



PG&E Corporation[®]

SECOND QUARTER EARNINGS CALL

July 31, 2014



Safe Harbor Statements

Management's statements and assumptions regarding estimated costs, capital expenditures, rate base, equity issuances, general earnings sensitivities, and other factors that can affect PG&E Corporation's financial results, constitute forward-looking statements that are necessarily subject to various risks and uncertainties. These statements reflect management's judgment and opinions which are based on current expectations and various forecasts, estimates, and projections, the realization or resolution of which may be outside of management's control. PG&E Corporation and Pacific Gas and Electric Company ("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 timing and outcome of the pending CPUC investigations and enforcement matters related to the Utility's natural gas system operating practices and the San Bruno accident, including the ultimate amount of fines the Utility will be required to pay to the State General Fund, the ultimate amount of costs the Utility will incur in its natural gas transmission business that it will not recover through rates, including the cost of any remedial actions the Utility may be ordered to perform;
- the timing and outcome of the federal criminal prosecution of the Utility, including the amount of any criminal fines or penalties imposed;
- whether the CPUC or a federal judge in the criminal case appoints a monitor to oversee the Utility's natural gas operations;
- whether additional investigations are commenced relating to the Utility's natural gas operating practices or specific incidents;
- 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 CPUC investigations, the criminal prosecution, the Utility's self-reports of noncompliance with certain natural gas safety regulations, and the ongoing work to remove encroachments from transmission pipeline rights-of-way;
- the outcomes of pending ratemaking proceedings and whether the cost and revenue forecasts assumed in such outcomes prove to be accurate;
- higher electricity procurement costs and whether the Utility is able to recover such higher costs timely;
- the amount and timing of additional common stock 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 which 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 the pending investigations and proceedings relating to the Utility's natural gas operations affects the Utility's ability to make distributions to PG&E Corporation, and, in turn, PG&E Corporation's ability to pay dividends;
- the outcome of federal or state tax audits and the impact of any changes in federal or state tax laws, policies, regulations, or their interpretation;
- 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 2013 Annual Report and Quarterly Report on Form 10-Q for the quarters ended March 31 and June 30, 2014.

This presentation is not complete without the accompanying statements made by management during the webcast conference call held on July 31, 2014.

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 July 31, 2014 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



Operational and Regulatory Update

Executing on Operations

Gas Safety Work since 2011

- Tested, or validated through records, 724 miles of pipe
- Replaced or installed 153 miles of pipeline
- Installed 157 automatic or remote shutoff valves
- Received PAS-55 and ISO-55001 safety certifications in May 2014

Regulatory Update

- **General Rate Case** – Proposed Decision issued June 18; CPUC vote as early as August 14
- **Gas Transmission rate case** – Retroactivity of revenues approved
- **TO 15** – filed settlement at FERC July 15
- **TO 16** – filed with FERC July 30



Q2 2014: Earnings Results

	Q2	
	Earnings (millions)	EPS
Earnings from Operations	\$ 324	\$ 0.69
Items Impacting Comparability		
Natural Gas Matters	(57)	(0.12)
Earnings on a GAAP Basis	\$ 267	\$ 0.57

Natural Gas Matters (millions, pre-tax)	
	Q2
Pipeline-related expenses	\$ (97)
Accrued fines	-
Third-party liability claims	-
Insurance recoveries	-
Total	\$ (97)

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.



Q2 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 2014

Capital Expenditures

(\$ millions)

	Low	Implied GRC PD	High
Electric Distribution	1,850	1,850	2,200
Electric Transmission	1,000	1,000-1,050	1,050
Gas Transmission	350	350	350
Gas Distribution	800	905	1,050
Generation	600	720	800
Separately Funded			
PSEP*	450	450	450
Total CapEx	~5 billion	~5.3 billion	~6 billion

*Includes \$400 M previously reserved for limits on PSEP authorized spend

Authorized Rate Base (weighted average)

(\$ billions)

	Low	Implied GRC PD	High
Electric Distribution	12.3	12.3	12.4
Electric Transmission*	4.6	4.6	4.6
Gas Transmission	1.8	1.8	1.8
Gas Distribution	3.6	3.7	3.8
Generation	5.1	5.0	5.3
Separately Funded			
PSEP	0.6	0.6	0.6
Total Rate Base	~28.0	~28.0	~28.5

*Electric Transmission rate base reflects full TO15 request

Authorized Cost of Capital*

Return on Equity:	10.4%
Equity Ratio:	52%

*CPUC authorized

Other Factors Affecting Earnings from Operations

- Under-earning on Gas Transmission & Storage
 - Gas expense
 - Gas capital
 - Gas storage revenues
- + Gas transmission revenues
- + Energy Efficiency incentive revenues
- + Monetizing shares in SolarCity

CWIP earnings: offset by below-the-line costs



2014 Natural Gas Matters

(\$ millions, pre-tax)	2014
Unrecovered PSEP Expenses	150 - 200
Non-PSEP Expenses	175 - 225
<i>Rights of Way Encroachment</i>	
<i>Integrity Management and Other Work</i>	
Legal and Other	25 - 50
Pipeline Related Expenses	350 - 450*

* Total does not equal the sum of the components

Guidance range excludes potential future insurance recoveries and any fines or penalties resulting from the pending gas investigations.

