



PG&E Corporation

2023 FOURTH QUARTER AND FULL YEAR EARNINGS

Performance Is Power

February 22, 2024



Forward-Looking Statements



This presentation contains statements regarding PG&E Corporation's and Pacific Gas and Electric Company's (the "Utility") future performance, including expectations, objectives, and forecasts about operating results (including 2024 non-GAAP core earnings), equity needs, rate base growth, capital expenditures, cash flow, cost reductions, customer bills, wildfire risk mitigation, future dividends, and regulatory developments. These statements and other statements that are not purely historical constitute forward-looking statements that are necessarily subject to various risks and uncertainties. Actual results may differ materially from those described in forward-looking statements. PG&E Corporation and the Utility are not able to predict all the factors that may affect future results. Factors that could cause actual results to differ materially include, but are not limited to, risks and uncertainties associated with:

- wildfires that have occurred in the Utility's territory, including the extent of the Utility's liability in connection with the 2019 Kincadee fire, the 2020 Zogg fire, the 2021 Dixie fire, the 2022 Mosquito fire, and future wildfires;
- the Utility's ability to recover wildfire-related costs, including costs for the 2021 Dixie fire, from the Wildfire Fund (including the Utility's maintenance of a valid safety certificate and whether the Wildfire Fund has sufficient remaining funds) and through the WEMA and FERC TO rate cases;
- the Utility's implementation of its wildfire mitigation programs, including PSPS, EPSS, situational awareness and response, the undergrounding initiative, and the programs' effectiveness;
- the Utility's ability to safely and reliably operate, maintain, construct, and decommission its facilities;
- changes in the electric power and natural gas industries driven by technological advancements and a decarbonized economy;
- a cyber incident, cybersecurity breach, or physical attack;
- severe weather events, extended drought, and climate change, particularly their impact on the likelihood and severity of wildfires;
- the impact of legislative and regulatory developments, including those regarding wildfires, the environment, California's clean energy goals, the nuclear industry, extended operations at Diablo Canyon nuclear power plant, regulation of utilities' transactions with their affiliates, municipalization, privacy, and taxes;
- the timing and outcome of FERC and CPUC proceedings, including regarding ratemaking, cost recovery, and the application to transfer non-nuclear generation assets;
- the outcome of self-reports, investigations, or other enforcement actions;
- PG&E Corporation and the Utility's substantial indebtedness, which may adversely affect their financial health and limit their operating flexibility;
- the ability of PG&E Corporation and the Utility to finance through securitization up to \$1.385 billion of remaining fire risk mitigation capital expenditures that were or will be incurred by the Utility;
- the timing and outcome of PG&E Corporation's and the Utility's litigation, including securities class action claims, and wildfire-related litigation;
- the Utility's ability to manage its costs effectively, timely recover costs through rates, and achieve projected savings and the extent of excess unrecoverable costs;
- the tax treatment of certain assets and liabilities, including whether PG&E Corporation or the Utility undergoes an "ownership change" that limits certain tax attributes;
- the impact of growing distributed and renewable generation resources, and changing customer demand for its natural gas and electric services; 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, 2023 (the "Form 10-K") and other reports filed with the SEC, which are available on PG&E Corporation's website at www.pgecorp.com and on the SEC's website at www.sec.gov.

Undefined, capitalized terms have the meanings set forth in the Form 10-K. Unless otherwise indicated, the statements in this presentation are made as of February 22, 2024. PG&E Corporation and the Utility undertake no obligation to update information contained herein. This presentation was attached to PG&E Corporation's and the Utility's joint Current Report on Form 8-K that was furnished to the SEC on February 22, 2024 and is also available on PG&E Corporation's website at www.pgecorp.com.

NON-GAAP CORE EPS¹

RESULTS

47¢

Fourth Quarter

\$1.23

Full Year



High End

EPS GROWTH

At least

10%

2023 and 2024

At least

9%

2025 - 2028



Extended

2024 GUIDANCE



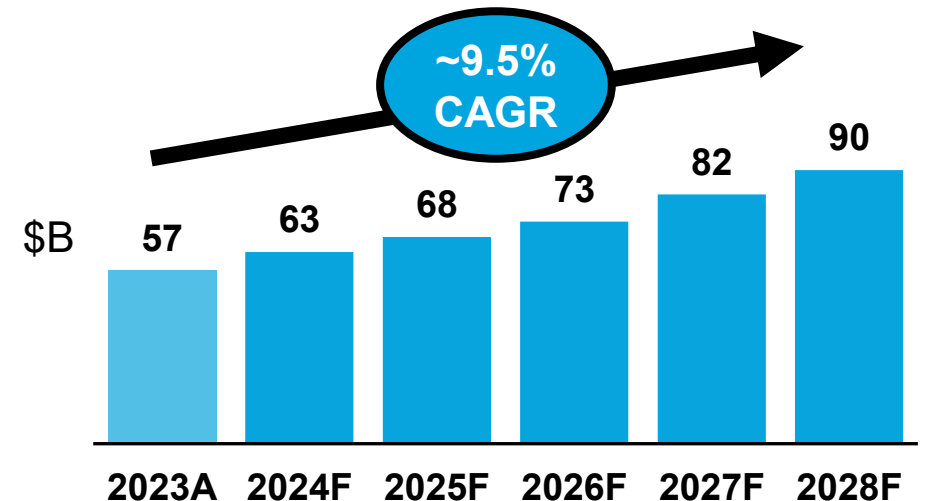
Raised

New **\$1.33 - \$1.37**

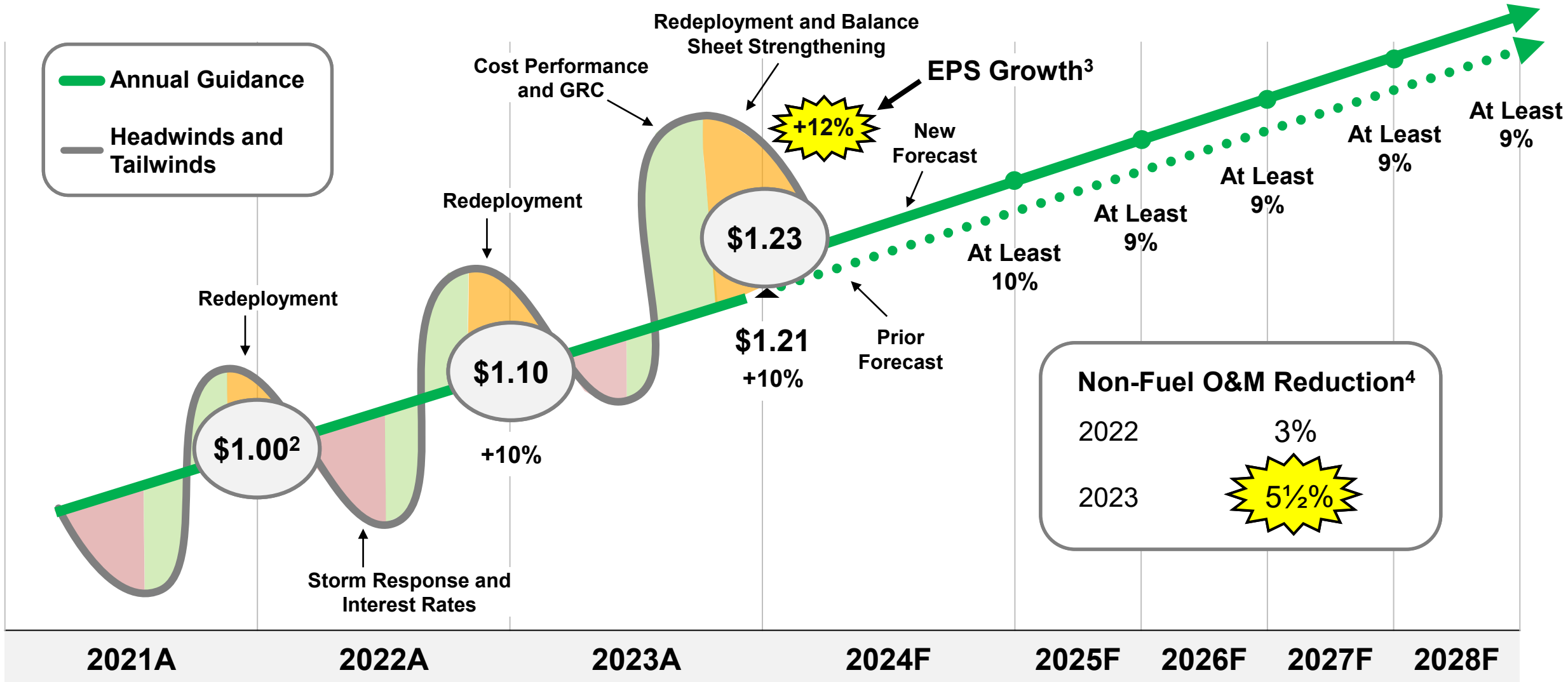
Original **\$1.31 - \$1.35**

No New Equity

RATE BASE



Simple, Affordable Model In Action¹...



...Maximizing Customer Work, Building On Actual Results

Endnotes are included in the Appendix.

Simple, Affordable Model...



PLAN¹

Customer Capital Investment

~9%

Enablers

-O&M cost reduction (non-fuel)²

2%

-Electric load growth³

1% - 3%

-Other (including efficient financing)⁴

2%

Subtotal

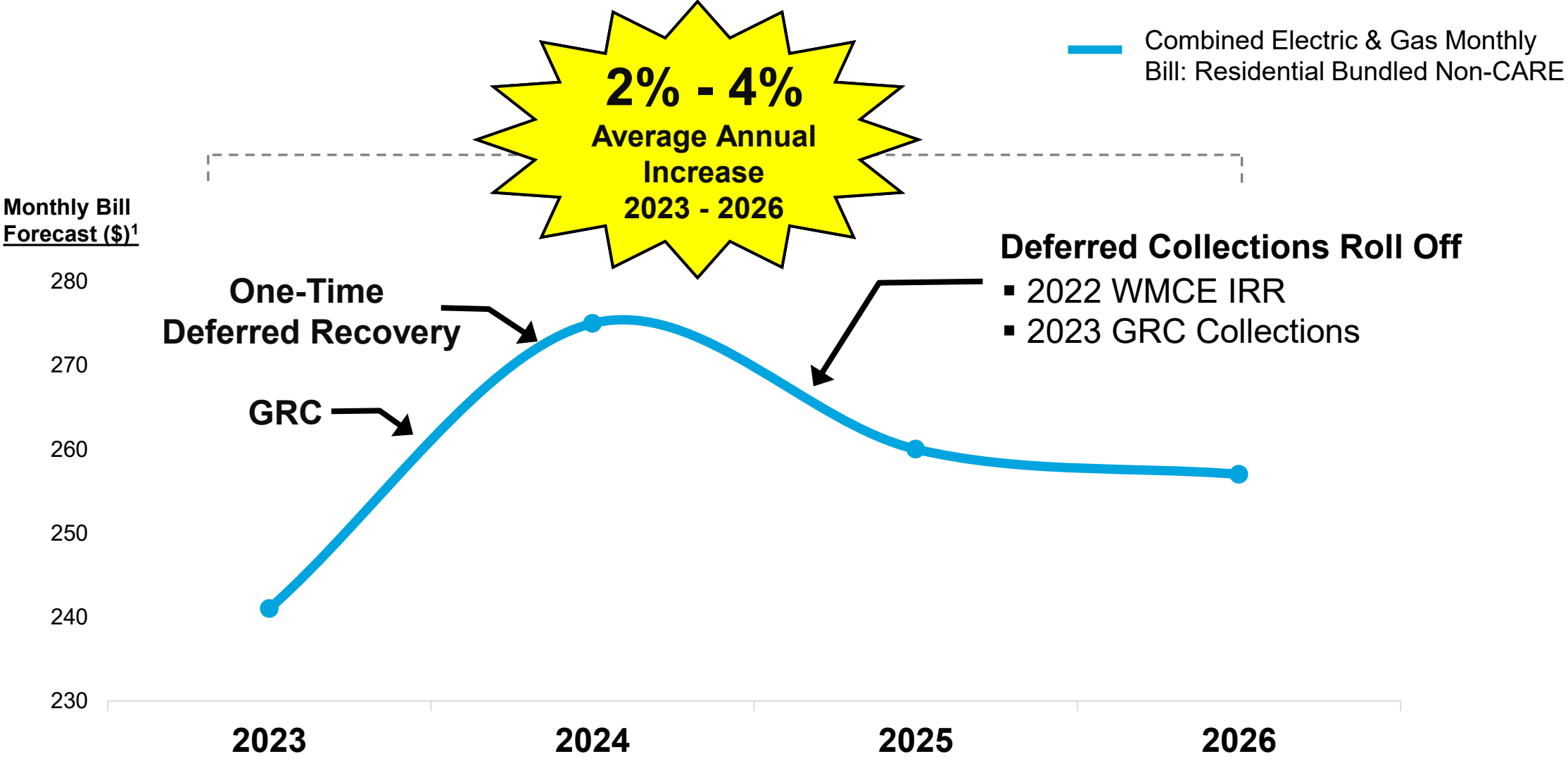
5% - 7%

Customer Bills: At or Below Assumed Inflation

2% - 4%

...Key To Building Trust

Affordable Business Model...



