record reliability (SAIDI) 6th year in a row
- Highest customer satisfaction score since 2009
- Renewables exceeded 25% of electric power provided

Gas Safety Work in 2014

- Tested, or validated through records, 190 miles of pipeline
- Replaced or installed 31 miles of pipeline
- Installed 74 automated valves
- Conducted in-line inspections on 421 miles of pipeline
- Completed cast iron distribution pipe replacement program

Regulatory Update

- **Gas Investigations** – Awaiting decision
- **Gas Transmission and Storage rate case** – Schedule resumed. Hearings Feb 2-27, final decision anticipated August 2015
- **Cost of Capital** – Mechanism extended through end of 2016



2014 Earnings Results

	Q4		2014	
	Earnings (millions)	EPS	Earnings (millions)	EPS
Earnings from Operations	\$ 253	\$ 0.53	\$ 1,648	\$ 3.50
Items Impacting Comparability				
Natural Gas Matters	(122)	(0.26)	(216)	(0.45)
Environmental Related Costs	-	-	4	0.01
Earnings on a GAAP Basis	\$ 131	\$ 0.27	\$ 1,436	\$ 3.06

Natural Gas Matters (millions, pre-tax)		
	Q4	2014
Pipeline related expenses ⁽¹⁾	\$ (102)	\$ (347)
Disallowed capital	(116)	(116)
Accrued fines	(12)	(12)
Third-party liability claims	7	7
Insurance recoveries	26	112
Total	\$ (197)	\$ (356)

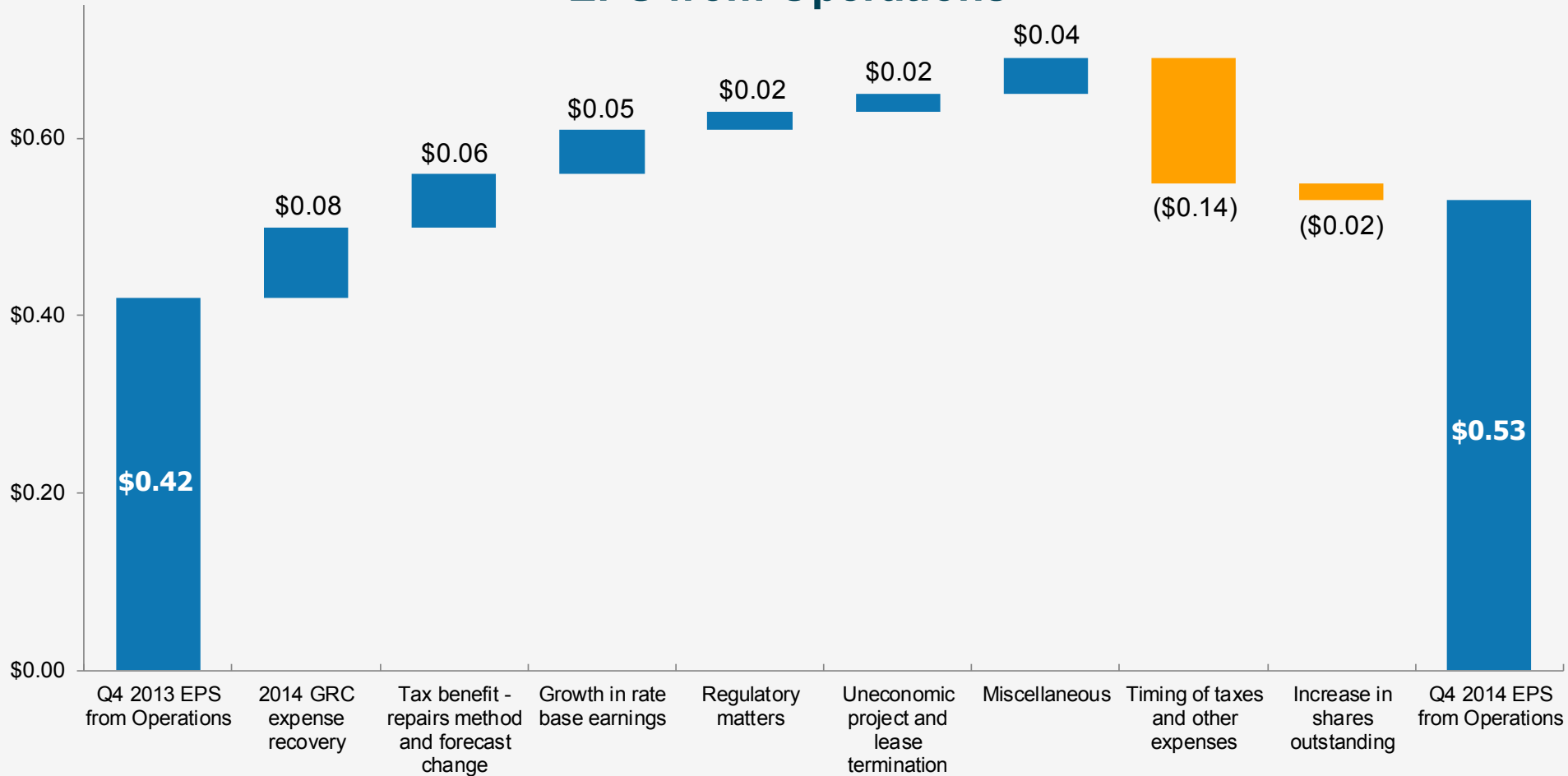
⁽¹⁾ These amounts included pipeline-related costs to perform work under the Utility's PSEP and other activities associated with safety improvements to the Utility's natural gas system, as well as legal and other costs related to natural gas matters and regulatory communications.

Earnings from Operations is not calculated in accordance with GAAP and excludes items impacting comparability. See Exhibit A in Appendix 2 for a reconciliation of Earnings per Share ("EPS") from Operations to EPS on a GAAP basis.



Q4 2014: Quarter over Quarter Comparison

EPS from Operations



Earnings per Share from Operations is not calculated in accordance with GAAP and excludes items impacting comparability. See Exhibit A in Appendix 2 for a reconciliation of EPS from Operations to EPS on a GAAP basis.



Assumptions for 2015

Capital Expenditures (\$ millions)

	<u>2015</u>
Electric Distribution	1,950
Electric Transmission	1,150
Gas Transmission	600-800
Gas Distribution	900
Generation	700
Separately Funded	
PSEP*	<u>100</u>
Total CapEx	~5.5 billion

*Amounts previously reserved for limits on PSEP authorized spend

Authorized Rate Base (weighted average) (\$ billions)

	<u>2015</u>
Electric Distribution	13.1
Electric Transmission	5.1
Gas Transmission	3.3-3.4
Gas Distribution	4.1
Generation	<u>5.4</u>
Total Rate Base	~31 billion

Authorized Cost of Capital*

Return on Equity:	10.4%
Equity Ratio:	52%

*CPUC authorized

Other Factors Affecting Earnings from Operations

- Gas Transmission & Storage rate case
 - Outcome of rate case
 - Amounts not requested
- + Tax benefits
- + Incentive revenues
- + Monetizing shares in SolarCity

CWIP earnings: offset by below-the-line costs



2015 Items Impacting Comparability

(\$ millions, pre-tax)	2015
Pipeline Related Expenses	100 - 150
Legal and Regulatory Related Expenses	25 - 75
Fines and Penalties	—
2015 Items Impacting Comparability Total	125 - 225

Guidance ranges exclude potential fines or penalties and any future insurance recoveries.