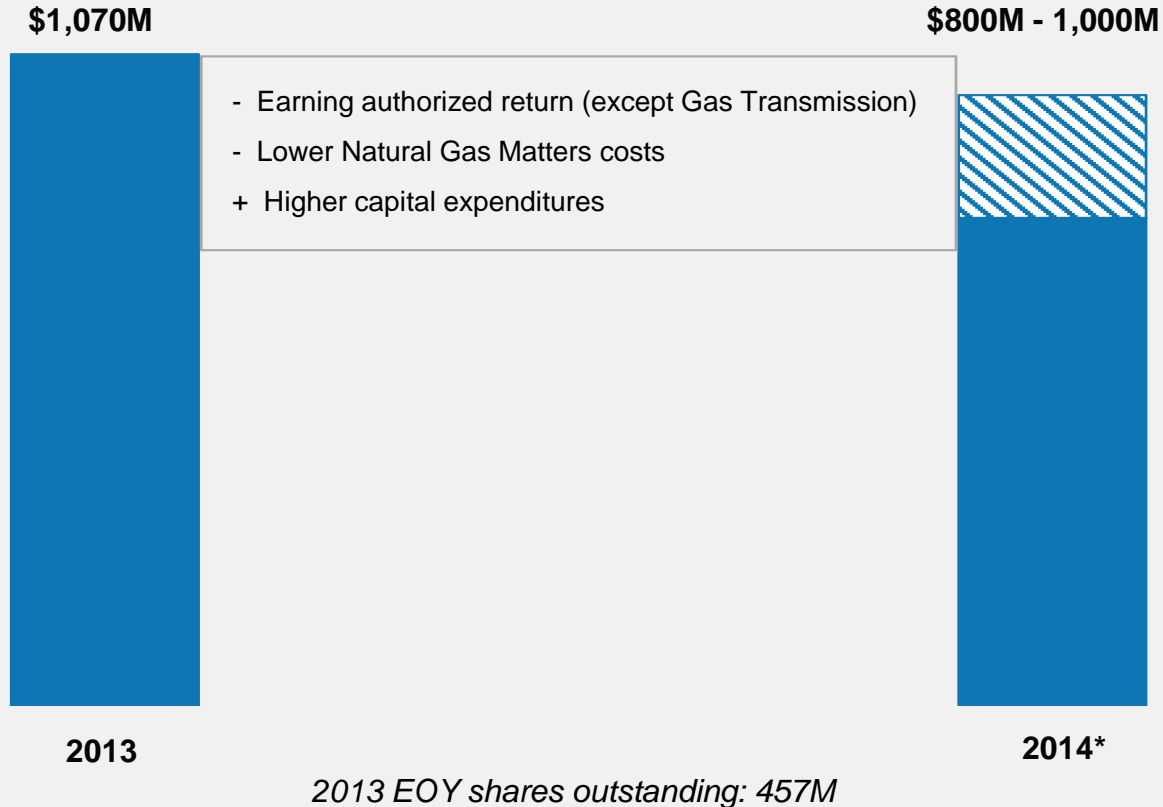
See Exhibit E in Appendix 2 for detailed 2014 Natural Gas Matters Item Impacting Comparability guidance.

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



2014 Equity Issuance

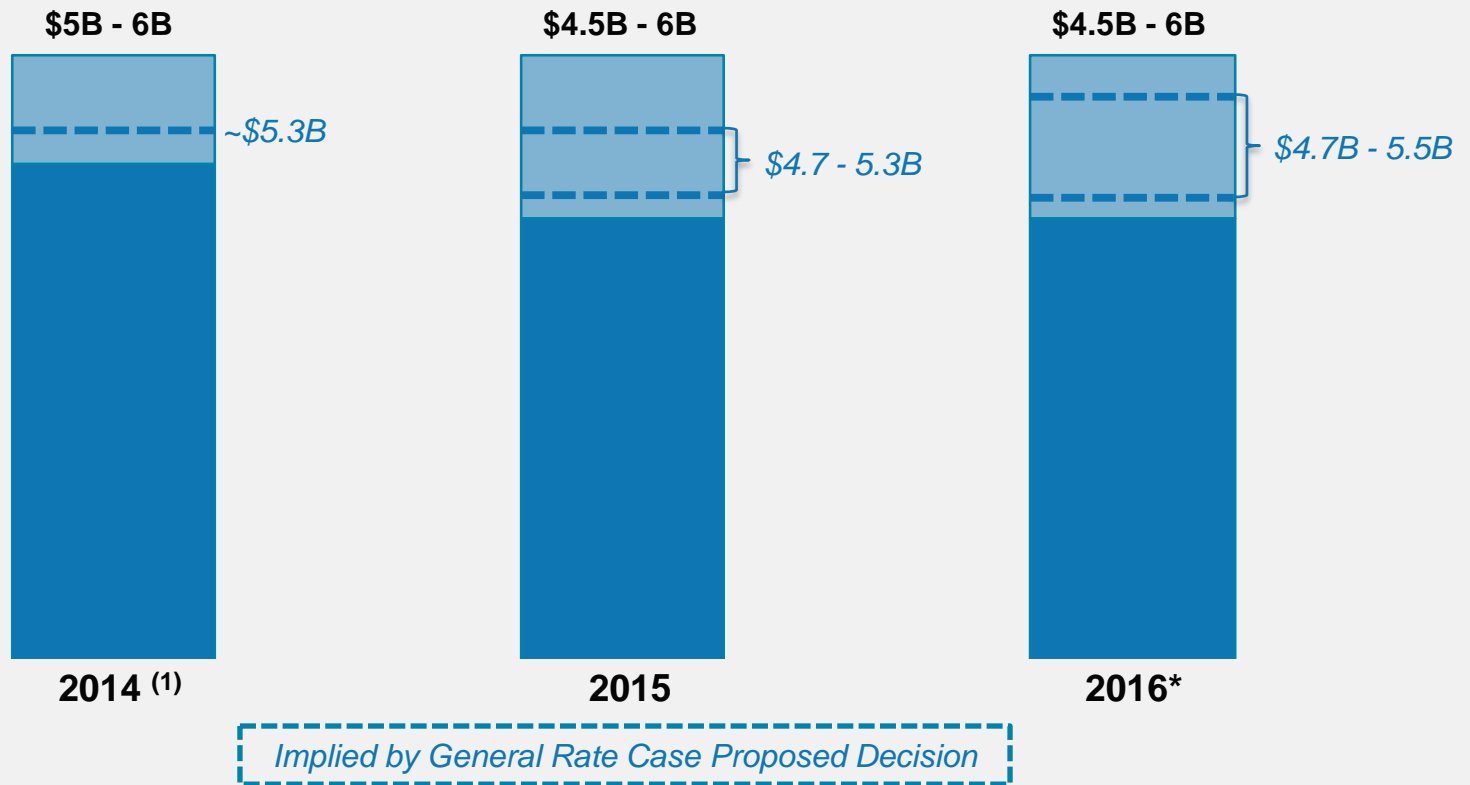
Does not reflect resolution of gas investigations