...Delivers Bill Curve Below Inflation

Endnotes are included in the Appendix.

Physical Risk Mitigations...

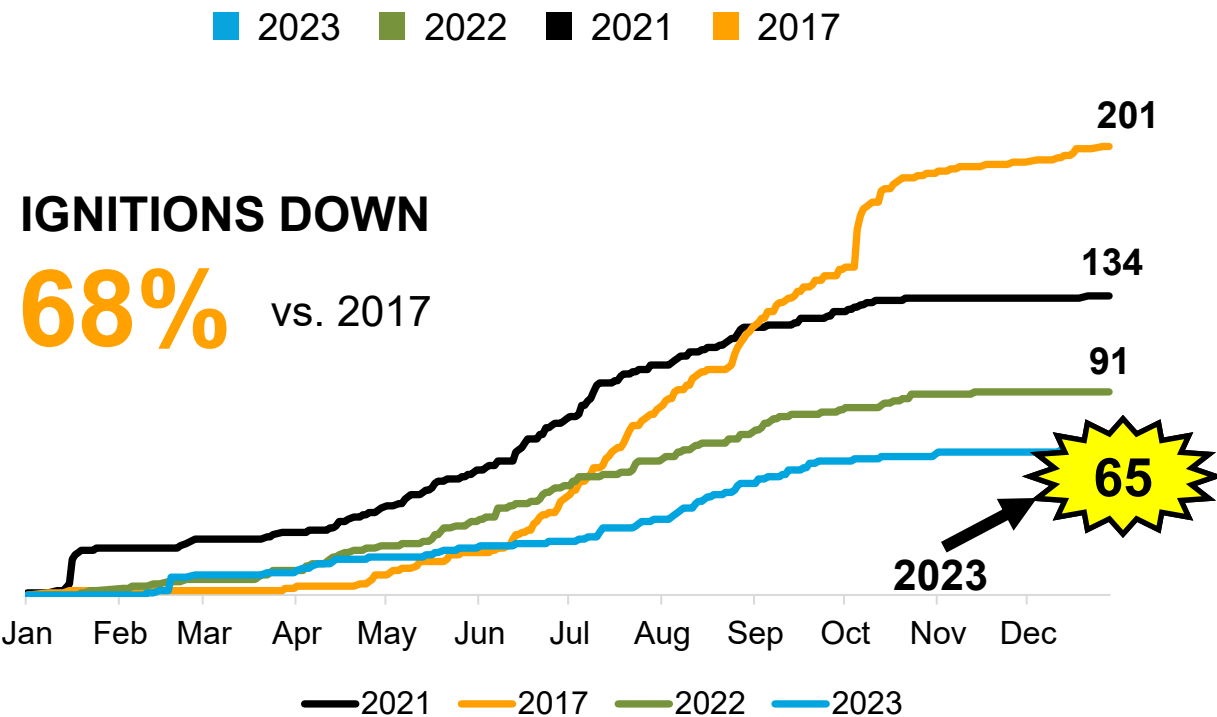


94% Wildfire Risk Reduction¹

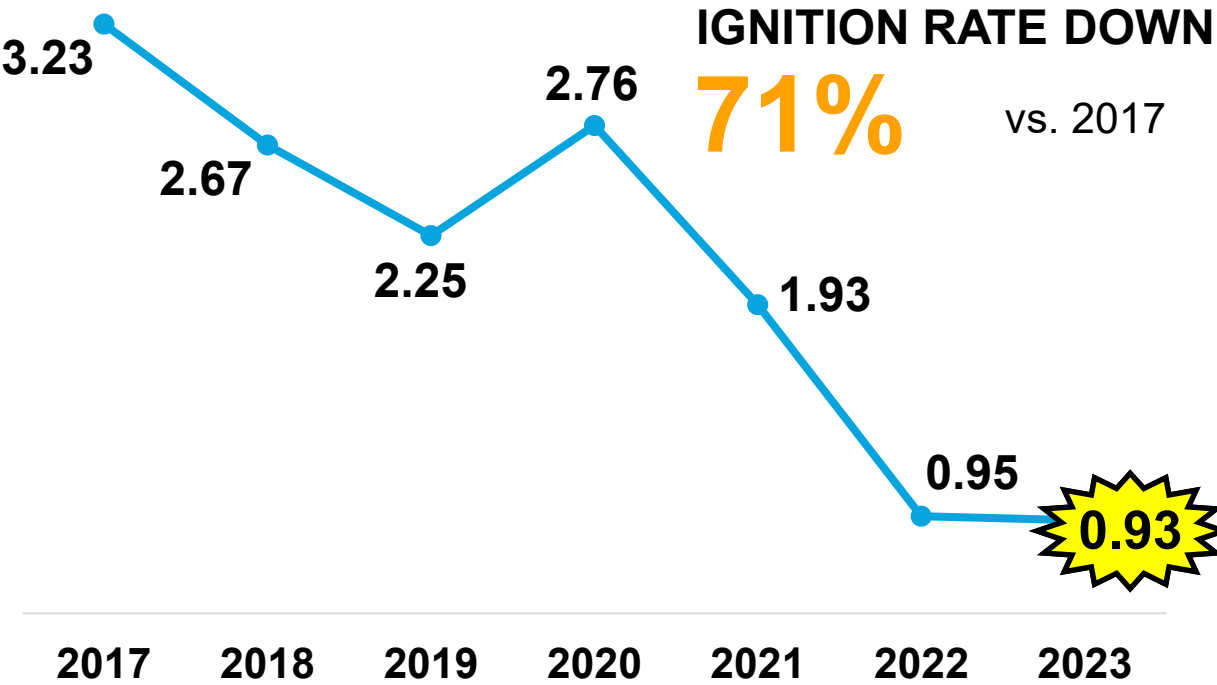
0 Catastrophic Wildfires

2 PSPS Events

Cumulative CPUC-Reportable² Ignitions in HFTD + HFRA



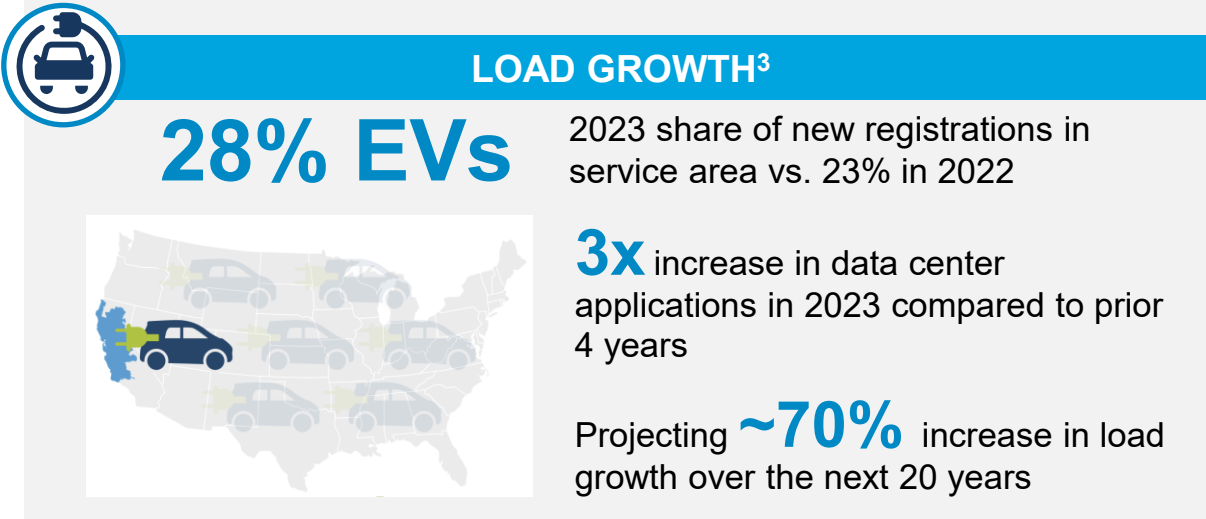
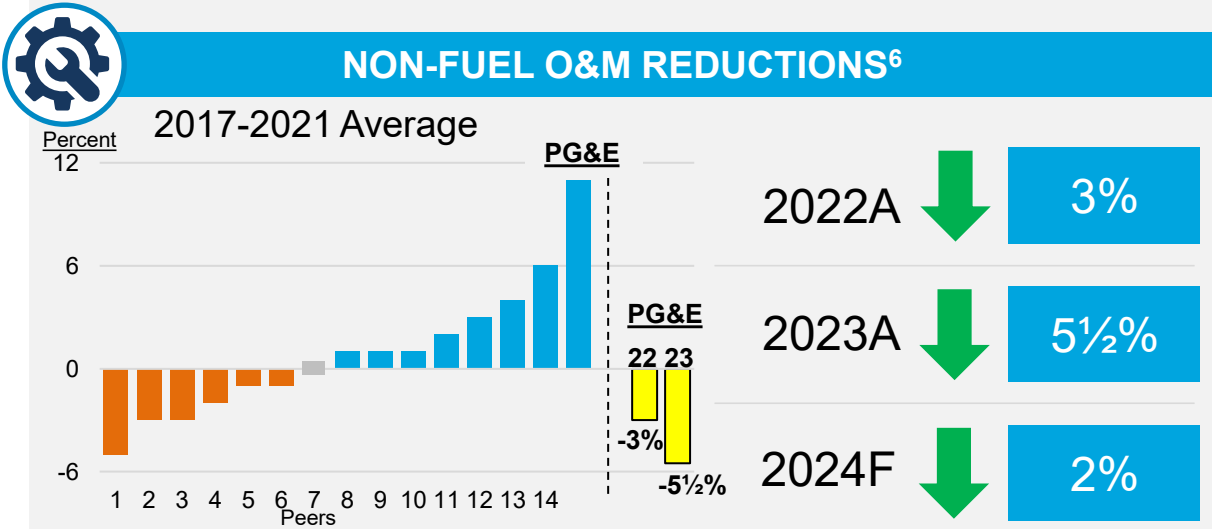
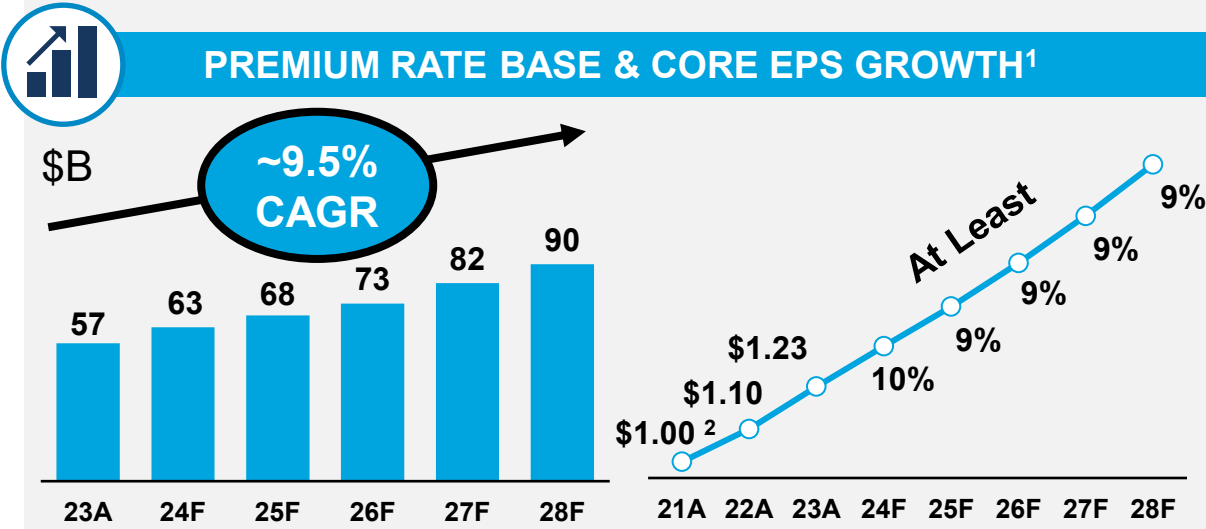
HFTD + HFRA Weather-Normalized Ignition Rates R3+ per 100k Circuit Mile Days



Data updated as of 12/31/2023

Endnotes are included in the Appendix.