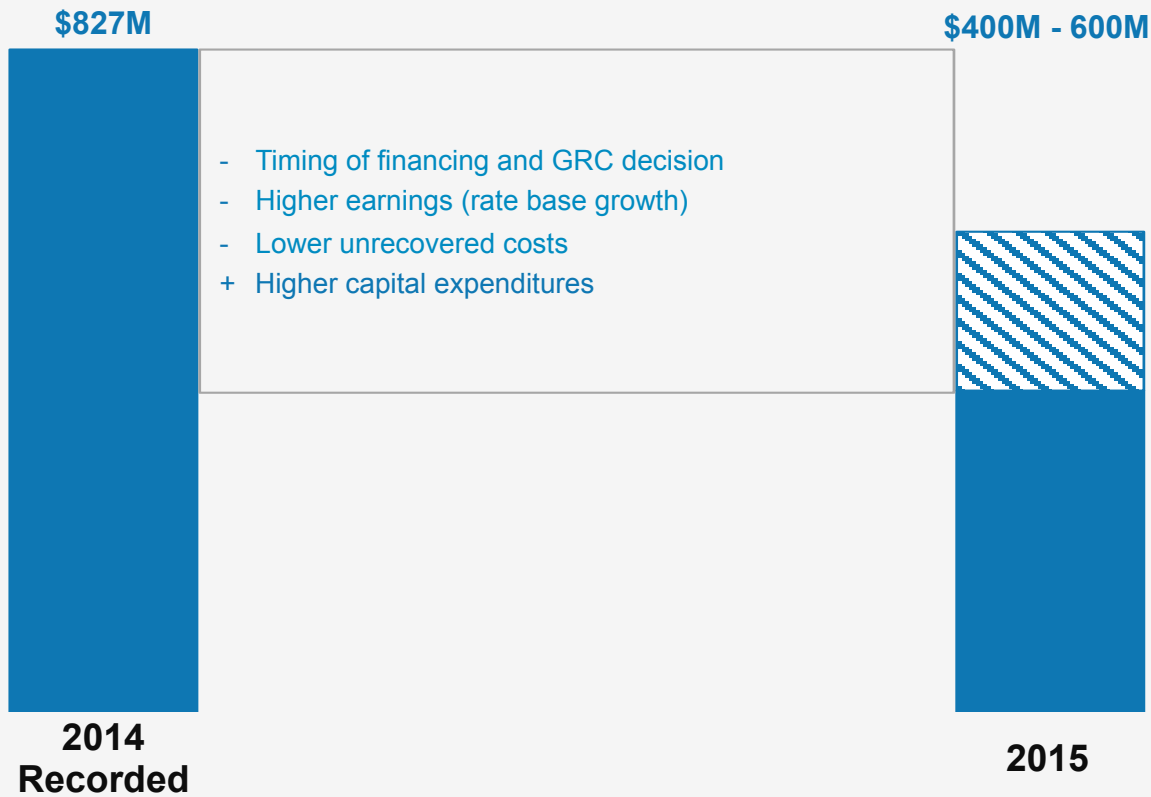
“Pipeline related expenses” includes costs for rights of way encroachment and unrecovered PSEP expenses. “Legal and regulatory related expenses” includes legal and other costs incurred in connection with various enforcement, regulatory, and litigation activities regarding natural gas matters and regulatory communications. “Fines and penalties” includes future fines or penalties resulting from these matters. See Exhibit E in Appendix 2 for detailed 2015 Item Impacting Comparability guidance.

See the Safe Harbor Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions.



2015 Equity Issuance

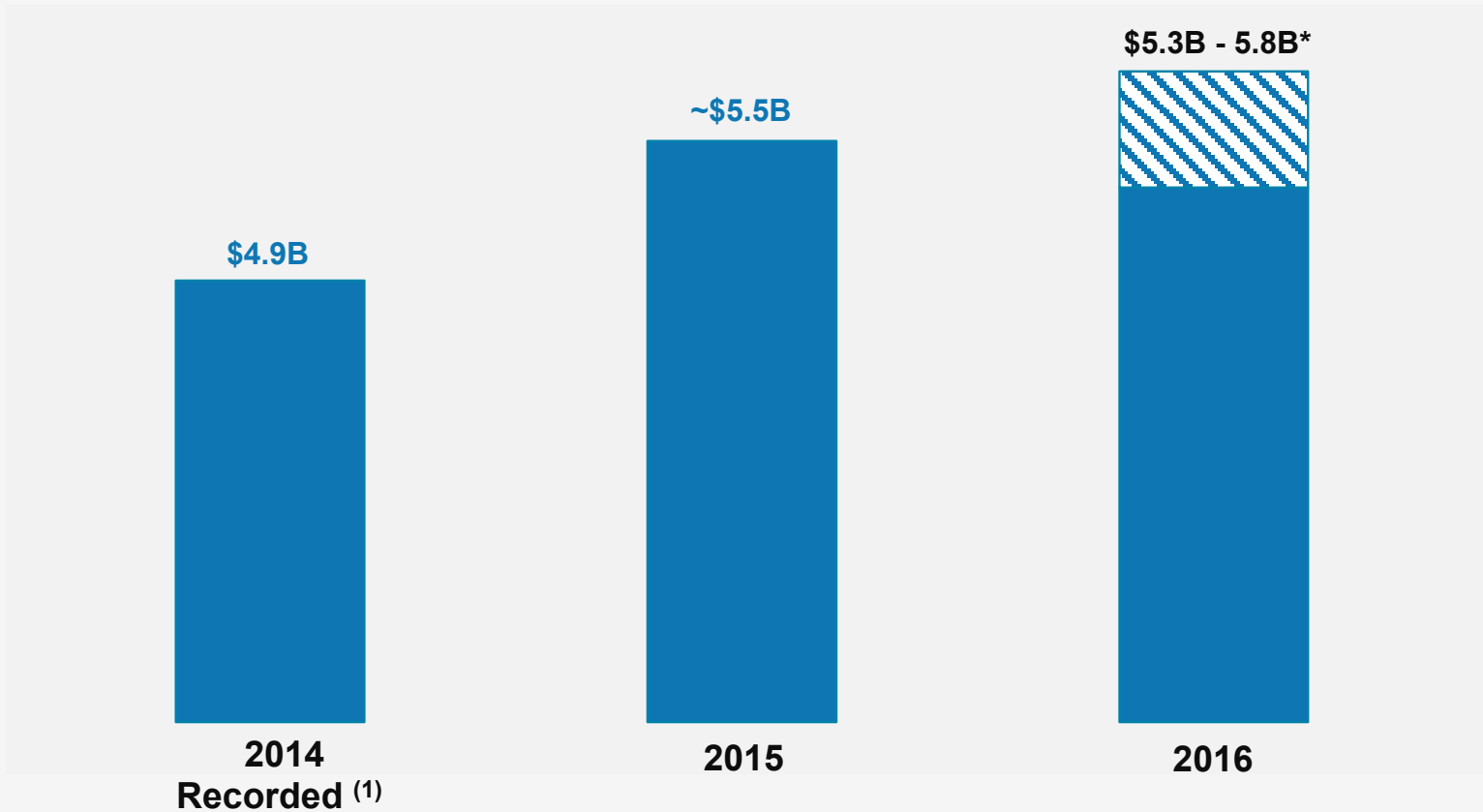
Does not reflect resolution of pending investigations or other enforcement matters



2014 EOY shares outstanding: 476M



Capital Expenditures 2014-2016



* Range reflects recent regulatory decisions, current or planned regulatory filings, and historic spending patterns.

⁽¹⁾ 2014 recorded capex includes ~\$400 million that has already been reserved for PSEP capital that exceeds authorized amounts.