* The guidance range for 2014 does not include potential penalties (other than those already accrued). It assumes the midpoint of the 2014 range for capital expenditures (~\$5.5B). It excludes any change in depreciation rates associated with the General Rate Case. And it assumes a timely decision in the General Rate Case.



Looking Ahead: Capital Expenditures 2014-2016



The high end of the range reflects capex at GRC request levels, including attrition amounts for 2015 and 2016, capex requested in the 2015 Gas Transmission and Storage case, and estimates of future electric proceedings.

The low end reflects capex consistent with 2013 spending levels, adjusted for completion of the Cornerstone and Utility-owned Solar PV programs.

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

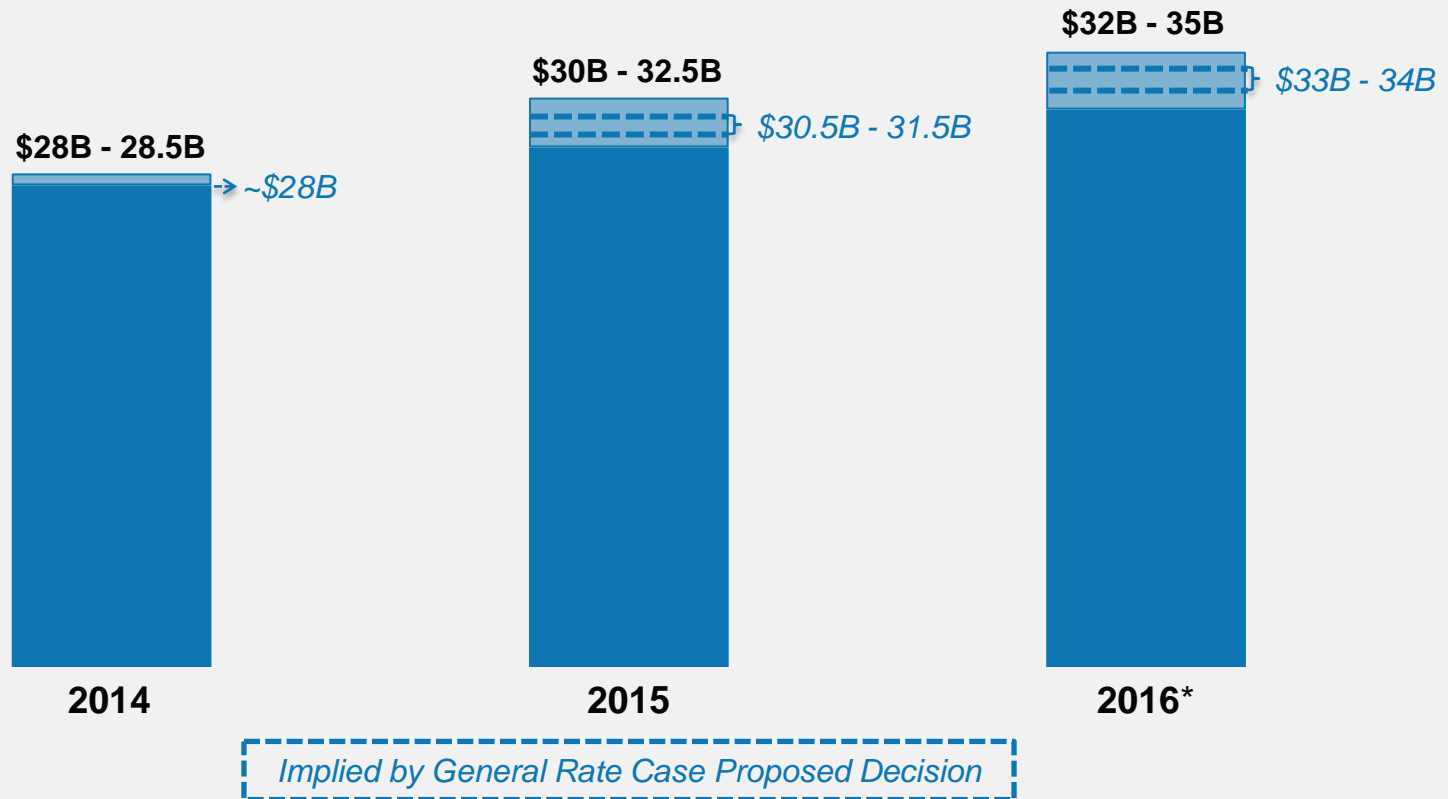
*Excludes Oakley Plant

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



Looking Ahead: Rate Base Growth 2014-2016

2014-2016 Weighted Average Rate Base



The high end of the range reflects capex at GRC request levels, including attrition amounts for 2015 and 2016, capex requested in the 2015 Gas Transmission and Storage case, and estimates of future electric proceedings.

The low end reflects capex consistent with 2013 spending levels, adjusted for completion of the Cornerstone and Utility-owned Solar PV programs.

*Excludes Oakley Plant

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