Differentiated Growth And Regulatory Visibility...




- REGULATORY & POLICY ENVIRONMENT**
- ✓ **4-Year Revenue Certainty**
 - ✓ **Fair ROE**
 - ✓ **Cost of Capital Adjustment Mechanism**
 - ✓ **Constructive Legislation SB 884, SB 846, SB 410**
 - ✓ **CA Carbon Neutrality by 2045**

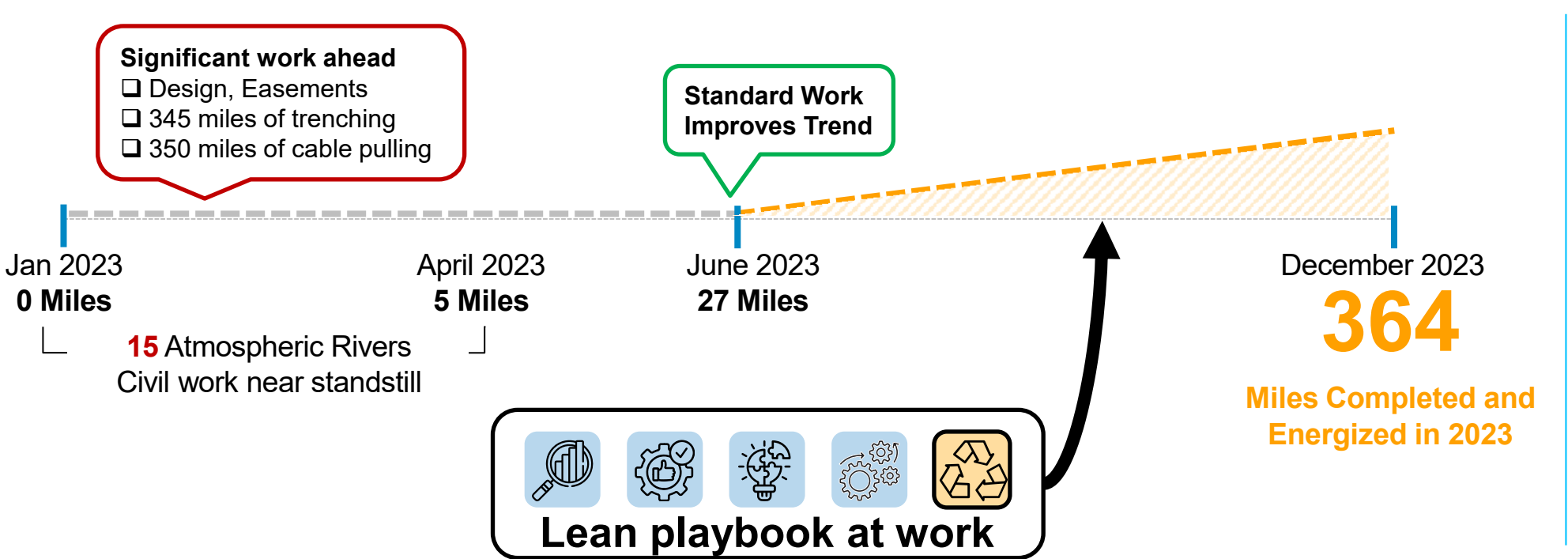
...Building Trust With Customers AND Investors

Endnotes are included in the Appendix.

Performance Playbook: Undergrounding





Waste Elimination in 2023	Average Construction Cycle Time (Months)	2023 Average Unit Cost Per Mile	Improved Reliability Avoided PSPS & Storm Outages
\$68M Savings	5½ February 2023  3½ Today	<\$3M \$3.3M TARGET	15,000 Customers

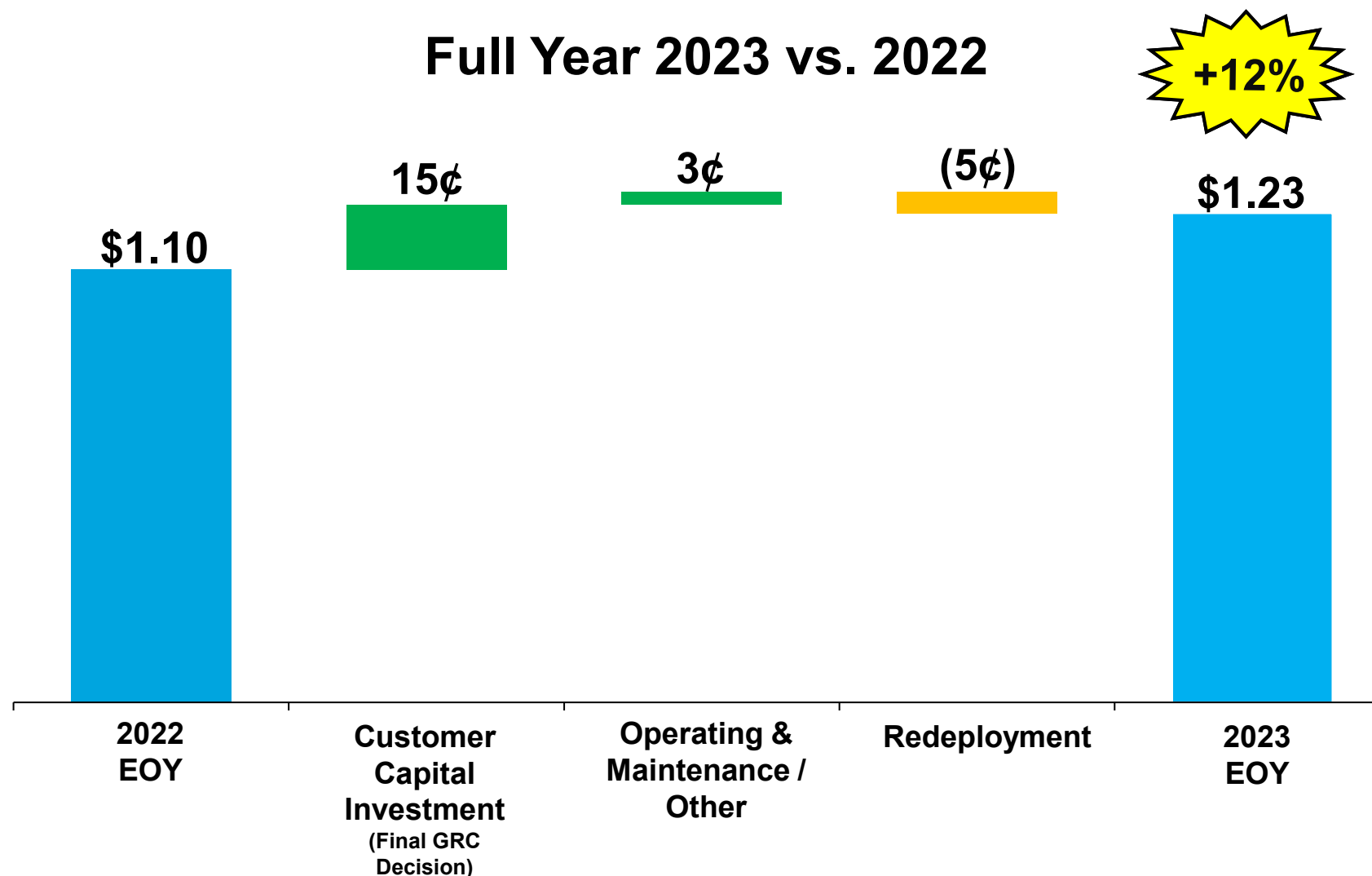


2023 Report Card...



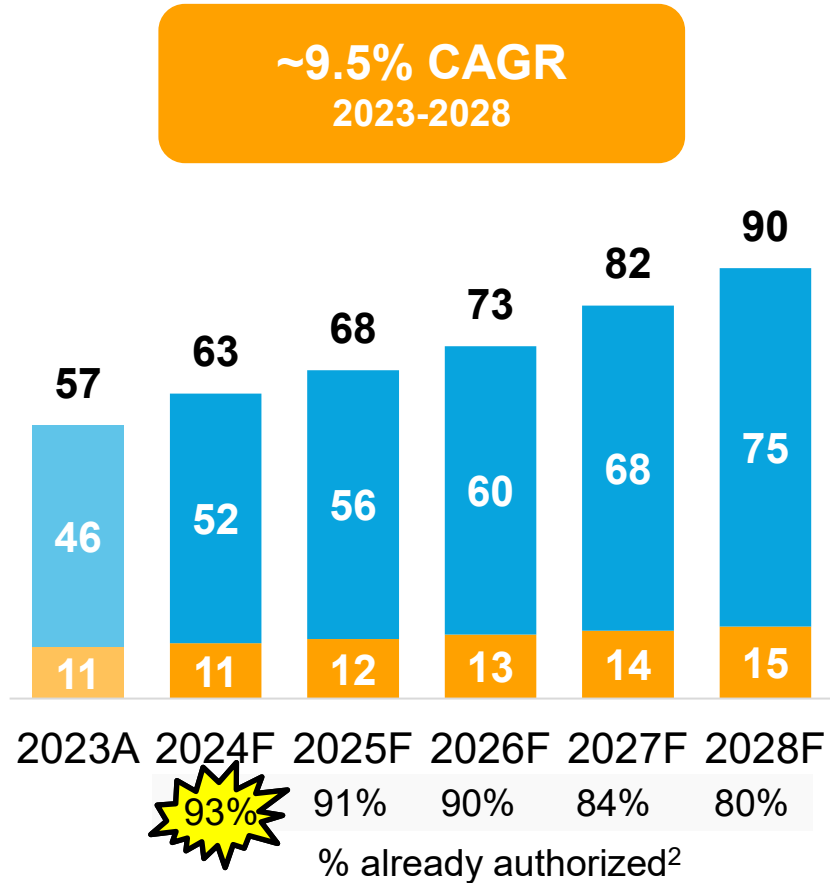
Metric	2023 Result	2023 Goal	Long-Term Goal
Catastrophic Wildfires ¹	0	0	0
Undergrounding Circuit Miles	 364	350	10,000
Annual O&M Cost Reduction (Non-Fuel) ²	 5½%	2%	2%
Rate Base Growth ³	 ON TRACK	~9.5% CAGR 2023 - 2028	
Non-GAAP Core EPS Growth ⁴	 12%	At least 10%	2023 & 2024 at least 10% 2025 & 2026 at least 9% 2027 & 2028 at least 9%
FFO/Debt ⁵	 ON TRACK	Mid teens by 2024	
PG&E Corporation Debt	 ON TRACK	\$2+ billion debt paydown by end of 2026	

Non-GAAP Core EPS¹ Comparison...

