

PG&E Corp
Form 10-Q
July 31, 2013

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C., 20549
FORM 10-Q

(Mark One)

☒ [X]

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2013

OR

☐ []

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

| Commission File Number | Exact Name of Registrant as Specified in its Charter | State or Other Jurisdiction of Incorporation | IRS Employer Identification Number |
|------------------------------|---|--|--|
|------------------------------|---|--|--|

1-12609
1-2348

PG&E Corporation
Pacific Gas and Electric
Company

California
California

94-3234914
94-0742640

Pacific Gas and Electric Company
77 Beale Street
P.O. Box 770000
San Francisco, California 94177

PG&E Corporation
77 Beale Street
P.O. Box 770000
San Francisco, California 94177

| Address of principal executive offices, including zip code | |
|--|------------------------------------|
| Pacific Gas and Electric Company (415) 973-7000 | PG&E Corporation (415) 973-1000 |

Registrant's telephone number, including area code

Indicate by check mark whether each registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. ☒ [X] Yes ☐ [] No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

PG&E Corporation:

☒ [X] Yes ☐ [] No

Pacific Gas and Electric Company:

☒ [X] Yes ☐ [] No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer”, “accelerated filer”, and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

| | | |
|-----------------------------------|---|--|
| PG&E Corporation: | <input checked="" type="checkbox"/> Large accelerated filer | <input type="checkbox"/> Accelerated filer |
| | <input type="checkbox"/> Non-accelerated filer | <input type="checkbox"/> Smaller reporting company |
| Pacific Gas and Electric Company: | <input type="checkbox"/> Large accelerated filer | <input type="checkbox"/> Accelerated filer |
| | <input checked="" type="checkbox"/> Non-accelerated filer | <input type="checkbox"/> Smaller reporting company |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

| | |
|-----------------------------------|---|
| PG&E Corporation: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Pacific Gas and Electric Company: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock outstanding as of July 22, 2013:

| | |
|-----------------------------------|-------------|
| PG&E Corporation: | 445,151,814 |
| Pacific Gas and Electric Company: | 264,374,809 |

PG&E CORPORATION AND
PACIFIC GAS AND ELECTRIC COMPANY
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2013
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GLOSSARY

The following terms and abbreviations appearing in the text of this report have the meanings indicated below.

| | |
|--------------------|--|
| 2012 Annual Report | PG&E Corporation's and Pacific Gas and Electric Company's combined Annual Report on Form 10-K for the year ended December 31, 2012 |
| AFUDC | allowance for funds used during construction |
| ALJ | administrative law judge |
| ASU | accounting standards update |
| CAISO | California Independent System Operator |
| CARB | California Air Resources Board |
| CCSF | City and County of San Francisco |
| CPUC | California Public Utilities Commission |
| CRRs | congestion revenue rights |
| DRA | Division of Ratepayer Advocates |
| DTSC | California Department of Toxic Substances Control |
| EPA | Environmental Protection Agency |
| EPS | earnings per common share |
| FASB | Financial Accounting Standards Board |
| FERC | Federal Energy Regulatory Commission |
| GAAP | generally accepted accounting principles |
| GHG | greenhouse gas |
| GRC | general rate case |
| GT&S | gas transmission and storage |
| IRS | Internal Revenue Service |
| NEIL | Nuclear Electric Insurance Limited |
| NRC | Nuclear Regulatory Commission |
| NTSB | National Transportation Safety Board |
| PSEP | pipeline safety enhancement plan |
| ROE | return on equity |
| SED | Safety and Enforcement Division of the CPUC, formerly known as the Consumer Protection and Safety Division or the CPSD |
| TO | transmission owner |
| TURN | The Utility Reform Network |
| Utility | Pacific Gas and Electric Company |
| VIE(s) | variable interest entity(ies) |

PART I. FINANCIAL INFORMATION
ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

PG&E CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

| (in millions, except per share amounts) | (Unaudited) | | | |
|---|--------------------|---------|------------------|---------|
| | Three Months Ended | | Six Months Ended | |
| | June 30, | | June 30, | |
| | 2013 | 2012 | 2013 | 2012 |
| Operating Revenues | | | | |
| Electric | \$3,059 | \$2,931 | \$5,858 | \$5,703 |
| Natural gas | 717 | 662 | 1,590 | 1,531 |
| Total operating revenues | 3,776 | 3,593 | 7,448 | 7,234 |
| Operating Expenses | | | | |
| Cost of electricity | 1,189 | 962 | 2,172 | 1,821 |
| Cost of natural gas | 179 | 132 | 525 | 475 |
| Operating and maintenance | 1,256 | 1,426 | 2,594 | 2,794 |
| Depreciation, amortization, and decommissioning | 516 | 606 | 1,019 | 1,190 |
| Total operating expenses | 3,140 | 3,126 | 6,310 | 6,280 |
| Operating Income | 636 | 467 | 1,138 | 954 |
| Interest income | 2 | 3 | 4 | 4 |
| Interest expense | (177) | (176) | (353) | (350) |
| Other income, net | | | | |