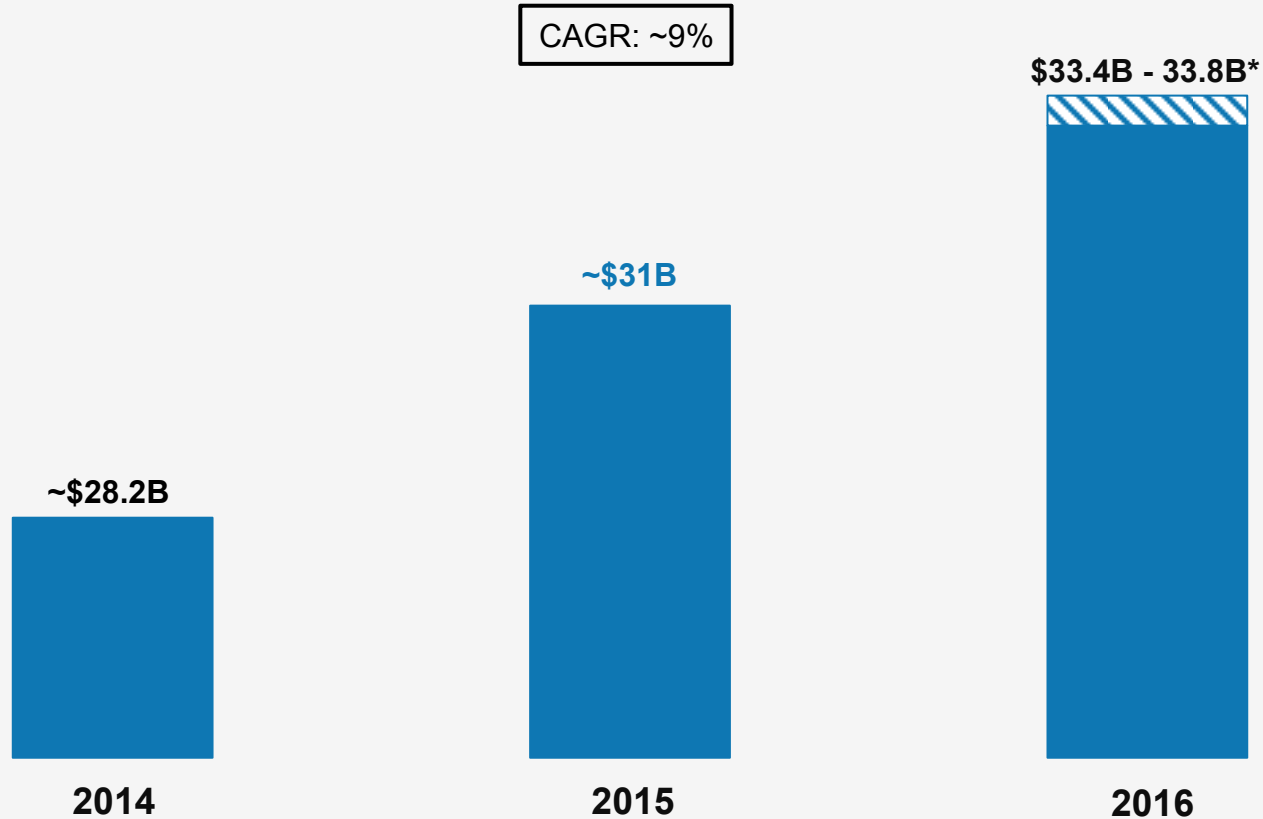
Changes from prior quarter are noted in blue.

See the Safe Harbor Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions.



Rate Base Growth 2014-2016

2014-2016 Weighted Average Authorized Rate Base



* Range reflects recent regulatory decisions, current or planned regulatory filings, and historic spending patterns.

Changes from prior quarter are noted in blue.

See the Safe Harbor Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions.



Appendix 1 – Regulatory and Guidance Matters

- Updates to Appendix 1 Since the Previous Quarter slide 13

Rate Cases

- 2015 CPUC Gas Transmission and Storage Rate Case slide 14
- CPUC General Rate Cases slide 15
- FERC Transmission Owner Rate Case slide 16

Natural Gas Matters

- Gas Regulatory Proceedings Schedule slide 17
- Gas Pipeline Safety Costs slide 18
- Presiding Officers' Joint Penalty Decision: Estimated Total Shareholder Impact slide 19
- Incremental Equity Factors slide 20



Updates to Appendix 1 Since the Previous Quarter

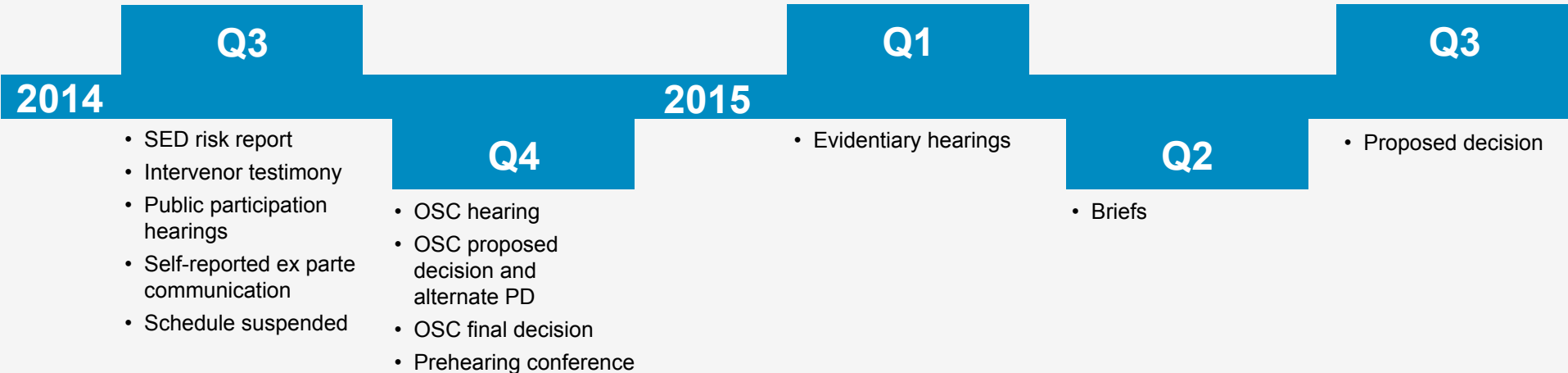
- **Slide 14** 2015 CPUC Gas Transmission and Storage Rate Case
- **Slide 15** CPUC General Rate Cases
- **Slide 16** FERC Transmission Owner Rate Case
- **Slide 17** Gas Regulatory Proceedings Schedule
- **Slide 18** Gas Pipeline Safety Costs
- **Slide 19** Presiding Officers' Joint Penalty Decision: Estimated Total Shareholder Impact



2015 CPUC Gas Transmission and Storage Rate Case

- **Application filed with the CPUC on December 19, 2013**
- **Request for authorized revenue requirement for 2015-2017**
 - Includes operating costs and capital for CPUC jurisdictional gas transmission and storage
- **2015 requested revenue requirement of \$1.3 billion includes increase of \$555 million**
 - Request reflects significant expense and capital to comply with new gas regulations
 - Requested attrition increases of \$61 million and \$168 million in 2016 and 2017, respectively
- **ALJ approved revenue requirement retroactivity to January 1, 2015**
- **Decision on Order to Show Cause, November 20, 2014, includes potential disallowance of up to five months of the increase in the authorized revenue requirement.**

Assigned Commissioner: Peterman (Commissioner Florio recused from proceeding)
Administrative Law Judge: Yip-Kikugawa (case reassigned from Wong)





CPUC General Rate Cases

2014 GRC

- **General Rate Case set base revenue requirement for 2014-2016**

- Includes operating costs and capital for generation and electric and gas distribution
- Excludes cost of capital determination, electric transmission, gas transmission, and cost of fuel and purchased power

- **Final decision adopted an increase of \$460 million compared to the requested increase of \$1.16 billion**

- Decision in August 2014; revenues retroactive to January 1, 2014
- Decision adopted attrition increases for 2015 and 2016 of \$324 million and \$371 million, compared to the requested increases of \$436 million and \$486 million, respectively
- The CPUC approved balancing account treatment for recovery of costs associated with gas leak survey and repair (up to a cap), major emergencies, and certain new regulatory requirements related to nuclear operations and hydroelectric relicensing.