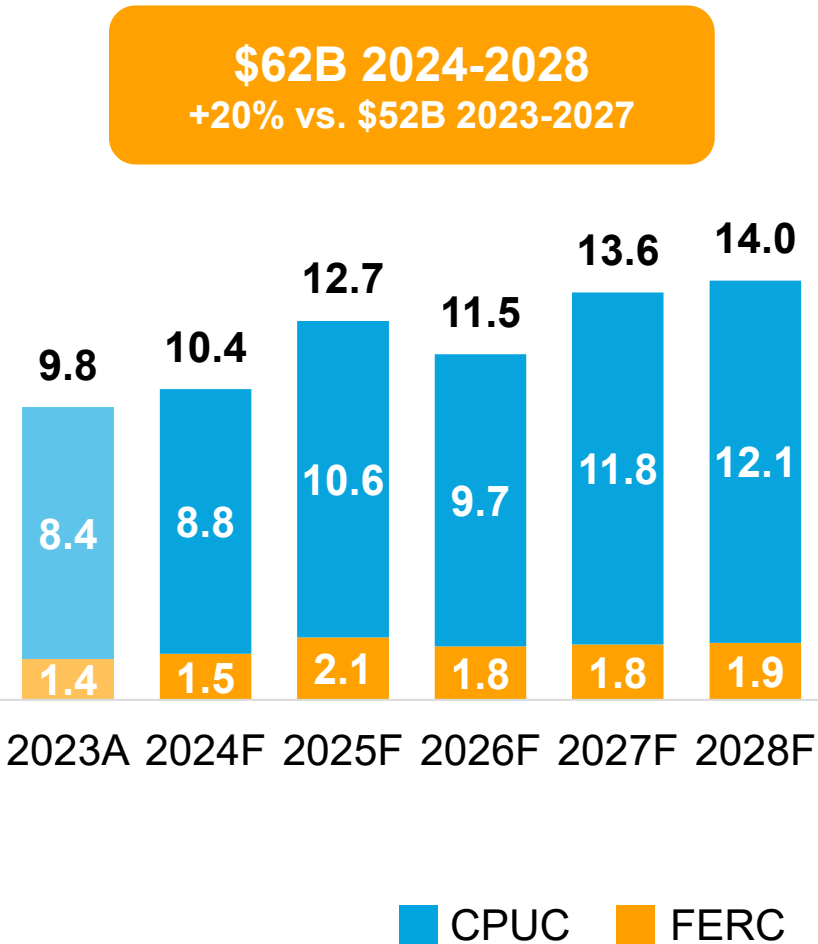


...Delivered 2023 At High–End Of Guidance Range

Weighted Average Rate Base (\$B)¹



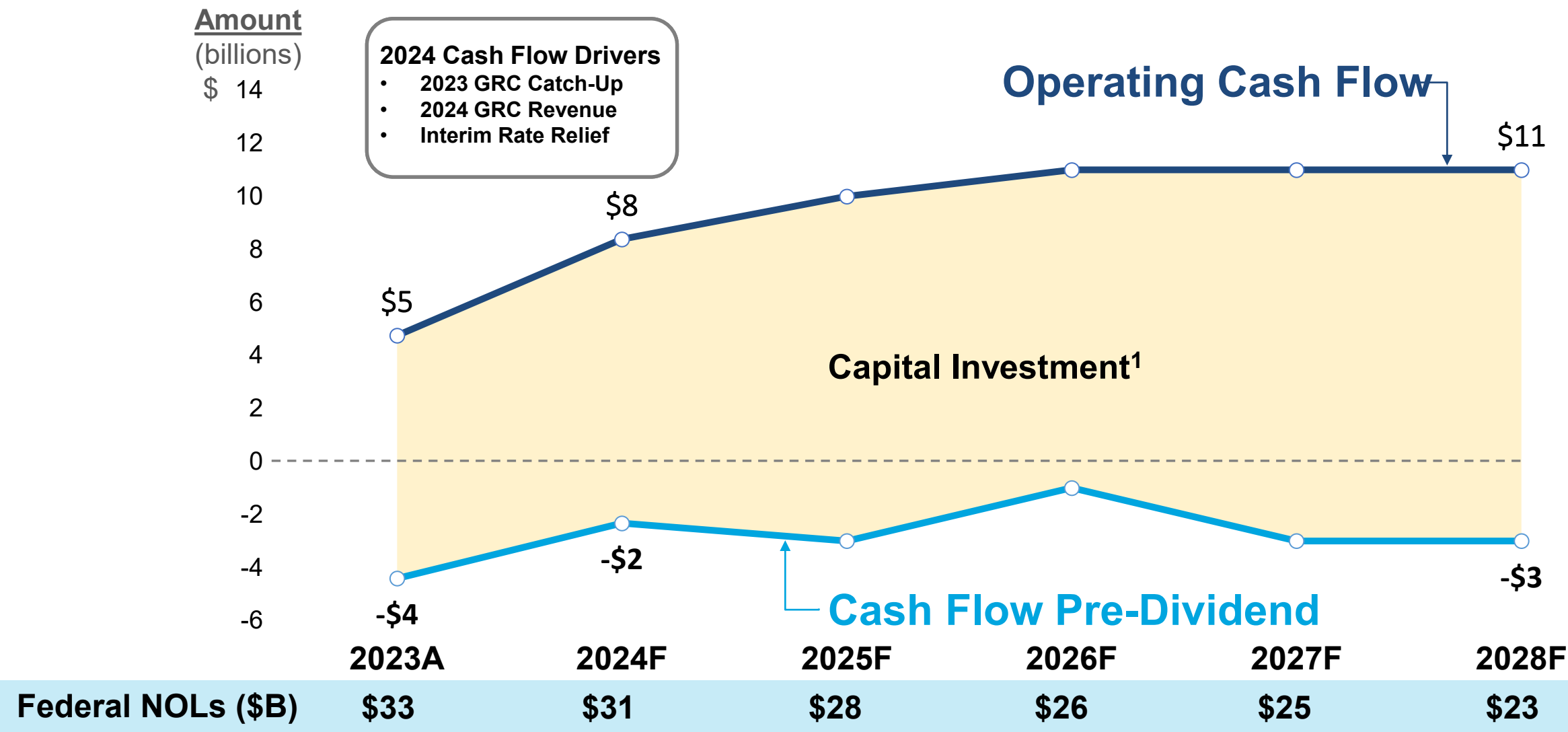
CapEx (\$B)³



Plus at least **\$5B**
additional investment
opportunities⁴

- 1 Transportation Electrification Capacity Investments
- 2 Transmission Upgrades: Data Centers & System Investments
- 3 Incremental New Business Connections
- 4 Hydro & Storage
- 5 IT & Automation

Capital Investment For Customers...



...Also Improves Cash Flow 13

Endnotes are included in the Appendix.

Simple, Affordable Model...



MODEL¹

	<u>PLAN</u>
Customer Capital Investment	~9%
Enablers	
-O&M cost reduction (non-fuel) ²	2%
-Electric load growth ³	1% - 3%
-Other (including efficient financing) ⁴	2%
Subtotal	<u>5% - 7%</u>
Customer Bills: At or Below Assumed Inflation	<u>2% - 4%</u>

Examples of O&M Cost Reductions (Non-Fuel)

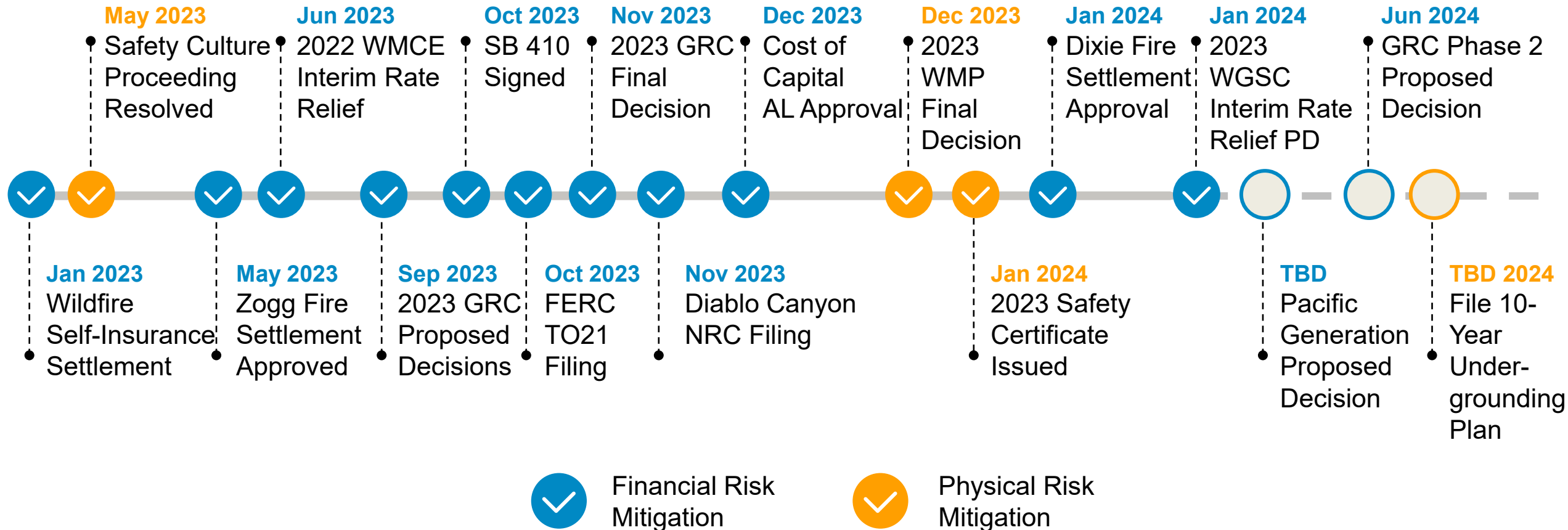
	<u>2022 Actual</u> (millions)	<u>2023 Actual</u> (millions)	<u>2024 Plan</u> (millions)	<u>Long-Term Plan</u> (millions)
Good Business Decisions and Savings Through Lean				
- Resource Management	\$ 25	\$ 90	\$ 65	\$ 65
- Efficiencies & Insurance	270	350	150	50
- Capital Conversion	100	- ⁵	30	30
- Planning, Execution, and Automation	50	130	155	195
Net Cost Increases	<u>(115)</u>	<u>(60)⁶</u>	<u>(200)</u>	<u>(140)</u>
Net Savings	\$ 330	\$ 510	\$ 200	\$ 200
Percent Savings	3%	5½%	2%	2%

Efficient Financing

Sale of Minority Interest in Pac Gen | DOE Loan Program

...Creates Room For Customer Capital Investment

Working With Policymakers And Stakeholders...



Differentiated Performance...



	2022A	2023A	2024F	Future
Customer Investment				
Rate Base Growth	5.5%	14.5%	10.5%	~9.5% ⁵
CA Regulatory Ranking (RRA)	Average/2	Average/1		Above Average
Affordable Model				
Non-Fuel O&M Reduction ¹	3%	5½%	2%	2%
Load Growth ²			1% - 3%	
Bills ³			2% - 4%	
Credit Ratings	BB-/Ba2	BB-↑/Ba2↑	Investment Grade	
Consistent Performance				
Non-GAAP Core EPS Growth ⁴	10%	12%	At Least 10%	At Least 9% 2025 - 2028
Operating Cashflow	\$3.7B	\$4.7B	\$8.3B	\$10B+
Performance Playbook				
Enterprise Lean Maturity	N/A	44%	51%	80%
Risk Reduction				
Safety Certification	✓	✓	Valid through 1/22/25	
Financial	S&P 500 / Rate Neutral Securitization	Common Dividend / Fire Victim Trust Exit	Premium Multiple	

...Benefits Customers AND Investors



2023



2023 Non-GAAP Core EPS¹: \$1.23
High end of range



Non-fuel O&M²: Down 5½%
Exceeded target



Wildfire Ignition Rate: 0.93
New low



Wildfire Risk Reduction³: 94%
Up from 90%



Miles Undergrounded: 364
Above target and below budget

Future

EPS Growth

2024 Guidance
\$1.33 - \$1.37
Rebased Higher

At least
9%
Extended to 2028

CapEx and Rate Base

5-Year CapEx
\$62B
20% Higher

Rate Base Growth
~9.5%
Extended to 2028

Affordable

Mid teens FFO/Debt in 2024
No new equity in 2024
2-4% Customer bill growth⁴ 2023 - 2026



PG&E Corporation

Q&A



Investor Meeting
June 12, 2024
New York



Patti Poppe
Chief Executive Officer



Carolyn Burke
EVP, Chief Financial Officer



PG&E Corporation

Appendix



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Appendix 1: 2024 Factors Impacting Earnings



Key Ranges

Non-GAAP Core EPS¹
\$1.33 - \$1.37
New Equity in 2024
\$0

Weighted Average Rate Base²

<i>Equity Ratio:</i> ³ 52%	<i>Return on Equity:</i> ³ 10.7% ⁴
CPUC	\$52B
FERC	\$11B
Total Rate Base	\$63B

Non-Core Items⁵

(\$ millions after tax)

Estimated non-core items guidance	\$480 - \$490
Non-core items cash portion ⁶	\$290

Key Factors Affecting Non-GAAP Core Earnings⁷

(\$ millions after tax)

Unrecoverable net interest ⁸	\$285 - \$365
Other earnings factors including AFUDC equity, incentive revenues, tax benefits, and cost savings, net of below-the-line costs	

Changes from prior quarter noted in blue

Appendix 2: GRC Final Decision



Revenue Requirement

\$B

2023	2024	2025	2026
\$13.52	\$14.24	\$14.60	\$14.80

- ☒ Funds 163 miles per year for gas distribution pipe replacement
- ☒ Fully funds requested annual energization work

Revenue Catch-Up

- Cash collection of 2023 incremental revenue requirement
- Softens 2024 rates and lowers bills in 2026



36 ► 24

Month Amortization

Escalation

- Increases reflecting incremental inflation in 2021 and 2022



25% ► 50%

Authorized

Undergrounding

- Adopts over 60% of requested 2023-2026 miles
- Permanent wildfire risk reduction



973 ► 1,230

Miles

Wildfire Mitigation

- Funds critical wildfire risk mitigation programs



EPSS & PSPS

Appendix 3: Expected Recovery Of Wildfire-Related Costs



Approved Cost Recovery (Final Decisions)