- 2014 CPUC General Rate Case slide 14
- 2015 CPUC Gas Transmission Rate Case slide 15
- FERC Transmission Owner Rate Cases slide 16

Natural Gas Matters

- Gas Regulatory Proceedings Schedule slide 17
- Gas Pipeline Safety Costs slide 18
- CPSD Recommended Penalty – Total Shareholder Impact slide 19
- Incremental Equity Factors slide 20



Updates to Appendix 1 Since the Previous Quarter

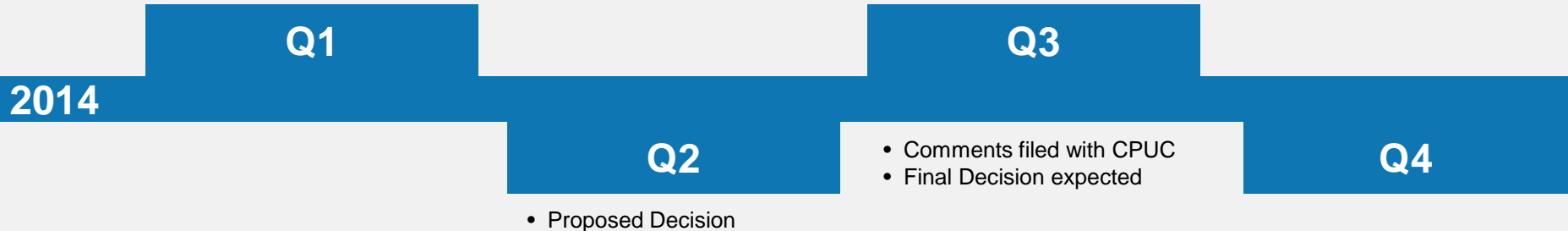
- **Slide 14** 2014 CPUC General Rate Case
- **Slide 15** 2015 CPUC Gas Transmission Rate Case
- **Slide 16** FERC Transmission Owner Rate Cases
- **Slide 17** Gas Regulatory Proceedings Schedule
- **Slide 18** Gas Pipeline Safety Costs



2014 CPUC General Rate Case

- **General Rate Case sets base revenue requirement for 2014-2016**
 - Includes operating costs and capital for generation and electric and gas distribution
 - Excludes fuel and purchased power, cost of capital, electric transmission, and gas transmission
- **Proposed Decision recommends an increase of \$453 million compared to the requested increase of \$1.16 billion**
 - PD recommends attrition increases for 2015 and 2016 of \$322 million and \$371 million, compared to the requested increases of \$436 million and \$486 million, respectively
 - Compared to the request, the PD recommends reductions in funding for various safety, reliability, and customer service improvements across various parts of the business