2017 GRC

- **Request to be filed September 2015**



FERC Transmission Owner Rate Case

TO16

- **July 30, 2014** – TO16 filed with FERC
- Requested revenue requirement of \$1.366 billion and ROE of 11.26%
- **September 30, 2014** – TO16 was accepted and rate changes suspended until March 1, 2015
- **February 25 and 26, 2015** – Next settlement conference



Gas Regulatory Proceedings Schedule

	December	January	February	March
Gas Pipeline Safety OIR R. 11-02-019		1/23: Proposed decision on GO 112 (pipeline safety) rule revisions 1/30: PSEP quarterly compliance filing	2/26: CPUC to vote on GO 112 (pipeline safety) rule revisions	
Gas Distribution OIR and Order to Show Cause I. 14-11-008	12/22: Parties respond to OIR 12/29: Parties' reply comments on OSC			
Recordkeeping OIR I. 11-02-016 Class Location OIR I. 11-11-009 Gas Pipeline OIR I. 12-01-007				
Order to Show Cause - Ex Parte A. 13-12-012	12/26: PG&E files request for rehearing			



Gas Pipeline Safety Costs

Shareholder Funded Gas Transmission Safety-Related Costs

(\$ millions)

	2010-2014	2015 and Beyond Estimated Forecast	Total
<u>Pipeline Safety Enhancement Plan (PSEP)</u>			
PSEP Expense	885	~25 ⁽¹⁾	
PSEP Capital	455	~210 ⁽²⁾	
Total PSEP	1,340	~235	\$1,575
Gas Accord V*	~760	~500	\$1,260
Total Shareholder Funded (PSEP and Gas Accord V)			~\$2,800

⁽¹⁾ Estimated 2015 PSEP Expenses

⁽²⁾ Includes PSEP capital charges incurred in Q4 2012, Q3 2013, and Q4 2014

* Expenses in excess of amounts authorized in 2011-2014 Gas Transmission & Storage Rate Case ("Gas Accord V")

PSEP Costs: Customer Recovery

(\$ millions)

Previously Authorized (Dec. 2012)		
	Expense	Capital
2011	0	47.2
2012	2.6	260.3
2013	73.3	348.2
2014	89.2	348.0
Total	\$165.0	\$1,003.8

Updated for Settlement (Jul. 2014)		
	Expense	Capital
2011	0	42.0
2012	2.6	194.0
2013	58.2	354.1
2014	50.0	176.1
Total	\$110.8	\$766.2

Changes from prior quarter are noted in blue.



Presiding Officers' Joint Penalty Decision: Estimated Total Shareholder Impact

(\$ millions)	ALJs' penalty decision	SED penalty recommendation
Fine payable to the State General Fund	\$ 950	300
Refund of PSEP ⁽¹⁾ revenues previously authorized	400	
Additional estimated unrecoverable costs ⁽²⁾	50	1,515
Total penalty	\$ 1,400	
PSEP costs previously disallowed	635	435
Total penalty and PSEP cost disallowance	\$ 2,035	\$ 2,250
Gas pipeline safety costs incurred or committed ⁽³⁾	~ 2,800	~ 2,800
Less: Credit for PSEP costs previously disallowed / shareholder-funded spending	(635)	(435)
Total estimated shareholder impact before non-deductibility of fines	\$ 4,200	\$ 4,615
Estimated impact of non-deductibility of fines for tax purposes ⁽⁴⁾	650	210
Total estimated shareholder impact (pre-tax)	\$ 4,850	\$ 4,825

(1) Refer to PG&E Corporation's and the Utility's 2014 joint Annual Report on Form 10-K for the year ended December 31, 2014 for additional information regarding costs incurred under the Utility's pipeline safety enhancement plan ("PSEP").

(2) The penalty decision estimates that the Utility would incur at least \$50 million to implement remedial measures. Actual costs could differ materially based on the scope and timing of work. In addition, the penalty decision requires shareholders to reimburse interveners for legal and litigation expenses.

(3) Actual and forecast costs borne by shareholders for gas pipeline safety work, 2010 and beyond, including previously disallowed PSEP costs.

(4) Estimated impact calculated based on the Utility's statutory tax rate.

Changes from prior quarter are noted in blue.

See the Safe Harbor Statements for factors that could cause actual results to differ materially from the guidance presented and underlying assumptions.



Incremental Equity Factors

Incremental Equity Factors Associated with Gas Matters

<u>Equity Impacting Event</u>	<u>Multiplier</u>
Fine paid to state General Fund ⁽¹⁾	100%
Unrecovered expenses ⁽²⁾ ⁽³⁾	60%
Capital write-off ⁽³⁾	30%

⁽¹⁾ Applies to newly issued fines. Fines already accrued: 50% multiplier at time of payment

⁽²⁾ Applies to expenses in the year in which they are incurred

⁽³⁾ Assumes costs tax deductible



Appendix 2 – Supplemental Earnings Materials

Exhibit A: Reconciliation of PG&E Corporation Earnings from Operations to Consolidated Income Available for Common Shareholders in Accordance with GAAP	slide 22
Exhibit B: Key Drivers of PG&E Corporation Earnings per Common Share from Operations	slide 23
Exhibit C: Operational Performance Metrics	slide 24-25
Exhibit D: Sales and Sources Summary	slide 26
Exhibit E: PG&E Corporation Guidance for Items Impacting Comparability (“IIC”)	slide 27
Exhibit F: General Earnings Sensitivities	slide 28
Exhibit G: Summary of Selected Regulatory Cases	slide 29-35



Exhibit A: Reconciliation of PG&E Corporation Earnings from Operations to Consolidated Income Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles (“GAAP”)

Fourth Quarter and full year, 2014 vs. 2013
(in millions, except per share amounts)

	Three Months Ended December 31,				Twelve Months Ended December 31,			
	Earnings		Earnings per Common Share (Diluted)		Earnings		Earnings per Common Share (Diluted)	
	2014	2013	2014	2013	2014	2013	2014	2013
PG&E Corporation’s Earnings from Operations ⁽¹⁾	\$ 253	\$ 191	\$ 0.53	\$ 0.42	\$ 1,648	\$ 1,210	\$ 3.50	\$ 2.72
Items Impacting Comparability: ⁽²⁾								
Natural gas matters ⁽³⁾	(122)	(105)	(0.26)	(0.23)	(216)	(392)	(0.45)	(0.88)
Environmental-related costs ⁽⁴⁾	-	-	-	-	4	(4)	0.01	(0.01)
PG&E Corporation’s Earnings on a GAAP basis	\$ 131	\$ 86	\$ 0.27	\$ 0.19	\$ 1,436	\$ 814	\$ 3.06	\$ 1.83

- (1) “Earnings from operations” is not calculated in accordance with GAAP and excludes items impacting comparability as described in Note (2) below.
- (2) Items impacting comparability reconcile earnings from operations with Consolidated Income Available for Common Shareholders as reported in accordance with GAAP.
- (3) The Utility incurred net costs of \$197 million and \$356 million pre-tax, during the three and twelve months ended December 31, 2014, respectively, in connection with natural gas matters. These amounts included pipeline-related costs to perform work under the Utility’s pipeline safety enhancement plan (“PSEP”) and other activities associated with safety improvements to the Utility’s natural gas system, as well as legal and other costs related to natural gas matters, including \$7 million for legal costs related to regulatory communications. A charge of \$116 million was also recorded for PSEP capital expenditures, reflecting forecasted capital expenditures in 2015 and beyond that are expected to exceed the amount authorized for recovery. Accrued fines includes a charge for violations related to the Carmel incident of \$10.85 million and for violations of the rules governing ex parte communications of \$1.05 million. These costs were partially offset by insurance recoveries and the resolution of all remaining third-party claims related to the San Bruno accident, which resulted in a reduction to the accrual for third-party liability claims.