Application	Recovery Through	Balance at 9/30/2023	Q4 Expense	Q4 Rate Recovery	As of 12/31/2023	Expected Rate Recovery by Year		
						2024	2025	2026+
2023 GRC ¹	12/31/2026	199	786	(1,040)	(55)	(55)	-	-
2020 WMCE	2/28/2025	446	6	(85)	367	326	41	-
2021 WMCE	12/31/2025	666	1	(99)	568	359	209	-
Total		1,312	792	(1,225)	879	630	250	-

Pending & Future Cost Recovery (Settled, Filed, or Yet to be Filed)

Application	Expected Amortization	Balance at 9/30/2023	Q4 Expense	Q4 Rate Recovery	Q4 Filings	As of 12/31/2023	Expected Rate Recovery by Year		
							2024	2025	2026+
2021 WMCE	24 months	592	(32)	-	-	561	561	-	-
2022 WMCE	24 months	909	(46)	(272)	-	590	567	23	-
2023 WGSC	24 months	511	(29)	-	-	483	181	241	60
2023 WMCE	24 months	-	-	-	1,012	1,012	342	411	259
Yet to be Filed	TBD	2,670	(508)	-	(1,012)	1,150	-	-	1,150
Total		4,683	(614)	(272)	-	3,796	1,651	675	1,470

Expected Cash Flow
Recovery from Previously
Incurred Wildfire-Related
Spend

\$0.9B
Approved

\$2.6B
Pending

\$1.2B
Yet to be Filed

Appendix 4: AB 1054 Protections

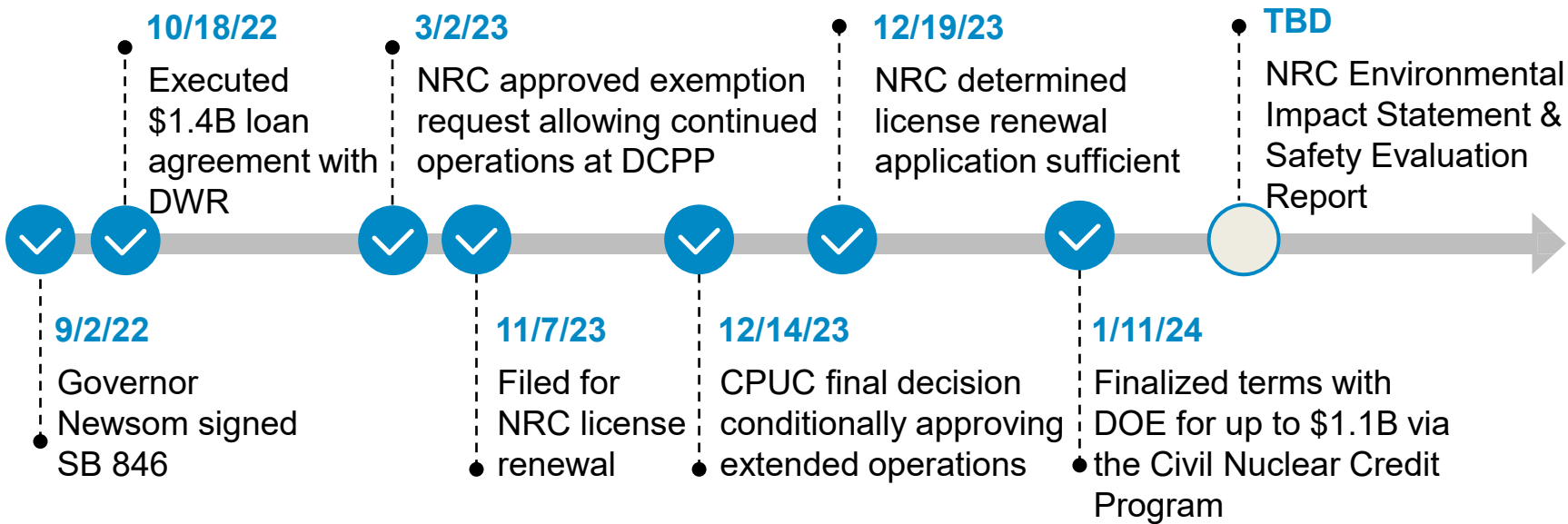


Protections Offered Under AB 1054

Liquidity <i>Available when needed</i>	Cost Recovery <i>Improved prudence standard¹</i>	Reimbursement <i>Maximum liability capped</i>
<ul style="list-style-type: none">Liquidity available as soon as claims paid exceed \$1B²Wildfire Fund with \$21B claims paying capacity (sized to last 15+ years)	<ul style="list-style-type: none">Utility conduct presumed prudentCan apply to CPUC for recovery of claims above insurance but below \$1BBeginning in 2023, self-insurance applies	<ul style="list-style-type: none">If found prudent: no Wildfire Fund reimbursement requiredIf found imprudent: reimburse Wildfire FundObligation capped at 20% of electric T&D equity rate base, 3 Yr rolling basis (~\$3.7B)³

Endnotes are included in the Appendix.

Appendix 5: SB 846 Diablo Canyon Legislation



Cost Recovery

2022-2024¹

Pre-Extension Period

- Ongoing O&M and rate base recovery through the GRC
- \$1.4B in state funding available to support extended operations
 - \$1.1B in extension costs; to be reimbursed from DOE Civil Nuclear Credit program
 - Up to \$300M available to invest in business through a \$7/MWh transition fee starting 9/2/22

2025-2030²

Extension Period

- \$100M/year in lieu of traditional rate base return
- Annual automatic true-up mechanism for costs
- \$13/MWh performance fee upside to be deployed for customer benefit

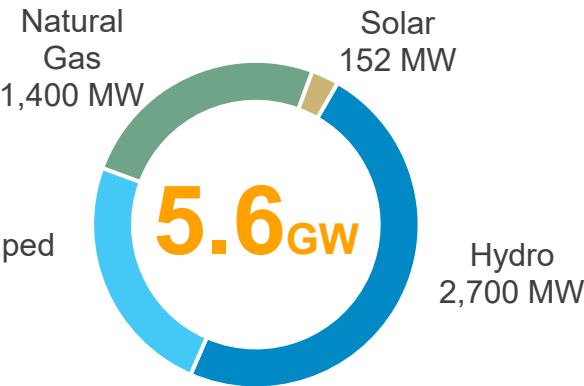
Appendix 6: Pacific Generation Minority Sale



2023 Rate Base¹

~\$3.4B

Generation Capacity



Corporate Structure and Return

- Pacific Generation will be a stand-alone PG&E subsidiary with separate management and Board
- Revenue requirement would be set through the GRC and cost of capital proceedings, essentially unchanged from the current process
- Pacific Generation would be capitalized in line with authorized CPUC capital structure

Efficient Financing

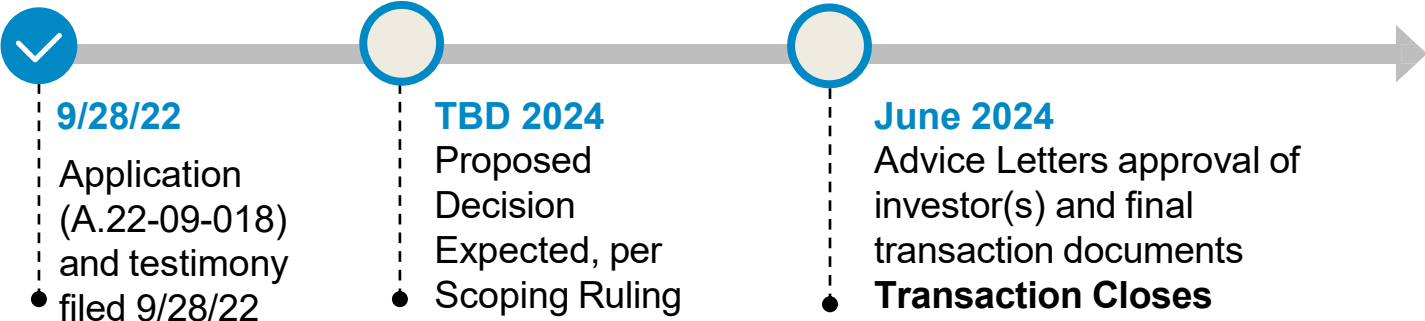
Customers

- Sale proceeds reinvested into PG&E system
- Retain owned-generation benefits with no rate impact

AND

Investors

- Additional capital source for generation safety, reliability and clean energy investments
- Credit positive transaction



Appendix 7: Wildfire Mitigation Plan Progress



Undergrounding Our Lines

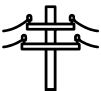
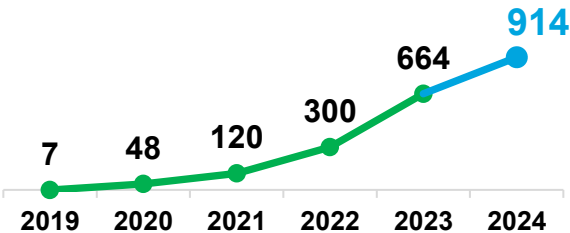
Undergrounding powerlines to reduce wildfires caused by equipment

2019-2023
ACTUALS¹

664
MILES COMPLETED

2024
TARGET

250
MILES

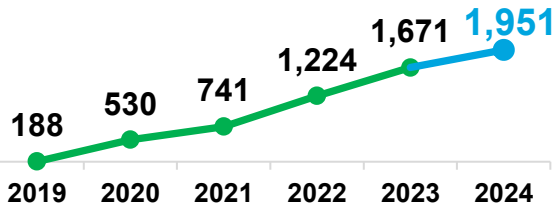


System Hardening

Strengthening our grid by installing stronger poles, covered powerlines and undergrounding

1,671
LINE MILES HARDENED

280
LINE MILES

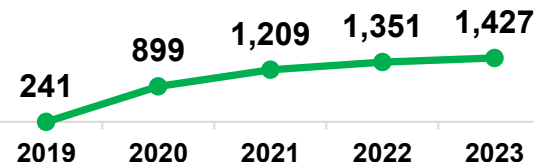


Sectionalizing Devices and Transmission Switches

Separating the grid into smaller sections and narrowing the scope of Public Safety Power Shutoffs

1,427
DEVICES INSTALLED


PROGRAM COMPLETED

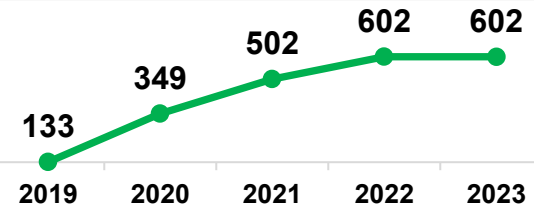


High-Definition Cameras

Monitoring and responding to wildfires through increased visibility

602
CAMERAS INSTALLED


PROGRAM COMPLETED

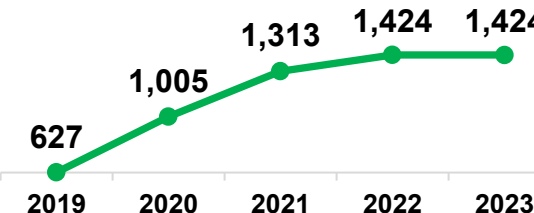


Weather Stations

Better predicting and responding to severe weather threats

1,424
STATIONS INSTALLED


PROGRAM COMPLETED



Appendix 8: Physical Risk Mitigation Progress Then & Now



2017

2023

2019-2023 Actuals

- ☒ EPSS
- ☒ PSPS
- ☒ 10K UG Program
- ☒ HD Cameras
- ☒ Weather Stations
- ☒ Wildfire Mitigation Plan

SITUATIONAL AWARENESS

- ☒ High-Definition Cameras with AI Capability **602**
CAMERAS INSTALLED
- ☒ Weather Stations **1,424**
STATIONS INSTALLED
- ☒ Hazard Awareness Warning Center **24/7/365**
MONITORING
- ☒ Advanced Meteorology & Fire Science Models

ASSET IMPROVEMENTS

- ☒ Undergrounding **664**
MILES COMPLETED
- ☒ System Hardening **1,671**
LINE MILES HARDENED
- ☒ Sectionalizing Devices **1,427**
DEVICES INSTALLED
- ☒ Trees Removed **3.3M**
TREES REMOVED

☒ **OPERATIONAL MITIGATIONS**

EPSS	Partial voltage force out	Transmission operational controls
PSPS	Safety & infrastructure protection teams	Downed conductor detection

New or Expanded in 2023

Appendix 9: PG&E Utility Securitization Program



The Utility has completed \$9.3B of \$10.7B expected securitization issuances

Complete

Rate Neutral Securitization A.20-04-023



Statutory Authority:

- SB 901 signed into law on September 21, 2018

Total Issuance Amount:

- Up to \$7.5B in up to three issuances by December 31, 2022

Use of Proceeds:

- Pay or reimburse the Utility for incurred costs and expenses relating to catastrophic wildfires ignited in 2017

Financing Order:

- Financing order issued on May 11, 2021
- Financing order became final and non-appealable as of February 28, 2022

Securitization Timing:

- Issuances complete
- \$3.6B issued in May 2022
- \$3.9B issued in July 2022

AB 1054 Securitization A.22-03-010

- AB 1054 signed into law on July 12, 2019

- Up to \$3.2B across several bond issuances

- Reimburse capital expenses associated with wildfire risk mitigation

- First financing order became final, non-appealable on July 6, 2021
- Second financing order became final, non-appealable on August 15, 2022

- \$860M recovery bonds issued in November 2021
- \$983M recovery bonds issued in November 2022
- Third securitization application to issue \$1.38B recovery bonds filed August 10, 2023. Final Decision issued February 15, 2024.

