



Henry Weintraub
Attorney

77 Beale Street, B30A
San Francisco, CA 94105

Mailing Address:
P.O. Box 7442
San Francisco, CA 94120

415.973.1963
Fax: 415.973.5520
Email: hank.weintraub@pge.com

January 12, 2021

Via e-mail to shareholderproposals@sec.gov

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, NE
Washington, DC 20549

Re: Pacific Gas and Electric Company

Notice of Intent to Omit from the 2021 Proxy Materials a Shareholder Proposal
From Bethann Richter pursuant to Rule 14a-8 of the Exchange Act

Ladies and Gentlemen:

Pacific Gas and Electric Company, a California corporation (the "Company"), submits this letter under Rule 14a-8(j) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to notify the U.S. Securities and Exchange Commission (the "Commission") of the Company's intent to exclude a shareholder's proposal (with the supporting statement, the "Proposal") from the proxy materials for the Company's 2021 Annual Meeting of Shareholders (the "2021 Proxy Materials") pursuant to the following bases for exclusion under Rule 14a-8:

- Rule 14a-8(i)(10) because the Company has already substantially implemented the proposal;
- Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations; and
- Rule 14a-8(i)(5) because the proposal relates to operations which account for less than 5 percent of the Company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the Company's business.

The Proposal was submitted by Ms. Bethann Richter (the "Proponent") and Mr. George Fox as the Proponent's representative (the "Representative") on July 20, 2020. In accordance with Rule 14a-8(j), a copy of this letter and its attachments are being provided to the Proponent and Representative.¹ The letter informs the Proponent and Representative of the Company's

¹ Because this request is being submitted electronically, Pacific Gas and Electric Company is not submitting six copies of the request, as otherwise specified in Rule 14a-8(j).

intention to omit the Proposal from its 2021 Proxy Materials. Pursuant to Rule 14a-8(j), this letter is being submitted not less than 80 calendar days before the Company intends to file its definitive 2021 Proxy Materials with the Commission.

The Company respectfully requests that the staff of the Division of Corporation Finance of the Commission (the “Staff”) confirm that it will not recommend to the Commission that any enforcement action be taken if the Company excludes the Proposal from its 2021 Proxy Materials as described below.

I. BACKGROUND

A. The Proposal

On July 20, 2020, the Company received Proponent’s Proposal, which was dated as of January 7, 2020. The Proposal’s resolution reads as follows:

RESOLVED: That shareholders of Pacific Gas and Electric Company, assembled at the annual meeting by person and by proxy, to demand that the Board of Directors immediately engage RDS Services, LLC to conduct a Retiree Drug Subsidy Reopening to evaluate and recover the estimated (\$2,900,253.74) and (\$1,026,214) [*sic*] specialty drug subsidies, in addition to unclaimed Federal Drug Subsidies due Pacific Gas and Electric Company. Thereby enhancing [*sic*] shareholder value by increasing dividends or increasing share price. The shareholders further request that the Board annually engage RDS Services, LLC to maximize the Federal Retiree Drug Subsidy.

On September 10, 2020, the Company sent a letter by e-mail to the Representative, confirming receipt of the Proponent’s submission.

A copy of the Proposal and all related correspondence is included in Exhibit A.

B. Factual Background

The Company is a public utility serving northern and central California.

The Representative is the National Director of Accounts for RDS Services, LLC, the proposed auditor. The Proposal therefore appears to demand that the Company engage the Representative’s employer.²

The Retiree Drug Subsidy is a program available under Medicare that enables employers and unions to continue providing their Medicare-eligible retirees with employer-sponsored drug

² Rule 14a-8(i)(4) may also be a basis for exclusion, and the Company reserves its right to make this argument. Rule 14a-8(i)(4) permits a company to exclude a shareholder proposal if “it is designed to result in a benefit to [the shareholder], or to further a personal interest, which is not shared by the other shareholders at large.” Because the Proposal specifies the Representative’s employer, the Proposal is designed to further a personal interest, which is not shared by other shareholders at large.

coverage.³ Employers apply to the Centers for Medicare & Medicaid Services for reimbursement for a portion of their eligible expenses for retiree prescription drug benefits. Certain errors in that application can limit an employer's reimbursement recovery. As such, employers often engage consulting companies to review the accuracy of their applications and to maximize their reimbursement under the Retiree Drug Subsidy program.

The Company participates in the Retiree Drug Subsidy program for its eligible retirees, and it already engages nationally recognized employee benefits consulting companies to assist in the preparation of its Retiree Drug Subsidy applications. These consulting companies also evaluate the Company's Retiree Drug Subsidy application to determine whether the Company's recoveries under the program are reasonable and help maximize the Company's reimbursement under the Retiree Drug Subsidy program.

II. BASES FOR EXCLUSION

A. Rule 14a-8(i)(10)

The Proposal is properly excludable from the 2021 Proxy Materials under Rule 14a-8(i)(10) because the Proposal has been substantially implemented by the Company.

Rule 14a-8(i)(10) permits the exclusion of a proposal if the company has already substantially implemented the proposal. To demonstrate substantial implementation, a company must show that its actions compare favorably with the guidelines and essential purpose of the proposal. The actions requested by a proposal need not be "fully effected" as long as they have been "substantially implemented" by the Company. See Exchange Act Release No. 34-12598 (July 7, 1976). Substantial implementation requires only that a company address the underlying concerns and satisfy the essential objectives of the proposal, not that the proposal be implemented exactly as proposed. *Hess Corporation* (Apr. 11, 2019); *Exxon Mobil Corp.* (Apr. 3, 2019); *Exelon Corp.* (Feb. 26, 2011).