(pre-tax)	Three Months Ended December 31, 2014	Twelve Months Ended December 31, 2014
Pipeline-related expenses	\$ (102)	\$ (347)
Disallowed capital	(116)	(116)
Accrued fines	(12)	(12)
Third-party liability claims	7	7
Insurance recoveries	26	112
Natural gas matters	\$ (197)	\$ (356)

- (4) After the State of California established a final drinking water standard for hexavalent chromium that became effective on July 1, 2014, the Utility discontinued its whole house water replacement program associated with remediation at the Utility’s natural gas compressor station located near Hinkley, California. Accordingly, the Utility reduced its accrual related to the whole house water program by \$7 million, pre-tax, in the third quarter of 2014. No additional amounts were recorded during the three months ended December 31, 2014.



Exhibit B: Key Drivers of PG&E Corporation Earnings per Common Share (“EPS”) from Operations

Fourth Quarter and full year, 2014 vs. 2013 (\$/Share, Diluted)

Fourth Quarter 2013 EPS from Operations ⁽¹⁾	\$ 0.42
2014 GRC expense recovery ⁽²⁾	0.08
Tax benefit – repairs method and forecast change ⁽³⁾	0.06
Growth in rate base earnings	0.05
Regulatory matters ⁽⁴⁾	0.02
Uneconomic project and lease termination	0.02
Miscellaneous	0.04
Timing of taxes and other expenses ⁽⁵⁾	(0.14)
Increase in shares outstanding	(0.02)
Fourth Quarter 2014 EPS from Operations ⁽¹⁾	\$ 0.53
2013 EPS from Operations ⁽¹⁾	\$ 2.72
2014 GRC expense recovery ⁽²⁾	0.29
Tax benefit – repairs method and forecast change ⁽³⁾	0.24
Growth in rate base earnings	0.21
Gain on disposition of SolarCity stock	0.06
Regulatory matters ⁽⁴⁾	0.04
Gas transmission revenues	0.02
Uneconomic project and lease termination	0.02
Timing of taxes and other expenses ⁽⁵⁾	0.00
Miscellaneous	0.05
Increase in shares outstanding	(0.15)
2014 EPS from Operations ⁽¹⁾	\$ 3.50

- (1) See Exhibit A for a reconciliation of EPS from Operations to EPS on a GAAP basis.
- (2) In 2013, the Utility incurred approximately \$200 million of expense and \$1 billion of capital costs above authorized levels. The 2014 GRC decision authorized revenues that support this higher level of spending in 2014 and throughout the GRC period. The amounts in the table represent the after-tax higher authorized revenue recognized during the three and twelve months ended December 31, 2014, for the recovery of these expenses and costs.
- (3) Represents the favorable impact of recent IRS guidance and forecast changes based on flow-through ratemaking treatment for federal tax deductions resulting from temporary differences attributable to repairs and certain other property-related costs as reflected in the revenue requirements authorized in the 2014 GRC decision.
- (4) Includes customer energy efficiency incentive awards.
- (5) Represents the timing of taxes reportable in quarterly statements, nuclear refueling, and other expenses.



Exhibit C: Operational Performance Metrics

	2014 Performance Results		
	2014 Actual	2014 Target	Meets Target
Safety (includes both public and employee safety metrics)			
<u>Nuclear Operations Safety</u>			
Unit 1 Performance Indicator	84.22	94.00	-
Unit 2 Performance Indicator	84.43	88.00	-
<u>Gas Operations Safety</u>			
Gas Dig-ins Reduction	2.42	2.60	✓
Gas Emergency Response	19.95	21.00	✓
<u>Electric Operations Safety</u>			
Transmission & Distribution Wires Down	(8.96)%	0%	-
911 Emergency Response	94.1%	93.6%	✓
<u>Employee Safety</u>			
Lost Workday Case Rate	0.376	0.271	-
Serious Preventable Motor Vehicle Incident Rate	0.274	0.221	-
Customer			
Customer Satisfaction Score	76.5	75.7	✓
Gas In-Line Inspection and Upgrade Index	1.56	1.00	✓
Gas Asset Mapping Duration	29	32	✓
Execute Gas Pipeline Safety Work Index	0.92	1.00	-
System Average Interruption Duration Index (SAIDI)	110.21	115.00	✓
Financial			
Earnings from Operations (in millions)	\$1,648	See note ⁽¹⁾	See note ⁽¹⁾

See following page for definitions of the operational performance metrics.

(1) The 2014 target for earnings from operations is not publicly reported.



Definitions of 2014 Operational Performance Metrics from Exhibit C

Safety

Public and employee safety are measured in four areas: (1) Nuclear Operations Safety, (2) Gas Operations Safety, (3) Electric Operations Safety, and (4) Employee Safety.

1. The safety of the Utility's nuclear power operations, Unit 1 and Unit 2, is an index comprised of 12 performance indicators for nuclear power generation that are regularly benchmarked against other nuclear power generators.
2. The safety of the Utility's natural gas operations is represented by (a) the number of third party "dig-ins" (i.e., damage resulting in repair or replacement of underground facility) to Utility gas assets per 1,000 Underground Service Alert tickets; and (b) the timeliness (measured in minutes) of on-site response to gas emergency service calls.
3. The safety of the Utility's electric operations is represented by (a) the percentage improvement in the number of wire down events with resulting sustained unplanned outages compared to the same report period of the previous year, and (b) the percentage of time that Utility personnel are on site within 60 minutes after receiving a 911 call of a potential PG&E electric hazard.
4. The safety of the Utility's employees is represented by (a) the number of lost workday cases incurred per 200,000 hours worked (or for approximately every 100 employees), and (b) the number of serious preventable motor vehicle incidents that the driver could have reasonably avoided, per one million miles driven.

Customer

Customer satisfaction and service reliability are measured by:

1. The overall satisfaction (measured as a score of zero to 100) of customers with the products and services offered by the Utility, as measured through a quarterly survey performed by an independent third-party research firm.
2. The Utility's ability to complete planned in-line inspections and pipeline retrofit projects, measured by two equally weighted components of (a) In-Line Inspections and (b) In-Line Upgrades.
3. The timeliness (measured in days) of gas asset information being entered into the Utility's gas mapping system after a gas project is completed.
4. The efficient completion of certain committed work for gas operations-related programs. The index is comprised of three components related to the completion of committed work and the cost of completing the work.
5. The total time (measured in minutes) the average customer is without electric power during a given time period.

Financial

Earnings from operations measures PG&E Corporation's earnings power from ongoing core operations. It allows investors to compare the underlying financial performance of the business from one period to another, exclusive of items that management believes do not reflect the normal course of operations (items impacting comparability).

Earnings from operations is not calculated in accordance with GAAP. For a reconciliation of earnings from operations to earnings in accordance with GAAP, see Exhibit A.



Exhibit D: Pacific Gas and Electric Company Sales and Sources Summary

Fourth Quarter and full year, 2014 vs. 2013

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2014	2013	2014	2013
Sales from Energy Deliveries (in millions kWh)	20,944	20,829	86,303	86,513
Total Electric Customers at December 31			5,276,025	5,243,216
Total Gas Sales (in Bcf)	214	235	870	910
Total Gas Customers at December 31			4,394,283	4,378,797
Sources of Electric Energy (in millions kWh)				
Total Utility Generation	7,444	8,063	28,794	31,440
Total Purchased Power	11,496	10,808	52,008	49,941
Total Electric Energy Delivered ⁽¹⁾	20,944	20,829	86,303	86,513
Diablo Canyon Performance				
Overall Capacity Factor (including refuelings)	79%	98%	87%	92%
Refueling Outage Period	10/5/14-11/6/14	None	2/9/14-3/13/14, 10/5/14-11/6/14	2/3/13-3/23/13
Refueling Outage Duration during the Period (days)	32	None	65	49

⁽¹⁾ Includes other sources of electric energy totaling 2,004 kWh and 1,958 kWh for the three months ended December 31, 2014 and 2013, respectively, and 5,501 kWh and 5,132 kWh for the twelve months ended December 31, 2014 and 2013, respectively.