Appendix 10: Regulatory Progress



Regulatory Case/Filing	Docket	Status as of February 2024	Expected Milestones ¹
2023 GRC	A.21-06-021	2023 GRC Application filed 6/30/21 Wildfire Self-Insurance Final Decision received 1/12/23 Phase 2 Testimony submitted 9/15/23 Final Decision received 11/16/23	Phase 2 Proposed Decision June 2024
TO21	ER24-96-000	Application filed 10/13/2023	
2023 Cost of Capital	A.22-04-008	2023 Application filed 4/20/22 Final Decision 12/15/22 Phase 2 Opening Testimony submitted 1/29/2024. ACCAM Tier 2 Advice Letter approved 12/22/23 (4813-G/7046-E)	
2021 WMCE	A.21-09-008	Application filed 9/16/21 Settlement filed 1/18/23 (excludes VMBA) Final Decision on Settlement 8/31/23	
2022 WMCE	A.22-12-009	Application filed 12/15/22 Interim rate relief granted 6/8/23	Proposed Decision Q1 2024
2023 WMCE	A.23-12-001	Application and Interim Rate Relief request filed 12/1/23	
2022 Wildfire Mitigation Plan	2022-WMPs R.18-10-007	Final Decision by OEIS received 11/10/22 CPUC ratified 12/15/22	
2023 Wildfire Mitigation Plan	2023-2025-WMPs	Submitted 3/27/23 Revision Notice issued 6/22/23 Final Decision by OEIS received 12/29/23 CPUC ratified 2/15/24	
2022 Safety Certificate	2022-SCs	Submitted 9/14/22 Safety Certificate issued by OEIS 12/13/22	
2023 Safety Certificate	2023-SCs	Filed 12/1/23 Safety Certificate issued by OEIS 1/22/24	
Minority Interest Sale in Pacific Generation LLC	A.22-09-018	Filed 9/28/22 Schedule modified on 3/30/23	Proposed Decision within 90 days of 10/5/23
Wildfire and Gas Safety Costs	A.23-06-008	Filed 6/15/23 Interim Rate Relief Proposed Decision issued 2/1/24	Proposed Decision within 90 days of 8/26/24

Changes from prior quarter noted in blue

Appendix 11: Presentation Endnotes



Slide titles are hyperlinks

[Slide 3: Delivered On 2023, Lifting 2024 And Beyond](#)

1. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibits A and C for reconciliations of EPS results and guidance, respectively, on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.

[Slide 4: Simple, Affordable Model In Action](#)

1. Gray line illustrates headwinds and tailwinds to delivering on annual non-GAAP core EPS guidance, as well as the impact of PG&E Corporation's and the Utility's responses to such developments. For instance, headwinds may include cost productivity below budget; unfavorable regulatory, legislative, or tax outcomes; interest expense; or assumptions or planning regarding the foregoing. Tailwinds may include cost productivity above budget; favorable regulatory, legislative, or tax outcomes; interest income; or assumptions or planning regarding the foregoing. Redeployment may include accelerating work; timing of adoption of tax or accounting standards; timing of regulatory settlements; additional safety inspections; and contributions to The PG&E Corporation Foundation.
2. Non-GAAP core EPS for the full year 2020 was \$1.61 based on weighted average of approximately 1.257 billion shares outstanding. For illustrative purposes, 2020 non-GAAP core EPS has been recast using common shares outstanding on a fully diluted basis as of December 31, 2020 of approximately 2.124 billion shares. Non-GAAP core EPS for the full year 2021 was \$1.00 per share on a fully diluted basis and \$1.08 using a basic share count. The impact of dilution was \$(0.08) per share. See Appendix 9, Exhibit A of the earnings presentation for the fourth quarter and full year 2021, available [here](#), for a reconciliation of EPS results on a GAAP basis to non-GAAP core earnings per share and Appendix 9, Exhibit H regarding non-GAAP financial measures.
3. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibit A for a reconciliation of EPS results on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.
4. The Utility's cost reduction strategies include increased efficiency and waste elimination driven by implementing the Lean operating system, improving its work management, identifying additional opportunities to improve its capital-to-expense ratio, and an improved organizational design. Factors that may cause the Utility's actual results to differ materially from its forecasts include whether the Utility can control its operating costs within the authorized levels of spending and timely recover its costs through rates; whether the Utility can achieve projected savings; the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs; and changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons. 2% reduction calculated based on the prior year's operating and maintenance costs, excluding non-core items, balancing account deferrals, redeployment above base plan, property taxes, and certain state-mandated programs where the Utility's role is to facilitate achieving public policy goals regarding energy efficiency, the cost of which the Utility recovers. Reductions available for redeployment.

[Slide 5: Simple, Affordable Model](#)

1. These numbers are illustrative approximations and should not be interpreted as a guarantee of future performance.
2. The Utility's cost reduction strategies include increased efficiency and waste elimination driven by implementing the Lean operating system, improving its work management, identifying additional opportunities to improve its capital-to-expense ratio, and an improved organizational design. Factors that may cause the Utility's actual results to differ materially from its forecasts include whether the Utility can control its operating costs within the authorized levels of spending and timely recover its costs through rates; whether the Utility can achieve projected savings; the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs; and changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons. 2% reduction calculated based on the prior year's operating and maintenance costs, excluding non-core items, balancing account deferrals, redeployment above base plan, property taxes, and certain state-mandated programs where the Utility's role is to facilitate achieving public policy goals regarding energy efficiency, the cost of which the Utility recovers. Reductions available for redeployment.
3. Expected drivers of forecasted electric load growth include electrification and electric vehicle adoption.
4. Factors that may cause the Utility's actual results to differ materially from its forecasts include 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; their ability to raise financing through securitization transactions; actions by credit rating agencies to downgrade PG&E Corporation's or the Utility's credit ratings; and the impact of any changes in federal or state tax laws, policies, regulations, or their interpretation, and PG&E Corporation's and the Utility's ability to obtain efficient tax treatment.

[Slide 6: Affordable Business Model](#)

1. Factors that may cause customer bills to differ from forecast include risks and uncertainties associated with energy supply costs, emergency response costs, the timing and outcomes of regulatory proceedings, and customer energy usage. This forecast assumes procurement costs remain constant.

[Slide 7: Physical Risk Mitigations](#)

1. Based on a comparison in the Utility's GRC testimony of the wildfire risk score for a baseline risk level to a risk level reflecting the Utility's mitigation work. Risk scores are calculated using the scoring methodology established by the CPUC in the Safety Model Assessment Proceeding, which reflects the frequency with which various risks are expected to occur and the potential safety, reliability, and financial impacts of varying degrees of wildfire severity.
2. A reportable fire incident per Decision 14-02-015 is a fire event that meets the following criteria: 1) ignition is associated with the Utility's power lines (either transmission or distribution), 2) something other than the Utility's facilities burned, and 3) the resulting fire travelled more than one meter from the ignition point.

[Slide 8: Differentiated Growth And Regulatory Visibility](#)

1. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibit C for a reconciliation of EPS guidance on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.
2. Non-GAAP core EPS for the full year 2020 was \$1.61 based on weighted average of approximately 1.257 billion shares outstanding. For illustrative purposes, 2020 non-GAAP core EPS has been recast using common shares outstanding on a fully diluted basis as of December 31, 2020 of approximately 2.124 billion shares. Non-GAAP core EPS for the full year 2021 was \$1.00 per share on a fully diluted basis and \$1.08 using a basic share count. The impact of dilution was \$(0.08) per share. See Appendix 9, Exhibit A of the earnings presentation for the fourth quarter and full year 2021, available [here](#), for a reconciliation of EPS results on a GAAP basis to non-GAAP core earnings per share and Appendix 9, Exhibit H regarding non-GAAP financial measures.
3. Expected drivers of forecasted electric load growth include electrification and electric vehicle adoption.
4. The Utility's cost reduction strategies include increased efficiency and waste elimination driven by implementing the Lean operating system, improving its work management, identifying additional opportunities to improve its capital-to-expense ratio, and an improved organizational design. Factors that may cause the Utility's actual results to differ materially from its forecasts include whether the Utility can control its operating costs within the authorized levels of spending and timely recover its costs through rates; whether the Utility can achieve projected savings; the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs; and changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons. 2% reduction calculated based on the prior year's operating and maintenance costs, excluding non-core items, balancing account deferrals, redeployment above base plan, property taxes, and certain state-mandated programs where the Utility's role is to facilitate achieving public policy goals regarding energy efficiency, the cost of which the Utility recovers. Reductions available for redeployment.
5. Excludes fuel, purchased power costs, employee pensions and benefits, and injuries and damages for all utilities other than PG&E. The five-year average is calculated from 2017 through 2021. List of Peers: Alliant Energy Corporation, Ameren Corporation, American Electric Power Company Inc., CMS Energy Corporation, Consolidated Edison Inc., DTE Energy Company, Duke Energy Corporation, Edison International, Evergy Inc., Eversource Energy, NiSource Inc., Pinnacle West Capital Corporation, The Southern Company, WEC Energy Group Inc., Xcel Energy Inc.

Appendix 11: Presentation Endnotes



Slide titles are hyperlinks

[Slide 10: 2023 Report Card](#)

1. Defined by OEIS as a fire that caused at least one death, damaged over 500 structures, or burned over 5,000 acres.
2. 2% reduction calculated based on the prior year's operating and maintenance costs, excluding non-core items, balancing account deferrals, redeployment above base plan, property taxes, and certain state-mandated programs where the Utility's role is to facilitate achieving public policy goals regarding energy efficiency, the cost of which the Utility recovers. Reductions available for redeployment.
3. In accordance with AB 1054, \$3.21 billion of fire risk mitigation capital expenditures has been excluded from the Utility's equity rate base.
4. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibits A and C for reconciliations of EPS results and guidance, respectively, on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.
5. FFO/Debt is not calculated in accordance with GAAP. Because PG&E Corporation is not able to estimate the impact of specific line items, which have the potential to significantly impact the company's FFO/Debt in future periods, it is not providing a reconciliation for the comparable future period FFO/Debt.

[Slide 11: Non-GAAP Core EPS Comparison](#)

1. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibit A for a reconciliation of EPS results on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.

[Slide 12: Sector Leading Rate Base Growth](#)

1. Weighted average rate base is the Utility's equity rate base including non-nuclear generation assets.
2. Percentage already authorized represents the portion of CPUC-jurisdictional rate base adopted in the 2023 GRC for years 2023 through 2026 and holding constant in 2027 and 2028; and assumes FERC-jurisdictional rate base is equivalent to amounts requested in the formula rate through Transmission Owner rate proceedings for years 2024 through 2028.
3. Rate base point estimates reflect authorized capital expenditures from the 2023 GRC final decision (including the full amount recoverable through a balancing account where applicable) and above authorized capital spend that will support the Utility's plan, including strategic capital investments in electrification, energization, undergrounding and wildfire mitigation.
4. Upside opportunities of at least \$5 billion are not reflected in the CapEx or rate base numbers.

[Slide 13: Capital Investment For Customers](#)

1. Capital Investment, as presented, is equivalent to Cash from Investment Activities on the Statement of Cash Flows, and as such, includes CapEx, contributions and withdrawals from the Customer Credit Trust, and certain other Balance Sheet items.