Assigned Commissioner: Florio
Administrative Law Judge: Pulsifer



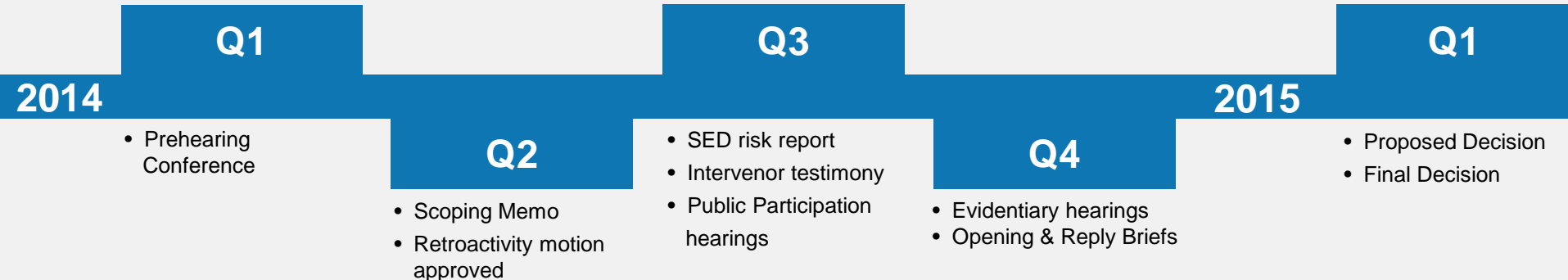


2015 CPUC Gas Transmission and Storage Rate Case

- **Application filed with the CPUC on December 19, 2013**
- **Request sets revenue requirement for 2015-2017**
 - Includes operating costs and capital for CPUC jurisdictional gas transmission and storage
- **2015 revenue requirement of \$1.3 billion is a requested increase of \$555 million**
 - Requested attrition increases of \$61 million and \$168 million in 2016 and 2017, respectively
 - Significant request reflecting expense and capital to comply with new requirements
- **PG&E motion for retroactivity of revenues approved in June 2014**

Assigned Commissioner: Peterman

Administrative Law Judge: Wong





FERC Transmission Owner Rate Cases

TO15

- **September 2013** – FERC accepted TO15 subject to refund and rates
- Requested revenue requirement of \$1.072 billion and ROE of 10.9%
- **July 15, 2014** – Settlement filed with FERC, with a revenue requirement of \$1.0396 billion and a depreciation rate of 2.56%
- Rates effective from October 1, 2013 through February 28, 2015

TO16

- **July 30, 2014** – TO16 filed with FERC
- Requested revenue requirement of \$1.366 billion and ROE of 11.26%
- **March 1, 2015** – expected effective date for TO16 revenue requirement and rates, subject to refund



Gas Regulatory Proceedings Schedule

Gas Pipeline Safety OIR
R. 11-02-019

5/16: PSEP Update prehearing conference

7/8: CPUC launches proposed rule changes to General Order 112

7/18: Comments on GO 112 rule revisions

7/25: Reply comments on GO 112 rule revisions

7/25: PSEP Update settlement

7/30: PSEP quarterly compliance filing

Orders to Show Cause

6/16: Appeal filed with State Court of Appeals

7/21: Opposition files answers to PG&E appeal

8/15: Replies to answers to PGE appeal

May

July

September

2014

Recordkeeping OII
I. 11-02-016
Class Location OII
I. 11-11-009
Gas Pipeline OII
I. 12-01-007

June

7/28: Motion by the City of San Bruno for an Order to Show Cause on alleged ex parte communications

7/28: Motion by the City of San Bruno seeking recusal of Assigned Commissioner Peevey

August

8/12: Parties reply to motions



Gas Pipeline Safety Costs

Shareholder Funded Gas Transmission Safety-Related Costs

(\$ millions)

	2010-2013	2014 and Beyond Estimated Forecast	Total
<u>Pipeline Safety Enhancement Plan (PSEP)</u>			
PSEP Expense	736	~175 ⁽¹⁾	
PSEP Capital	114	~440 ⁽²⁾	
Total PSEP	850	~615	\$1,465
Gas Accord V*	~500	~760	\$1,260
Total Shareholder Funded (PSEP and Gas Accord V)			~\$2,700

⁽¹⁾ Assumes midpoint of 2014 Pipeline-Related Expenses range (\$150 - 200 million)

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

* 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)			Updated for 7/25 Settlement (Jul. 2014)		
	Expense	Capital		Expense	Capital
2011	0	47.2	2011	0	42.0
2012	2.6	260.3	2012	2.6	194.0
2013	73.3	348.2	2013	58.2	354.1
2014	89.2	348.0	2014	50.0	176.1
Total	\$165.0	\$1,003.8	Total	\$110.8	\$766.2



CPSD Recommended Penalty – Total Shareholder Impact

(\$ millions)

Gas Pipeline Safety Costs Incurred or Committed ⁽¹⁾	~ 2,700
Safety Division Recommendation - Fine	300
Safety Division Recommendation - Additional Shareholder Costs ⁽²⁾	<u>1,515</u>
Total Shareholder Impact	\$ 4,515

⁽¹⁾ Actual and forecast costs borne by shareholders for gas pipeline safety work, 2010 and beyond. See slide 18 for additional detail.

⁽²⁾ The CPSD penalty recommendation proposes a \$300 million fine and recognizes only \$435 million of shareholder-funded PSEP spending. The CPSD equates its recommendation to a total of \$2.25 billion, which would require \$1.515 billion in incremental shareholder-funded gas safety work.