Please see the 2014 Annual Report on Form 10-K for additional information about operating statistics.



Exhibit E: PG&E Corporation Guidance for Items Impacting Comparability (“IIC”)

2015 IIC Guidance (in millions, after-tax)	Low Earnings	High Earnings
Estimated Items Impacting Comparability: ⁽¹⁾		
Pipeline related expenses ⁽²⁾	\$ (89)	\$ (59)
Legal and regulatory related expenses ⁽³⁾	\$ (44)	\$ (15)
Fines and penalties ⁽⁴⁾	—	—
Estimated IIC Guidance ⁽⁵⁾	\$ (133)	\$ (74)

- (1) Items impacting comparability are those items that management believes do not reflect the normal course of operations. These items are excluded when calculating “earnings from operations” which is a non-GAAP measure that allows investors to compare the underlying financial performance of the business from one period to another. These items are included in calculating Consolidated Income Available for Common Shareholders in accordance with GAAP.
- (2) “Pipeline related expenses” includes costs to perform remaining work associated with the Utility’s Pipeline Safety Enhancement Plan and costs related to the Utility’s multi-year effort to identify and remove encroachments from transmission pipeline rights-of-way. The pre-tax range of estimated costs is shown below.

(in millions, pre-tax)	2015	
	Low earnings guidance range	High earnings guidance range
Pipeline related expenses	\$ (150)	\$ (100)

- (3) “Legal and regulatory related expenses” includes legal and other costs incurred in connection with various enforcement, regulatory, and litigation activities regarding natural gas matters and regulatory communications. The pre-tax range of estimated costs is shown below.

(in millions, pre-tax)	2015	
	Low earnings guidance range	High earnings guidance range
Legal and regulatory related expenses	\$ (75)	\$ (25)

- (4) “Fines and penalties” includes future fines or penalties resulting from various enforcement, regulatory and litigation activities regarding natural gas matters and regulatory communications. Guidance does not include amounts for such fines or penalties, which could have a material impact on PG&E Corporation and the Utility’s financial results.
- (5) The guidance provided does not include any additional insurance recoveries for third-party liability claims related to the San Bruno accident. The Utility recognizes insurance recoveries when they are deemed probable under applicable accounting standards. Guidance also does not include potential environmental-related costs that the Utility could incur if the final order for remediation at Hinkley is more onerous than the Utility’s proposal.



Exhibit F: General Earnings Sensitivities
PG&E Corporation and Pacific Gas and Electric Company

Variable	Description of Change	Estimated 2015 Earnings Impact
Rate base	+/- \$100 million change in allowed rate base	+/- \$5 million
Return on equity (ROE)	+/- 0.1% change in allowed ROE	+/- \$16 million
Share count	+/- 1% change in average shares	+/- \$0.04 per share
Revenues	+/- \$8 million change in at-risk revenue (pre-tax), including Electric Transmission and Gas Transmission	+/- \$0.01 per share

These general earnings sensitivities with respect to factors that may affect 2015 earnings are forward-looking statements that are based on various assumptions. Actual results may differ materially. For a discussion of the factors that may affect future results, see the Safe Harbor Statements.



Exhibit G: Pacific Gas and Electric Company Summary of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
2015 Gas Transmission and Storage Rate Case	A.13-12-012	<p>Dec 19, 2013 – Application filed</p> <p>Jan 16, 2014 – PG&E workshop</p> <p>Mar 7, 2014 – Supplemental testimony served</p> <p>Mar 12, 2014 – Prehearing conference</p> <p>Jul 15, 2014 – Supplemental testimony served</p> <p>Aug 11, 2014 – ORA and Intervenor testimony</p> <p>Aug 12, 2014 – Public participation hearings begin</p> <p>Sep 9, 2014 – Public participation hearings conclude</p> <p>Sep 15, 2014 – Rebuttal testimony</p> <p>Sep 15, 2014 – PG&E files notice of improper ex parte communications</p> <p>Sep 17, 2014 – Order to Show Cause regarding ex parte communications</p> <p>Sep 24, 2014 – Case temporarily reassigned to Chief ALJ</p> <p>Sep 25, 2014 – GT&S hearing and subsequent proceeding schedule suspended</p> <p>Oct 1, 2014 – Case reassigned to ALJ Yip-Kikugawa</p> <p>Oct 2, 2014 – Responses to Order to Show Cause</p> <p>Oct 7, 2014 – Hearing on Order to Show Cause</p> <p>Oct 16, 2014 – Proposed Decision and Alternate Proposed Decision in Order to Show Cause</p> <p>Oct 20, 2014 – Prehearing Conference</p> <p>Nov 5, 2014 – Comments on Proposed and Alternate Proposed Decisions in Order to Show Cause</p> <p>Nov 10, 2014 – Reply comments on Proposed and Alternate Proposed Decisions in Order to Show Cause</p> <p>Nov 20, 2014 – Final Decision and penalty issued in Order to Show Cause</p> <p>Dec 19, 2014 – Supplemental comments on potential remedies regarding delayed schedule and SED report</p> <p>Dec 30, 2014 - ORA Supplemental Testimony</p> <p>Jan 9, 2015 – Supplemental reply comments</p> <p>Jan 12, 2015 – PG&E Rebuttal to ORA Supplemental Testimony</p> <p>Feb 2-27, 2015 – Evidentiary hearings</p> <p>Spring 2015 – Opening briefs (4 weeks after hearings conclude)</p> <p>Spring 2015 – Reply briefs (2 weeks after opening briefs)</p> <p>Aug 2015 – Final decision anticipated</p>



Exhibit G: Pacific Gas and Electric Company Summary of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
Transmission Owner Rate Case (TO15)	ER13-2022	<p>Jul 24, 2013 – PG&E filed TO15 rate case seeking an annual revenue requirement for 2014</p> <p>Aug 14, 2013 – Comments/interventions due to FERC on TO15</p> <p>Sep 24, 2013 – FERC accepted filing making rates effective October 1, 2013 subject to refund</p> <p>Oct 16, 2013 – FERC settlement conference</p> <p>Jan 8-9, 2014 – FERC settlement conference</p> <p>Feb 11-12, 2014 – FERC settlement conference</p> <p>Apr 10-11, 2014 – FERC settlement conference</p> <p>May 14-15, 2014 – FERC settlement conference</p> <p>Jun 2, 2014 – FERC settlement conference</p> <p>Jun 12, 2014 – FERC settlement conference - settlement in principle</p> <p>Jul 15, 2014 – TO15 settlement filed at FERC</p> <p>Nov 7, 2014 – FERC approves settlement</p>
Transmission Owner Rate Case (TO16)	ER14-2529	<p>Jul 30, 2014 – PG&E filed TO16 rate case seeking an annual revenue requirement for 2015</p> <p>Aug 20, 2014 - Comments/interventions due to FERC on TO16</p> <p>Sep 30, 2014 – FERC accepted filing making rates effective March 1, 2015 subject to refund</p> <p>Oct 15, 2014 – FERC settlement conference</p> <p>Jan 14-15, 2015 – FERC settlement conference</p> <p>Feb 25-26, 2015 – FERC settlement conference</p>
2014 General Rate Case <i>Phase II: Rate Design for 2015-2017</i>	A.13-04-020	<p>Apr 18, 2013 – Application filed (Phase II)</p> <p>Nov 15, 2013 – ORA testimony</p> <p>Dec 13, 2013 – Intervenor testimony</p> <p>Apr 18, 2014 – Update report on settlement discussions</p> <p>May 16, 2014 – Update report on settlement discussions</p> <p>Jun 6, 2014 – Update report on settlement discussions</p> <p>Jul 31, 2014 – Update report on settlement discussions</p> <p>Aug 29, 2014 – Update report on settlement discussions</p> <p>Sep 19, 2014 – Rebuttal testimony</p> <p>Oct 8, 2014 – Update report on settlement discussions</p> <p>Oct 9, 2014 – Evidentiary hearings</p> <p>Nov 3, 2014 – Opening briefs</p> <p>Nov 21, 2014 – Reply briefs</p> <p>Dec 5, 2014 – Request for oral argument</p>
Gas Transmission System Records Order Instituting Investigation	1.11-02-016	<p>Sep 5 - Oct 5, 2012, Jan 7-22, 2013 and Mar 4-5, 2013 – Evidentiary hearings</p> <p>Mar 25, 2013 – Concurrent opening briefs</p> <p>Apr 24, 2013 – Concurrent reply briefs</p> <p>Sep 2, 2014 – Presiding Officers' Decisions</p> <p>Oct 2, 2014 – Appeals to Presiding Officers' Decision</p> <p>Oct 27, 2014 – Parties' reply comments on appeals</p>