[Slide 14: Simple, Affordable Model](#)

1. These numbers are illustrative approximations and should not be interpreted as a guarantee of future performance.
2. The Utility's cost reduction strategies include increased efficiency and waste elimination driven by implementing the Lean operating system, improving its work management, identifying additional opportunities to improve its capital-to-expense ratio, and an improved organizational design. Factors that may cause the Utility's actual results to differ materially from its forecasts include whether the Utility can control its operating costs within the authorized levels of spending and timely recover its costs through rates; whether the Utility can achieve projected savings; the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs; and changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons. 2% reduction calculated based on the prior year's operating and maintenance costs, excluding non-core items, balancing account deferrals, redeployment above base plan, property taxes, and certain state-mandated programs where the Utility's role is to facilitate achieving public policy goals regarding energy efficiency, the cost of which the Utility recovers. Reductions available for redeployment.
3. Expected drivers of forecasted electric load growth include electrification and electric vehicle adoption.
4. Factors that may cause the Utility's actual results to differ materially from its forecasts include 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; their ability to raise financing through securitization transactions; actions by credit rating agencies to downgrade PG&E Corporation's or the Utility's credit ratings; the supply and price of electricity, natural gas, and nuclear fuel; its use of self-insurance for wildfire liability insurance; and the impact of any changes in federal or state tax laws, policies, regulations, or their interpretation, and PG&E Corporation's and the Utility's ability to obtain efficient tax treatment.
5. Denoted amount is immaterial.
6. A higher discount rate used to measure the projected benefit costs at December 31, 2023 compared to December 31, 2022 resulted in lower pension and other post-retirement benefits service cost in the amount of \$321 million. This decrease is embedded in 2023 net cost increases.

[Slide 16: Differentiated Performance](#)

1. 2% reduction calculated based on the prior year's operating and maintenance costs, excluding non-core items, balancing account deferrals, redeployment above base plan, property taxes, and certain state-mandated programs where the Utility's role is to facilitate achieving public policy goals regarding energy efficiency, the cost of which the Utility recovers. Reductions available for redeployment. The Utility's cost reduction strategies include increased efficiency driven by implementing the Lean operating system, improving its work management, identifying additional opportunities to convert expenses to capital expenditures, and an improved organizational design. Factors that may cause the Utility's actual results to differ materially from its forecasts include whether the Utility can control its operating costs within the authorized levels of spending and timely recover its costs through rates; whether the Utility can achieve projected savings; the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs; and changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons.
2. Expected drivers of forecasted electric load growth include electrification and electric vehicle adoption.
3. Factors that may cause customer bills to differ from forecast include risks and uncertainties associated with energy supply costs, emergency response costs, the timing and outcomes of regulatory proceedings, and customer energy usage.
4. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibits A and C for reconciliations of EPS results and guidance, respectively, on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.
5. CAGR is from 2023 through 2028.

Appendix 11: Presentation Endnotes



Slide titles are hyperlinks

[Slide 17: Performance Is Power](#)

1. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibits A and C for reconciliations of EPS results and guidance, respectively, on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.
2. 2% reduction calculated based on the prior year's operating and maintenance costs, excluding non-core items, balancing account deferrals, redeployment above base plan, property taxes, and certain state-mandated programs where the Utility's role is to facilitate achieving public policy goals regarding energy efficiency, the cost of which the Utility recovers. Reductions available for redeployment. The Utility's cost reduction strategies include increased efficiency driven by implementing the Lean operating system, improving its work management, identifying additional opportunities to convert expenses to capital expenditures, and an improved organizational design. Factors that may cause the Utility's actual results to differ materially from its forecasts include whether the Utility can control its operating costs within the authorized levels of spending and timely recover its costs through rates; whether the Utility can achieve projected savings; the extent to which the Utility incurs unrecoverable costs that are higher than the forecasts of such costs; and changes in cost forecasts or the scope and timing of planned work resulting from changes in customer demand for electricity and natural gas or other reasons.
3. Based on a comparison in the Utility's GRC testimony of the wildfire risk score for a baseline risk level to a risk level reflecting the Utility's mitigation work. Risk scores are calculated using the scoring methodology established by the CPUC in the Safety Model Assessment Proceeding, which reflects the frequency with which various risks are expected to occur and the potential safety, reliability, and financial impacts of varying degrees of wildfire severity.
4. Factors that may cause customer bills to differ from forecast include risks and uncertainties associated with energy supply costs, emergency response costs, the timing and outcomes of regulatory proceedings, and customer energy usage.

[Slide 21: Appendix 1: 2024 Factors Impacting Earnings](#)

1. Non-GAAP core EPS is not calculated in accordance with GAAP. See Appendix 12, Exhibit C for a reconciliation of EPS guidance on a GAAP basis to non-GAAP core earnings per share and Appendix 12, Exhibit E regarding non-GAAP financial measures.
2. 2024 equity earning rate base reflects 2023 GRC final decision, the April 15, 2021 FERC order denying the Utility's request for rehearing related to TO18, and TO20 formula rate.
3. The capital structure of an investor-owned utility is the proportional authorization of shareholders' equity and debt that comprise a company's long-range financing or its capitalization. The CPUC currently authorized capital structure is comprised of 47.5% long-term debt, 0.5% preferred equity, and 52% common equity.
4. On January 12, 2024, parties submitted a late-filed request for CPUC review of Energy Division's December 22, 2023 approval of the Utility's cost of capital adjustment mechanism advice letter. In the meantime, the advice letter remains in effect and provides for a 10.7% ROE; the unrecoverable net interest range reflects a benefit of \$80 million after tax from the cost of debt reset.
5. Refer to Appendix 12, Exhibit C: PG&E Corporation's 2024 Earnings Guidance.
6. Cash amounts for non-core items are after tax, directional, and subject to change.
7. Non-GAAP core earnings assumptions include no 2024 impacts from changes in the federal tax code
8. Unrecoverable net interest includes PG&E Corporation long-term debt, Wildfire Fund contribution debt financing, and other interest above authorized, this netted against the Utility's balancing account interest.

[Slide 23: Appendix 3: Expected Recovery Of Wildfire-Related Costs](#)

1. Balance represents wildfire-related costs approved in the 2023 GRC and recorded in the RTBA, WMBA, and VMBA, and amounts approved through subsequent advice letters.

[Slide 24: Appendix 4: AB 1054 Protections](#)

1. Prior to the enactment of AB 1054, utilities bore the burden of proving that their conduct was reasonable in order to obtain recovery of costs through rates. AB 1054 changed the standard so that the conduct of a utility is deemed reasonable unless a party to the proceeding creates a serious doubt as to the reasonableness of the utility's conduct. Reasonable conduct is not limited to the optimum practice, method, or act to the exclusion of others, but rather encompasses a spectrum of possible practices, methods, or acts consistent with utility system needs, the interest of the ratepayers, and the requirements of governmental agencies of competent jurisdiction.
2. For fires in any calendar year.
3. Cap does not apply if Utility found to have acted with conscious or willful disregard of the rights and safety of others.

[Slide 25: Appendix 5: SB 846 Diablo Canyon Legislation](#)

1. The pre-extension period extends through the scheduled retirement dates of November 2024 and August 2025 for Units 1 and 2, respectively.
2. The extension period covers the additional 5-year life for each Unit.

[Slide 26: Appendix 6: Pacific Generation Minority Sale](#)

1. Reflects non-nuclear generation rate base authorized in the 2023 GRC.

[Slide 27: Appendix 7: Wildfire Mitigation Plan Progress](#)

1. Actual data is from January 1, 2019 through December 31, 2023.

[Slide 30: Appendix 10: Regulatory Progress](#)

1. Regulatory proceeding timelines reflect expected filing and decision time frames; actual timing may differ.

Appendix 12: Supplemental Earnings Materials



Exhibit	Title	Slide (Link)
Exhibit A	Reconciliation of PG&E Corporation's Consolidated Earnings Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles ("GAAP") to Non-GAAP Core Earnings	<u>Slides 35-38</u>
Exhibit B	Key Drivers of PG&E Corporation's Non-GAAP Core Earnings per Common Share ("EPS")	<u>Slides 39</u>
Exhibit C	PG&E Corporation's 2024 Earnings Guidance	<u>Slides 40-43</u>
Exhibit D	GAAP Net Income to Non-GAAP Adjusted EBITDA Reconciliation	<u>Slides 44</u>
Exhibit E	Non-GAAP Financial Measures	<u>Slides 45</u>

Exhibit A: Reconciliation of PG&E Corporation's Consolidated Earnings Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles ("GAAP") to Non-GAAP Core Earnings



Fourth Quarter and Full Year, 2023 vs. 2022
(in millions, except per share amounts)

(in millions, except per share amounts)	Three Months Ended December 31,				Year Ended December 31,			
	Earnings		Earnings per Common Share		Earnings		Earnings per Common Share	
	2023	2022	2023	2022	2023	2022	2023	2022
PG&E Corporation's Earnings/EPS on a GAAP basis	\$ 919	\$ 513	\$ 0.43	\$ 0.24	\$ 2,242	\$ 1,800	\$ 1.05	\$ 0.84
Non-core items: ⁽¹⁾								
Amortization of Wildfire Fund contribution ⁽²⁾	83	90	0.04	0.04	408	344	0.19	0.16
Bankruptcy and legal costs ⁽³⁾	8	14	—	0.01	89	216	0.04	0.10
Fire Victim Trust tax benefit net of securitization ⁽⁴⁾	(77)	(139)	(0.04)	(0.07)	(262)	(418)	(0.12)	(0.20)
Investigation remedies ⁽⁵⁾	3	17	—	0.01	24	93	0.01	0.04
Prior period net regulatory impact ⁽⁶⁾	(6)	—	—	—	(24)	(11)	(0.01)	(0.01)
Strategic repositioning costs ⁽⁷⁾	—	—	—	—	3	65	—	0.03
Wildfire-related costs, net of insurance ⁽⁸⁾	76	64	0.04	0.03	150	254	0.07	0.12
PG&E Corporation's Non-GAAP core earnings/EPS ⁽⁹⁾	<u>\$ 1,006</u>	<u>\$ 560</u>	<u>\$ 0.47</u>	<u>\$ 0.26</u>	<u>\$ 2,630</u>	<u>\$ 2,343</u>	<u>\$ 1.23</u>	<u>\$ 1.10</u>

All amounts presented in the table above and footnotes below are tax adjusted at PG&E Corporation's statutory tax rate of 27.98% for 2023 and 2022, except for certain costs that are not tax deductible. Earnings per Common Share is calculated based on diluted shares. Amounts may not sum due to rounding.

(1) "Non-core items" include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods, consisting of the items listed in the table above. See Exhibit E: Non-GAAP Financial Measures.

Exhibit A: Reconciliation of PG&E Corporation's Consolidated Earnings Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles ("GAAP") to Non-GAAP Core Earnings



Fourth Quarter and Full Year, 2023 vs. 2022
(in millions, except per share amounts)

- (2) The Utility recorded costs of \$115 million (before the tax impact of \$32 million) and \$567 million (before the tax impact of \$159 million) during the three months and year ended December 31, 2023, respectively, associated with the amortization of the Wildfire Fund asset and accretion of the related Wildfire Fund liability.
- (3) Includes bankruptcy and legal costs associated with PG&E Corporation's and the Utility's Chapter 11 filing, including legal and other costs and exit financing costs, as shown below. The three months ended December 31, 2023 also include a reclassification from non-core to core earnings of \$20 million in interest expense incurred between February 2023 and September 2023 on debt that was originally intended to be repaid with the proceeds from a securitization transaction, as a result of revised debt planning.

(in millions)	Three Months Ended December 31, 2023	Year Ended December 31, 2023
Legal and other costs	\$ 34	\$ 120
Exit financing	(23)	3
Bankruptcy and legal costs (pre-tax)	\$ 11	\$ 123
Tax impacts	(3)	(34)
Bankruptcy and legal costs (post-tax)	\$ 8	\$ 89

Exhibit A: Reconciliation of PG&E Corporation's Consolidated Earnings Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles ("GAAP") to Non-GAAP Core Earnings



Fourth Quarter and Full Year, 2023 vs. 2022
(in millions, except per share amounts)

- (4) Includes any earnings-impacting investment losses or gains associated with investments related to the contributions to the customer credit trust, the charge related to the establishment of the SB 901 securitization regulatory asset and the SB 901 securitization regulatory liability associated with revenue credits funded by net operating loss monetization, and tax benefits related to the Fire Victim Trust's sale of PG&E Corporation common stock.

(in millions)	Three Months Ended December 31, 2023	Year Ended December 31, 2023
SB 901 securitization charge	\$ 359	\$ 1,267
Net gains related to customer credit trust	1	(22)
Fire Victim Trust tax benefit net of securitization (pre-tax)	\$ 360	\$ 1,245
Tax impacts	(101)	(348)
Tax benefits from Fire Victim Trust share sales	(337)	(1,158)
Fire Victim Trust tax benefit net of securitization (post-tax)	\$ (77)	\$ (262)

- (5) Includes costs associated with the decision different for the OII related to the 2017 Northern California Wildfires and 2018 Camp Fire ("Wildfires OII"), the system enhancements related to the locate and mark OII, the restoration and rebuilding costs for the town of Paradise, and the settlement agreement resolving the Safety and Enforcement Division's investigation into the 2020 Zogg fire, as shown below.