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
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Exhibit E: Guidance for Items Impacting Comparability	slide 27
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Exhibit G: Summary of Selected Regulatory Cases	slide 29-33



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”)

Second Quarter and Year to Date (“YTD”), 2014 vs. 2013 (in millions, except per share amounts)

	Three Months Ended June 30,				Six Months Ended June 30,			
	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⁾	\$ 324	\$ 348	\$ 0.69	\$0.79	\$ 575	\$ 624	\$ 1.24	\$ 1.42
Items Impacting Comparability: ⁽²⁾								
Natural gas matters ⁽³⁾	(57)	(17)	(0.12)	(0.04)	(81)	(54)	(0.18)	(0.12)
Environmental-related costs	-	(3)	-	(0.01)	-	(3)	-	(0.01)
PG&E Corporation’s Earnings on a GAAP basis	\$ 267	\$ 328	\$ 0.57	\$ 0.74	\$ 494	\$ 567	\$ 1.06	\$ 1.29

- (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 \$97 million and \$137 million pre-tax, during the three and six months ended June 30, 2014, respectively, in connection with natural gas matters. These amounts included pipeline-related costs to validate safe operating pressures and perform other activities associated with safety improvements to the Utility’s natural gas system, as well as legal and other costs. There were no additional charges recorded for these periods related to fines or third party liability claims, and no insurance recoveries.

(pre-tax)	Three Months Ended June 30, 2014	Six Months Ended June 30, 2014
Pipeline-related costs	\$ (97)	\$ (137)
Accrued fines	-	-
Third-party claims	-	-
Insurance recoveries	-	-
Natural gas matters	\$ (97)	\$ (137)



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

Second Quarter and YTD, 2014 vs. 2013 (\$/Share, Diluted)

Second Quarter 2013 EPS from Operations ⁽¹⁾	\$ 0.79
Growth in rate base earnings	0.01
Timing of 2014 GRC expense recovery ⁽²⁾	(0.04)
Increase in shares outstanding	(0.04)
Miscellaneous	(0.03)
Second Quarter 2014 EPS from Operations ⁽¹⁾	\$ 0.69
2013 YTD EPS from Operations ⁽¹⁾	\$ 1.42
Growth in rate base earnings	0.02
Timing of 2014 GRC expense recovery ⁽²⁾	(0.08)
Increase in shares outstanding	(0.07)
Miscellaneous	(0.05)
2014 YTD EPS from Operations ⁽¹⁾	\$ 1.24

(1) See Exhibit A for a reconciliation of EPS from Operations to EPS on a GAAP basis.

(2) Represents additional capital-related expenses during the three months and six months ended June 30, 2014 as compared to the same periods in 2013, with no corresponding increase in revenue. The CPUC has not yet issued a final decision on the Utility’s 2014 General Rate Case request to increase revenues beginning on January 1, 2014. Upon receipt of a final decision, the Utility has been authorized to collect any final adopted increase in revenue requirements from January 1, 2014.



Exhibit C: Operational Performance Metrics

Second Quarter and YTD, 2014 vs. 2013

	2014 Performance Results		
	Q2 YTD Actual	EOY Target	Meets YTD Target ⁽¹⁾
Safety (includes both public and employee safety metrics)			
<u>Nuclear Operations Safety</u>			
Unit 1 Performance Indicator	79.21	94.00	-
Unit 2 Performance Indicator	84.86	88.00	-
<u>Gas Operations Safety</u>			
Gas Dig-ins Reduction	2.58	2.60	✓
Gas Emergency Response	19.93	21.00	✓
<u>Electric Operations Safety</u>			
Transmission & Distribution Wires Down	(5.6)%	0%	-
911 Emergency Response	95.6%	93.6%	✓
<u>Employee Safety</u>			
Lost Workday Case Rate	0.254	0.271	-
Serious Preventable Motor Vehicle Incident Rate	0.246	0.221	-
Customer			
Customer Satisfaction Score	76.8	75.7	✓
Gas In-Line Inspection and Upgrade Index	1.00	1.00	✓
Gas Asset Mapping Duration	28	32	✓
Execute Gas Pipeline Safety Work Index	1.42	1.00	✓
System Average Interruption Duration Index (SAIDI)	52.49	115.00	✓
Financial			
Earnings from Operations (in millions)	\$575	See note ⁽²⁾	See note ⁽²⁾

See following page for definitions of the operational performance metrics.

(1) It is possible to meet end-of-year (EOY) target while missing year-to-date (YTD) target, as some metrics have YTD targets that vary from EOY targets.

(2) 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

Second Quarter and YTD, 2014 vs. 2013

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Sales from Energy Deliveries (in millions kWh)	20,847	20,676	40,231	41,002
Total Electric Customers at June 30			5,268,000	5,242,000
Total Gas Sales (in millions Mcf)	193	189	448	455
Total Gas Customers at June 30			4,391,000	4,373,000
Sources of Electric Energy (in millions kWh)				
Total Utility Generation	6,958	7,591	13,170	14,996
Total Purchased Power	13,320	12,788	25,788	23,673
Total Electric Energy Delivered ⁽¹⁾	20,847	20,676	40,231	41,002
Diablo Canyon Performance				
Overall Capacity Factor (including refuelings)	100%	99%	85%	86%
Refueling Outage Period	None	None	2/9/14-3/13/14	2/3/13-3/23/13
Refueling Outage Duration during the Period (days)	None	None	33	49

⁽¹⁾ Includes other sources of electric energy totaling 569 kWh and 298 kWh for the three months ended June 30, 2014 and 2013, respectively, and 1,273 kWh and 2,333 kWh for the six months ended June 30, 2014 and 2013, respectively.

Please see the 2013 Annual Report on Form 10-K for additional information about operating statistics.