Exhibit G: Pacific Gas and Electric Company Summary of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
Gas Pipeline Safety Order Instituting Rulemaking	R.11-02-019	Dec 20, 2012 – Final decision on Pipeline Safety Enhancement Plan
	D.11-03-047	Jan 28, 2013 – Intervenor requests for rehearing
	D.11-06-017	Feb 21, 2013 – Replies to requests for rehearing
	D.11-10-010	Apr 30, 2013 – PSEP quarterly compliance filing
	D.11-12-048	Jul 30, 2013 – PSEP quarterly compliance filing
	D.12-04-047	Aug 19, 2013 – Commission launches Orders to Show Cause on Rule 1.1 and pipeline pressures
	D.12-04-010	Aug 30, 2013 – PG&E verified statement on gas pipeline error discovery and subsequent actions
	D.12-12-030	Sep 6, 2013 – Order to Show Cause hearings
	A.13-10-017	Sep 26, 2013 – Parties’ recommendations on errata filing
	D.13-12-042	Oct 1, 2013 – Parties’ responses to recommendations on errata filing
	D.13-12-053	Oct 21, 2013 – Line 147 prehearing conference
	(Rule 1.1)	Oct 29, 2013 – PSEP Update application and PSEP quarterly compliance filing
	D.13-12-052	Nov 12, 2013 – Line 147 SED investigation report
	(Line 147)	Nov 18, 2013 – Cross examination of PG&E in Rule 1.1 Order to Show Cause
		Dec 6, 2013 – Line 147 proposed decision
		Dec 13, 2013 – Revised alternate proposed decision in Rule 1.1 Order to Show Cause
		Dec 19, 2013 – Decision on Rule 1.1 Order to Show Cause and decision allowing pressure increase on Line 147
		Jan 17, 2014 – Pipeline pressure Order to Show Cause opening briefs
		Jan 23, 2014 – PG&E Application for Rehearing on Rule 1.1 Order to Show Cause decision
		Jan 23, 2014 – ORA and City of San Carlos Application for Rehearing of Line 147 pressure restoration decision
		Jan 30, 2014 – PSEP quarterly compliance filing
		Jan 31, 2014 – Pipeline pressure Order to Show Cause reply briefs
		Feb 7, 2014 – Parties’ responses to PG&E Application for Rehearing
		Feb 7, 2014 – Responses to ORA and San Carlos Application for Rehearing
		Mar 3, 2014 – PSEP Update prehearing conference
		Apr 25, 2014 – Proposed decision in pipeline pressure Order to Show Cause
		Apr 30, 2014 – PSEP quarterly compliance filing
		May 16, 2014 – PSEP Update prehearing conference
		Jul 8, 2014 – PSEP Update notice of settlement status
		Jul 8, 2014 – CPUC launches proposed rule changes to General Order 112
		Jul 18, 2014 – Comments on GO 112 rule revisions
		Jul 25, 2014 – Reply comments on GO 112 rule revisions
	Jul 25, 2014 – Parties file PSEP Update settlement	
	Jul 30, 2014 – PSEP quarterly compliance filing	
	Oct 6, 2014 – PG&E files late notice of ex parte communications	
	Oct 16, 2014 – Proposed Decision affirming PSEP Update settlement	
	Oct 30, 2014 – PSEP quarterly compliance filing	
	Nov 20, 2014 – Final decision affirming PSEP Update settlement	
	Jan 30, 2015 – PSEP quarterly compliance filing	



Exhibit G: Pacific Gas and Electric Company Summary of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
Class Location Designation Order Instituting Investigation	I.11-11-009	Aug 24, 2012, Jan 7, 2013, and Mar 4-5, 2013 – Evidentiary hearings Nov 20, 2012 – Concurrent opening briefs Dec 5, 2012 – Concurrent reply briefs Sep 2, 2014 – Presiding Officers' Decisions Oct 2, 2014 – Appeals to Presiding Officers' Decision Oct 27, 2014 – Parties' reply comments on appeals
Order Instituting Investigation into PG&E's Operations and Practices in Connection with the San Bruno Explosion and Fire	I.12-01-007	Sep 25-26, 2012, Oct 3, 2012, Jan 9-17, 2013 and Mar 4-5, 2013 – Evidentiary hearings Apr 3, 2013 – Concurrent opening briefs Apr 25, 2013 – Concurrent reply briefs Sep 2, 2014 – Presiding Officers' Decisions Oct 2, 2014 – Appeals to Presiding Officers' Decision Oct 27, 2014 – Parties' reply comments on appeals
Gas Distribution System Records Order Instituting Investigation and Order to Show Cause	I.14-11-008	Nov 20, 2014 – OII issued Dec 15, 2014 – Comments on preliminary scoping memo Dec 18, 2014 – SED reply comments Dec 22, 2014 – PG&E initial report in OII and reply comments on preliminary scoping memo
Safety Citation OIR	R.14-05-013	May 21, 2014 – Commission issues OIR for electric citation program by Jan 1, 2015 complying with SB 291 Jun 20, 2014 – Opening comments on proposed electric citation program Jul 1, 2014 – SB 291 deadline for gas citation program Jul 7, 2014 – Reply comments on proposed electric citation program Aug 13, 2014 – Prehearing conference Sep 26, 2014 – Scoping memo Oct 29, 2014 – Proposed decision on electric citation program Nov 18, 2014 – Comments on proposed decision Nov 24, 2014 – Reply comments on proposed decision Dec 4, 2014 – Final interim decision adopting electric safety citation program Jan 7, 2015 – PG&E application for rehearing
Net Energy Metering OIR	R.14-07-002	Jul 17, 2014 – Commission issues OIR to establish net metering successor tariffs Aug 11, 2014 – Staff workshop on Public Tool Aug 18, 2014 – Comments on OIR Aug 26, 2014 – Reply comments on OIR Oct 6, 2014 – Comments on staff workshop and Public Tool Oct 20, 2014 – Reply comments on staff workshop and Public Tool Oct 30, 2014 – Prehearing conference Dec 2, 2014 – Webinar on Public Tool Dec 16, 2014 – Public workshop on Public Tool Jan 23, 2015 – Scoping memo issued Mar/Early Apr 2015 – Final version of Public Tool expected Apr 2015 – Report from E3 on Public Tool expected