(in millions)	Three Months Ended December 31, 2023	Year Ended December 31, 2023
Wildfires OII disallowance and system enhancements	\$ 3	\$ 5
Locate and mark OII system enhancements	1	3
Paradise restoration and rebuild	—	23
2020 Zogg fire settlement	1	1
Investigation remedies (pre-tax)	\$ 4	\$ 32
Tax impacts	(1)	(8)
Investigation remedies (post-tax)	\$ 3	\$ 24

Exhibit A: Reconciliation of PG&E Corporation's Consolidated Earnings Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles ("GAAP") to Non-GAAP Core Earnings



Fourth Quarter and Full Year, 2023 vs. 2022
(in millions, except per share amounts)

- (6) The Utility recorded \$8 million (before the tax impact of \$2 million) and \$33 million (before the tax impact of \$9 million) during the three months and year ended December 31, 2023 related to adjustments associated with the recovery of capital expenditures from 2011 through 2014 above amounts adopted in the 2011 GT&S rate case per the CPUC decision dated July 14, 2022.
- (7) The Utility recorded \$4 million (before the tax impact of \$1 million) during the year ended December 31, 2023 of one-time costs related to repositioning PG&E Corporation's and the Utility's operating model.
- (8) Includes costs associated with the 2019 Kincade fire, 2020 Zogg fire, and 2021 Dixie fire, net of insurance, as shown below.

(in millions)	Three Months Ended December 31, 2023	Year Ended December 31, 2023
2019 Kincade third-party claims	\$ 100	\$ 100
2019 Kincade fire-related costs	2	8
2020 Zogg fire-related costs	1	18
2020 Zogg fire-related insurance recoveries	—	(4)
2020 Zogg fire-related legal settlements	—	50
2021 Dixie fire-related legal settlements	3	20
Wildfire-related costs, net of insurance (pre-tax)	\$ 106	\$ 193
Tax impacts	(30)	(43)
Wildfire-related costs, net of insurance (post-tax)	\$ 76	\$ 150

- (9) "Non-GAAP core earnings" is a non-GAAP financial measure. See Exhibit E: Non-GAAP Financial Measures.

Undefined, capitalized terms have the meanings set forth in PG&E Corporation's and the Utility's joint Annual Report on Form 10-K for the year ended December 31, 2023.

Exhibit B: Key Drivers of PG&E Corporation's Non-GAAP Core Earnings per Common Share ("EPS")



Fourth Quarter and Full Year, 2023 vs. 2022
(in millions, except per share amounts)

	Fourth Quarter 2023 vs. 2022		Year to Date 2023 vs. 2022	
	Earnings	Earnings per Common Share	Earnings	Earnings per Common Share
2022 Non-GAAP Core Earnings/EPS ⁽¹⁾	\$ 560	\$ 0.26	\$ 2,343	\$ 1.10
Customer capital investment (final GRC decision)	325	0.15	325	0.15
Timing ⁽²⁾	85	0.04	—	—
Operating & maintenance / other ⁽³⁾	66	0.04	57	0.03
Redeployment ⁽⁴⁾	(30)	(0.02)	(95)	(0.05)
2023 Non-GAAP Core Earnings/EPS ⁽¹⁾	\$ 1,006	\$ 0.47	\$ 2,630	\$ 1.23

All amounts presented in the table above are tax adjusted at PG&E Corporation's statutory tax rate of 27.98% for 2023 and 2022. Amounts may not sum due to rounding.

(1) See Exhibit A for reconciliations of (i) earnings on a GAAP basis to non-GAAP core earnings and (ii) EPS on a GAAP basis to non-GAAP core EPS.

(2) Represents the timing of taxes reportable in quarterly statements in accordance with Accounting Standards Codification 740, Income Taxes, and results from variances in the percentage of quarterly earnings to annual earnings, and the timing of capitalized overheads and A&G costs allocated to capital projects during the three months and year ended December 31, 2023.

(3) Represents miscellaneous items such as higher GRC base revenues offset by increased operating and maintenance as a result of performing regular work that was delayed in the first half due to storm response and other items such as property taxes during the three months ended December 31, 2023. Represents decreased operating and maintenance, increased GRC base revenues and offset by other miscellaneous items such as property taxes during the year ended December 31, 2023.

(4) Represents redeployment of operating and maintenance savings into programs such as information technology system improvements and transportation services during the three months and year ended December 31, 2023.

Exhibit C: PG&E Corporation's 2024 Earnings Guidance



EPS guidance	2024			
	Low		High	
Estimated EPS on a GAAP basis	~ \$	1.10	~ \$	1.14
Estimated non-core items: ⁽¹⁾				
Amortization of Wildfire Fund contribution ⁽²⁾	~	0.16	~	0.16
Bankruptcy and legal costs ⁽³⁾	~	0.02	~	0.02
SB 901 securitization ⁽⁴⁾	~	0.01	~	0.01
Investigation remedies ⁽⁵⁾	~	0.04	~	0.04
Prior period net regulatory impact ⁽⁶⁾	~	(0.01)	~	(0.01)
Wildfire-related costs, net of insurance ⁽⁷⁾	~	0.01	~	0.01
Estimated EPS on a non-GAAP core earnings basis	~ \$	1.33	~ \$	1.37

All amounts presented in the table above and footnotes below are tax adjusted at PG&E Corporation's statutory tax rate of 27.98% for 2024, except for certain costs that are not tax deductible. Amounts may not sum due to rounding.

(1) "Non-core items" include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods. See Exhibit E: Non-GAAP Financial Measures.

(2) "Amortization of Wildfire Fund contribution" represents the amortization of the Wildfire Fund asset and accretion of the related Wildfire Fund liability.

(in millions, pre-tax)	2024			
	Low guidance range		High guidance range	
Amortization of Wildfire Fund contribution	~ \$	460	~ \$	460
Amortization of Wildfire Fund contribution (pre-tax)	~ \$	460	~ \$	460
Tax impacts	~	(129)	~	(129)
Amortization of Wildfire Fund contribution (post-tax)	~ \$	331	~ \$	331

Exhibit C: PG&E Corporation's 2024 Earnings Guidance



(3) “Bankruptcy and legal costs” consists of legal and other costs associated with PG&E Corporation’s and the Utility’s Chapter 11 filing.

(in millions, pre-tax)	2024	
	Low guidance range	High guidance range
Legal and other costs	~ \$ 50	~ \$ 50
Bankruptcy and legal costs (pre-tax)	~ \$ 50	~ \$ 50
Tax impacts	~ (14)	~ (14)
Bankruptcy and legal costs (post-tax)	~ \$ 36	~ \$ 36

(4) “SB 901 securitization” includes the establishment of the SB 901 securitization regulatory asset and the SB 901 regulatory liability associated with revenue credits funded by net operating loss monetization. Also included are any earnings-impacting investment losses or gains associated with investments related to the contributions to the customer credit trust.

(in millions, pre-tax)	2024	
	Low guidance range	High guidance range
SB 901 securitization charge	~ \$ 33	~ \$ 33
Net gains related to customer credit trust	~ —	~ —
SB 901 Securitization (pre-tax)	~ \$ 33	~ \$ 33
Tax impacts	~ (9)	~ (9)
SB901 Securitization (post-tax)	~ \$ 24	~ \$ 24

Exhibit C: PG&E Corporation's 2024 Earnings Guidance



(5) "Investigation remedies" includes costs related to the Paradise restoration and rebuild, the Wildfires OII decision different, the settlement agreement resolving the Safety and Enforcement Division's investigation into the 2020 Zogg fire, and the locate and mark OII system enhancements.

(in millions, pre-tax)	2024	
	Low guidance range	High guidance range
Paradise restoration and rebuild	~ \$ 10	~ \$ 10
Wildfires OII disallowance and system enhancements	~ 40	~ 40
2020 Zogg fire settlement	~ 75	~ 75
Locate and mark OII system enhancements	~ 5	~ 5
Investigation remedies (pre-tax)	~ \$ 130	~ \$ 130
Tax impacts	~ (35)	~ (35)
Investigation remedies (post-tax)	~ \$ 95	~ \$ 95

(6) "Prior period net regulatory impact" represents the recovery of capital expenditures from 2011 through 2014 above amounts adopted in the 2011 GT&S rate case.

(in millions, pre-tax)	2024	
	Low guidance range	High guidance range
2011-2014 GT&S capital audit	~ \$ (35)	~ \$ (35)
Prior period net regulatory impact (pre-tax)	~ \$ (35)	~ \$ (35)
Tax impacts	~ 10	~ 10
Prior period net regulatory impact (post-tax)	~ \$ (25)	~ \$ (25)

Exhibit C: PG&E Corporation's 2024 Earnings Guidance



(7) “Wildfire-related costs, net of insurance” includes legal and other costs associated with the 2019 Kincadee fire, 2020 Zogg fire, and 2021 Dixie fire, net of insurance.

(in millions, pre-tax)	2024	
	Low guidance range	High guidance range
2019 Kincadee fire-related costs	~ \$ 15	~ \$ 15
2020 Zogg fire-related legal settlements	~ 5	~ 5
2020 Zogg fire-related insurance recoveries	~ (5)	~ (5)
2021 Dixie fire-related legal settlements	~ 15	~ 15
Wildfire-related costs, net of insurance (pre-tax)	~ \$ 30	~ \$ 30
Tax impacts	~ (8)	~ (8)
Wildfire-related costs, net of insurance (post-tax)	~ \$ 22	~ \$ 22

Undefined, capitalized terms have the meanings set forth in PG&E Corporation’s and the Utility’s joint Annual Report on Form 10-K for the year ended December 31, 2023.

Exhibit D: GAAP Net Income to Non-GAAP Adjusted EBITDA Reconciliation PG&E Corporation



Full Year, 2023 vs. 2022

(in millions)	Year Ended December 31,	
	2023	2022
PG&E Corporation's Net Income on a GAAP basis	\$ 2,256	\$ 1,814
Income tax benefit	(1,557)	(1,338)
Other income, net	(272)	(394)
Interest expense	2,850	1,917
Interest income	(606)	(162)
Operating Income	\$ 2,671	\$ 1,837
Depreciation, amortization, and decommissioning	3,738	3,856
Wildfire Fund expense	567	477
Fire Victim Trust tax benefit, net of securitization	1,245	627
Investigation remedies	32	120
Prior period net regulatory impact	(32)	(16)
Strategic repositioning costs	4	90
Wildfire-related costs, net of insurance	193	334
PG&E Corporation's Non-GAAP Adjusted EBITDA	\$ 8,417	\$ 7,325

1. Amounts may not sum due to rounding. "Non-GAAP Adjusted EBITDA" is a non-GAAP financial measure.
2. 2022 Non-GAAP Adjusted EBITDA differs from what was reported on December 29, 2022 (removed Bankruptcy and legal costs from the calculation).

Exhibit E: Non-GAAP Financial Measures



Non-GAAP Core Earnings and Non-GAAP Core EPS

“Non-GAAP core earnings” and “Non-GAAP core EPS,” also referred to as “non-GAAP core earnings per share,” are non-GAAP financial measures. Non-GAAP core earnings is calculated as income available for common shareholders less non-core items. “Non-core items” include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods, consisting of the items listed in Exhibit A. Non-GAAP core EPS is calculated as non-GAAP core earnings divided by common shares outstanding on a diluted basis.

PG&E Corporation discloses historical financial results and provides guidance based on “non-GAAP core earnings” and “non-GAAP core EPS” in order to provide a measure that allows investors to compare the underlying financial performance of the business from one period to another, exclusive of non-core items. PG&E Corporation and the Utility use non-GAAP core earnings and non-GAAP core EPS to understand and compare operating results across reporting periods for various purposes including internal budgeting and forecasting, short- and long-term operating planning, and employee incentive compensation. PG&E Corporation and the Utility believe that non-GAAP core earnings and non-GAAP core EPS provide additional insight into the underlying trends of the business, allowing for a better comparison against historical results and expectations for future performance. With respect to our projection of non-GAAP core EPS for the years 2024-2026, PG&E Corporation is unable to predict with reasonable certainty the reconciling items that may affect GAAP net income without unreasonable effort. The reconciling items are primarily due to the future impact of wildfire-related costs, timing of regulatory recoveries, special tax items, and investigation remedies. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, the GAAP measures.

Non-GAAP core earnings and non-GAAP core EPS are not substitutes or alternatives for GAAP measures such as consolidated income available for common shareholders and may not be comparable to similarly titled measures used by other companies.