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

2014 IIC Guidance (in millions, after-tax)	Low Earnings	High Earnings
Estimated IIC: ⁽¹⁾		
Natural Gas Matters ⁽²⁾	\$ (267)	\$ (207)
Estimated IIC Guidance ⁽³⁾	\$ (267)	\$ (207)

- (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) The pre-tax range of costs for specific items included in the range of after-tax costs associated with natural gas matters is shown below.

(in millions, pre-tax)	2014	
	Low earnings guidance	High earnings guidance
Pipeline-related expenses ^(a)	\$ (450)	\$ (350)
Accrued fines ^(b)	-	-
Third-party liability claims ^(c)	-	-
Insurance recoveries ^(d)	-	-
Natural Gas Matters	\$ (450)	\$ (350)

- (a) The range of \$350 million to \$450 million reflects pipeline-related expenses that are not recoverable through rates, including costs to perform work associated with the Utility’s PSEP, costs related to the Utility’s multi-year effort to identify and remove encroachments from transmission pipeline rights-of-way, costs related to the integrity management of transmission pipelines and other gas-related work, including some work at compressor stations, and legal and other expenses.
- (b) The guidance provided does not include any potential future fines (other than those already accrued). The ultimate amount of fines imposed on the Utility that is payable to the State General Fund could be materially higher than the \$200 million previously accrued for the pending CPUC investigations. The CPUC and staff also could impose additional fines or take other enforcement action with respect to the Utility’s self-reported violations, the staff’s audit findings, the Utility’s obligation to monitor and remove encroachments from pipeline rights-of-way, and the Carmel incident on March 3, 2014.
- (c) The Utility’s best estimate of probable loss for third-party liability claims related to the San Bruno accident is \$565 million, the cumulative charges recorded through 2013. The Utility has settled substantially all third-party liability claims.
- (d) Although the Utility believes that a significant portion of the costs it incurs for third-party liability claims and associated legal expenses will be recovered through its insurance, the amount and timing of future recoveries are uncertain. The Utility recognizes insurance recoveries only when they are deemed probable under applicable accounting standards.
- (3) Guidance does not include potential environmental-related costs that the Utility could incur in 2014 if the final order for remediation at the Utility’s natural gas compressor station located near Hinkley, California, 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 2014 Earnings Impact
Rate base	+/- \$100 million change in allowed rate base	+/- \$5 million
Return on equity (ROE)	+/- 0.1% change in allowed ROE	+/- \$15 million
Share count	+/- 1% change in average shares	+/- \$0.03 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 on factors that may affect 2014 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
2014 General Rate Case	A.12-11-009	Nov 15, 2012 – Application filed (Phase I) May 3, 2013 – ORA testimony May 17, 2013 – Intervenor testimony and Safety and Enforcement Division (SED) Liberty and Cycla reports May 22 - Jun 25, 2013 – Public Participation Hearings (11 sites) May 31, 2013 – SED Overland gas distribution report Jun 28, 2013 – Rebuttal testimony Jul 15 - Aug 9, 2013 – Evidentiary hearings Aug 12, 2013 – Mandatory settlement conference Aug 23, 2013 – Joint comparison exhibit Sep 6, 2013 – Opening briefs Sep 27, 2013 – Reply briefs Oct 4, 2013 – Update filing Jun 18, 2014 – Proposed Decision Jul 8, 2014 – Parties' comments on Proposed Decision Jul 14, 2014 – Reply Comments on Proposed Decision
2014 General Rate Case <i>Phase II: Rate Designs for 2015-2017</i>	A.13-04-020	Apr 18, 2013 – Application filed (Phase II) Nov 15, 2013 – ORA testimony Dec 13, 2013 – Intervenor testimony Apr 18, 2014 – Update report on settlement discussions May 16, 2014 – Update report on settlement discussions Jun 6, 2014 – Update report on settlement discussions Jul 2, 2014 – Update report on settlement discussions
2015 Gas Transmission and Storage Rate Case	A.13-12-012	Dec 19, 2013 – Application filed Jan 16, 2014 – PG&E workshop Mar 7, 2014 – Supplemental testimony served Mar 12, 2014 – Prehearing conference Jul 15, 2014 – Supplemental testimony served Aug 11, 2014 – ORA and Intervenor testimony Aug 12, 2014 – Public participation hearings begin Sep 9, 2014 – Public participation hearings conclude Sep 15, 2014 – Rebuttal testimony Oct 6-24, 2014 – Evidentiary hearings March 2015 – Final decision