Exhibit G: Pacific Gas and Electric Company Summary of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
2014 Long-Term Procurement Plan <i>Phase 1a: system reliability needs</i> <i>Phase 1b: filling system reliability needs, if necessary</i> <i>Phase 2: bundled procurement plans</i>	R.13-12-010	<i>Phase 1</i> Aug 13, 2014 – Phase 1a testimony of modeling parties Sep 24, 2014 – Phase 1a testimony of parties not preparing models (includes PG&E) Oct 22, 2014 – Phase 1a reply testimony Nov 13, 2014 – Additional SCE/CAISO Phase 1a testimony (stochastic modeling of Trajectory scenario) Dec 18, 2014 – Reply testimony on additional SCE/CAISO Phase 1a testimony Jan 12, 2015 – Last date to request evidentiary hearings for Phase 1a 2015 – Phase 1a likely to be discontinued, Phase 1b schedule TBD <i>Phase 2</i> Oct 3, 2014 – IOUs file bundled procurement plans Oct 31, 2014 – Comments on BPPs Nov 14, 2014 – Reply comments on BPPs Nov 21, 2014 – Deadline for requests for evidentiary hearings
Residential Rate OIR <i>Phase 1: long-term rate design</i> <i>Phase 2: 2014 summer rate relief</i>	R.12-06-013 D.14-06-029	Jan 28, 2014 – Summer 2014 rate design reform proposal (Phase 2) filed Feb 28, 2014 – Long-term rate design reform proposal (Phase 1) filed Mar 5, 2014 – PG&E, ORA and TURN settle for Summer 2014 rate design issues in Phase 2 Mar 12, 2014 – Phase 2 rebuttal testimony Mar 25, 2014 – Phase 2 evidentiary hearings Apr 7, 2014 – Phase 2 opening briefs Apr 16, 2014 – Phase 2 reply briefs Jun 12, 2014 – Final decision in Phase 2 Sep 15, 2014 – Phase 1 intervenor testimony Sep 22, 2014 – Phase 1 opening brief on default Time-of-Use pilots Oct 3, 2014 – Phase 1 reply brief on default TOU pilots Oct 15, 2014 – Phase 1 rebuttal testimony Nov 3-25, 2014 – Phase 1 evidentiary hearings Jan 5, 2015 – Phase 1 opening briefs Jan 26, 2015 – Phase 1 reply briefs Apr 2015 – Phase 1 Proposed Decision anticipated
Rulemaking to Reform Energy Efficiency Incentive Earnings Mechanism	R.12-01-005	Jun 30, 2014 – PG&E filing for \$37.9 million: 2012 and partial 2013 EE program year incentives Nov 14, 2014 – Draft resolution approving total incentive earnings of roughly \$36 million for PG&E Dec 4, 2014 – Comments on draft resolution Dec 15, 2014 – Revised draft resolution Dec 18, 2014 – Final resolution approves \$36,253,755 in incentive earnings for PG&E Jun 30, 2015 – PG&E to file first portion of 2014 EE program year incentives Sep 15, 2015 – PG&E to file second portion of 2013 EE program year incentives



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Regulatory Case	Docket #	Key Dates
Nuclear Decommissioning Cost Triennial Proceeding	A.12-12-012 D.14-02-024	<p>Dec 21, 2012 – Application filed Mar 17, 2013 – Prehearing conference Jun 17, 2013 – Scoping memo to bifurcate proceeding</p> <p><i>Track 1 – Humboldt Non-Rate Related Issues</i> Jul 12, 2013 – Intervenor testimony Jul 26, 2013 – Rebuttal testimony Aug 7-9, 2013 – Evidentiary hearings Sep 13, 2013 – Concurrent opening briefs Sep 27, 2013 – Concurrent reply briefs Jan 28, 2014 – Proposed decision Feb 18, 2014 – Opening comments on proposed decision Feb 24, 2014 – Reply comments on proposed decision Feb 27, 2014 – Final decision</p> <p><i>Track 2 – All Remaining Issues</i> July 22, 2013 – SCE supplemental testimony Sep 20, 2013 – Intervenor testimony Oct 11, 2013 – Rebuttal testimony Oct 21-25, 2013 – Evidentiary hearings Nov 18, 2014 – Proposed decision Dec 8, 2014 – Comments on proposed decision Dec 18, 2014 – Final decision</p>
Rate Case Plan Order Instituting Rulemaking <i>Phase 1: Safety and Risk</i> <i>Phase 2: Rate Case Plan Efficiency and Effectiveness</i>	R. 13-11-006	<p>Nov 14, 2013 – Commission files rulemaking Dec 20, 2013 – Utilities respond to data request on current safety/risk programs Jan 15, 2014 – Comments on questions raised in rulemaking Jan 30, 2014 – Reply comments Feb 20, 2014 – Staff straw proposal Mar 19-21, 2014 – Workshops Apr 7, 2014 – Parties provide redline of straw proposal Apr 17, 2014 – Staff issues revised straw proposal Apr 29, 2014 – Prehearing conference May 23, 2014 – Comments on revised straw proposal (Phase 1) Jun 13, 2014 – Reply comments for Phase 1 Jul 25, 2014 – Comments for Phase 2 Aug 22, 2014 – Reply comments for Phase 2 Nov 3, 2014 – Proposed decision for Phase 1 (integrating risk-based decision making framework) Nov 24, 2014 – Opening comments on proposed decision for Phase 1 Dec 4, 2014 – Final decision on Phase 1</p>



Exhibit G: Pacific Gas and Electric Company Summary of Selected Regulatory Cases

Regulatory Case	Docket #	Key Dates
Wholesale Distribution Tariff Rate Case (WDT2)	ER13-1188	<p>Mar 29, 2013 – PG&E filed WDT2 rate case seeking increase to initial generic WDT service rates and increase to rates for CCSF, the Western Area Power Administration, and six other WDT customers</p> <p>May 31, 2013 – FERC accepted filing making rates effective November 1, 2013 but ordered PG&E to refile with lower ROE</p> <p>Jun 17, 2013 – PG&E compliance filing with 8.6% ROE</p> <p>Jun 27, 2013 – FERC settlement conference</p> <p>Aug 21, 2013 – FERC settlement conference</p> <p>Nov 13-14, 2013 – FERC settlement conference</p> <p>Dec 11-12, 2013 – FERC settlement conference</p> <p>Jan 14, 2014 – FERC settlement teleconference on rates</p> <p>Jan 30, 2014 – FERC settlement teleconference on non rate terms & conditions</p> <p>Feb 26-27, 2014 – FERC settlement conference on combined issues</p> <p>Apr 1, 2014 – FERC settlement conference on combined issues</p> <p>May 1, 2014 – FERC settlement conference on combined issues. Partial settlement in principle on rates.</p> <p>May 27, 2014 – Partial settlement on rate issues filed at FERC</p> <p>Jun 13, 2014 – FERC settlement conference on non-rates</p> <p>Jun 23, 2014 – Partial settlement on rates certified by Settlement Judge</p> <p>Jul 9, 2014 – FERC settlement conference on non-rates</p> <p>Jul 16, 2014 – FERC settlement conference on non-rates</p> <p>July 29, 2014 – Partial settlement on revenue requirement and rates approved by FERC</p> <p>Aug 29, 2014 – FERC settlement conference on non-rates</p> <p>Sep 18, 2014 – FERC settlement conference on non-rates</p> <p>Sep 23, 2014 – Compliance filing to implement settled WDT rates for WDT customers</p> <p>Oct-Dec 2014 – Settlement conferences held on non-rates in San Francisco</p>

Most of these regulatory cases are discussed in PG&E Corporation and Pacific Gas and Electric Company's combined Annual Report on Form 10-K for the year ended December 31, 2014.