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>
Transmission Owner Rate Case (TO16)	ER14-2529	Jul 30, 2014 – PG&E filed TO16 rate case seeking an annual revenue requirement for 2015
Gas Matters Fines & Remedies	I.11-02-016 I.11-11-009 I.12-01-007	<p>Jan 11, 2013 – PG&E financial analysis testimony</p> <p>Feb 8, 2013 – CPSD rebuttal testimony</p> <p>Mar 4-5, 2013 – Evidentiary hearings on fines & remedies</p> <p>May 6, 2013 – Coordinated briefs on fines and remedies</p> <p>May 24, 2013 – PG&E coordinated reply briefs on fines and remedies</p> <p>Jun 7, 2013 – Coordinated rebuttal briefs on fines and remedies</p> <p>Jul 8, 2013 – CPSD request to file amended reply brief</p> <p>Jul 10, 2013 – Responses to CPSD request</p> <p>Jul 16, 2013 – CPSD amended brief</p> <p>Jul 18, 2013 – PG&E motion to reopen record</p> <p>Jul 26, 2013 – Responses to PG&E motion</p> <p>Jul 30, 2013 – ALJ ruling seeking comment on fines and disallowances</p> <p>Aug 1, 2013 – PG&E motion to reopen record denied</p> <p>Aug 21, 2013 – PG&E reply to first set of ALJs' financial questions</p> <p>Aug 28, 2013 – Parties file rebuttal briefs</p> <p>Sep 20, 2013 – Parties' comments responding to second set of ALJs' financial questions</p> <p>Oct 15, 2013 – Parties' reply comments on ALJs' financial questions</p>
Gas Transmission System Records Order Instituting Investigation	I.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>
Class Location Designation Order Instituting Investigation	I.11-11-009	<p>Aug 24, 2012, Jan 7, 2013, and Mar 4-5, 2013 – Evidentiary hearings</p> <p>Nov 20, 2012 – Concurrent opening briefs</p> <p>Dec 5, 2012 – Concurrent reply briefs</p>
Order Instituting Investigation into PG&E's Operations and Practices in Connection with the San Bruno Explosion and Fire	I.12-01-007	<p>Sep 25-26, 2012, Oct 3, 2012, Jan 9-17, 2013 and Mar 4-5, 2013 – Evidentiary hearings</p> <p>Apr 3, 2013 – Concurrent opening briefs</p> <p>Apr 25, 2013 – Concurrent reply briefs</p>



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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 increased pressure 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
		April 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	
Safety Citation OIR	R.14-05-013	May 21, 2014 – Commission issues OIR
		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
		Jan 1, 2015 – SB 291 deadline for electric citation program



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Regulatory Case	Docket #	Key Dates
Net Energy Metering OIR	R.14-07-002	Jul 2, 2014 – Commission issues OIR to establish net metering successor tariffs
2014 Long-Term Procurement Plan Phase 1a (system needs) Phase 1b (filling system needs, if necessary) Phase 2 (bundled procurement plans)	R.13-12-010	Aug 13, 2014 – Phase 1a testimony of modeling parties Sep 3, 2014 – Phase 1a testimony of parties not preparing models (includes PG&E) Sep 24, 2014 – Phase 1a reply testimony Oct 3, 2014 – IOUs file bundled procurement plans (Phase 2) Oct 2014 – Phase 1a evidentiary hearings Feb 2015 – Phase 1a proposed decision
Nuclear Decommissioning Cost Triennial Proceeding	A.12-10-012 D.14-02-024	Dec 21, 2012 – Application filed Mar 17, 2013 – Prehearing conference Jun 17, 2013 – Scoping memo to bifurcate proceeding <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 <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 Dec 16, 2013 – Concurrent opening briefs Jan 21, 2014 – Concurrent reply briefs
Residential Rate OIR Phase 1: long-term rate design Phase 2: 2014 summer rate relief	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 Oct 8, 2014 – Phase 1 rebuttal testimony Nov 3-21, 2014 – Phase 1 evidentiary hearings Dec 8, 2014 – Phase 1 opening briefs Jan 5, 2015 – Phase 1 reply briefs March 2015 – Phase 1 Proposed Decision



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Regulatory Case	Docket #	Key Dates
Rulemaking to Reform Energy Efficiency Incentive Earnings Mechanism	R.12-01-005	Jun 30, 2014 – PG&E filing for 2012 and partial 2013 EE program year incentives \$37.9M Jul 21, 2013 – Parties can provide comments on the IOUs' incentive earnings request
Rate Case Plan Order Instituting Rulemaking Phase 1: Safety and Risk Phase 2: Rate Case Plan Efficiency and Effectiveness	R. 13-11-006	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
Wholesale Distribution Tariff Rate Case (WDT2)	ER13-1188	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 May 31, 2013 – FERC accepted filing making rates effective November 1, 2013 but ordered PG&E to refile with lower ROE Jun 17, 2013 – PG&E compliance filing with 8.6% ROE Jun 27, 2013 – FERC settlement conference Aug 21, 2013 – FERC settlement conference Nov 13-14, 2013 – FERC settlement conference Dec 11-12, 2013 – FERC settlement conference Jan 14, 2014 – FERC settlement teleconference on rates Jan 30, 2014 – FERC settlement teleconference on non rate terms & conditions Feb 26-27, 2014 – FERC settlement conference on combined issues Apr 1, 2014 – FERC settlement conference on combined issues May 1, 2014 – FERC settlement conference on combined issues. Partial settlement in principle on rates. May 27, 2014 – Partial settlement on rate issues filed at FERC Jun 13, 2014 – FERC settlement conference on non-rates Jun 23, 2014 – Partial settlement on rates certified by Settlement Judge Jul 9, 2014 – FERC settlement conference on non-rates

Most of these regulatory cases are discussed in PG&E Corporation and Pacific Gas and Electric Company's combined Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 or PG&E Corporation and Pacific Gas and Electric Company's combined Annual Report on Form 10-K for the year ended December 31, 2013.