In this case, the Proposal demands that the Company engage RDS Services, LLC to audit its Retiree Drug Subsidy, and then requests that the Company re-engage RDS Services, LLC on an annual basis to perform the same service. The Proposal's underlying concern is that the Company does not maximize its recovery under the Retiree Drug Subsidy program, and its essential objective is for the Company to engage a consultant to review the accuracy of the Company's applications. The Proposal's underlying concern and essential objective have already been substantially implemented because the Company already engages nationally recognized employee benefits consulting companies to evaluate the Company's Retiree Drug Subsidy application, which is similar to the audit described in the Proposal. The Company need not "fully effect" the Proposal's demand to engage a different supplier in order for Rule 14a-8(i)(10) to permit exclusion.

B. Rule 14a-8(i)(7)

³ <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/EmployerRetireeDrugSubsid/index?redirect=/EmployerRetireeDrugSubsid/>

The Proposal is properly excludable from the 2021 Proxy Materials under Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations.

A company may exclude a shareholder proposal from its proxy statement if the proposal "deals with matters relating to the company's ordinary business operations." Rule 14a-8(i)(7). The ordinary business exclusion rests on "two central considerations:" The first is that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"). The second consideration relates to "the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. This consideration may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks specific time-frames or methods for implementing complex policies." *Id.* (citing Exchange Act Release No. 12999 (Nov. 22, 1976)).⁴

1. The Proposal relates to the Company's day-to-day operational matters.

The Proposal deals with matters relating to the Company's ordinary business operations because it addresses the Company's relationship with a supplier.

Proposals concerning decisions relating to supplier relationships are generally excludable under Rule 14a-8(i)(7). In the 1998 Release, the Commission specifically included supplier relationships as a type of ordinary business matter excludable under Rule 14a-8(i)(7), stating, "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. Examples include ... the retention of suppliers" (emphasis added).

Further, the Staff has concurred with the exclusion of proposals under Rule 14a-8(i)(7) in numerous instances on the basis that they concerned decisions relating to supplier or vendor relationships. See, e.g., *Walmart Inc.* (Mar. 8, 2018) (concurring in the exclusion of a proposal seeking a report outlining the requirements suppliers must follow regarding engineering ownership and liability as relating to the company's ordinary business matter); *Foot Locker, Inc.* (Mar. 3, 2017) (concurring in the exclusion of a proposal seeking a report on steps taken by the company to monitor overseas apparel suppliers' use of subcontractors as relating "broadly to the manner in which the company monitors the conduct of its suppliers and their subcontractors"); *Kraft Foods Inc.* (Feb. 23, 2012) (concurring in the exclusion of a proposal that sought a report detailing the ways the company "is assessing water risk to its agricultural supply chain and action it intends to take to mitigate the impact on long-term shareholder value," noting that the "proposal relates to decisions relating to supplier relationships").

⁴ The Staff has made limited exceptions to the ordinary business exclusion rule for proposals that "focus[ed] on sufficiently significant social policy issues." See 1998 Release; Staff Legal Bulletin No. 14C (June 28, 2005). This exception does not apply here because the Proposal does not address a social policy issue.

As in the letters cited above, deciding which suppliers to retain regarding the Company's Retiree Drug Subsidy applications is fundamental to the Company management's ability to operate the Company on a day-to-day basis and is not a proper matter for direct shareholder oversight. See *Walmart Inc.* (Mar. 8, 2018). Further, by demanding that the Company engage RDS Services, LLC—rather than its current suppliers—for its Retiree Drug Subsidy program, the Proposal seeks to dictate which suppliers the Company will retain. In essence, the Proposal appears to seek to replace the Company's chosen suppliers with the Representative's employer. As a result of the specific details and expertise required for Company management to decide which suppliers to retain, the Company's relationship with its suppliers cannot, "as a practical matter, be subject to direct shareholder oversight."

2. The Proposal seeks to micromanage the Company's ordinary business operations.

The Proposal seeks to micromanage the Company by imposing a particular supplier and timeline.

The analysis of whether a proposal seeks to micromanage a company looks only at the degree of micromanagement. Staff Legal Bulletin No. 14J (Oct. 23, 2018). The micromanagement prong of Rule 14a-8(i)(7) "rests on an evaluation of the manner in which a proposal seeks to address the subject matter raised, rather than the subject matter itself" and "whether the proposal seeks intricate detail or imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board of directors." Staff Legal Bulletin No. 14K (Oct. 16, 2019) ("SLB 14K").

The Proposal would micromanage the Company's operations. The Company already engages nationally recognized employee benefits consulting companies to evaluate the Company's Retiree Drug Subsidy application, which is similar to the audit described in the Proposal, and the Proposal appears to seek to replace the Company's chosen suppliers with the Representative's employer. The choice of which suppliers to retain goes directly to the Company's specific strategy, method, and action. By further requiring the Company to engage this supplier on an annual basis, the Proposal details a specific timeframe and impermissibly supplants the judgment of management and the board of directors.

C. Rule 14a-8(i)(5)

The Proposal also is properly excludable from the 2021 Proxy Materials under Rule 14a-8(i)(5) because the Proposal is not economically or otherwise significant to the Company's business.

A company may exclude a stockholder proposal "[i]f the proposal relates to operations which account for less than 5 percent of the company's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the company's business." Rule 14a-8(i)(5).

1. The Proposal relates to operations that are not economically significant.

The Proposal relates to operations that are not economically significant because they account for much less than 5 percent of the Company's assets, earnings, and sales. At the end of its most recent fiscal year, the Company's total assets were valued at approximately \$84.6 billion; its operating loss was approximately \$10.1 billion; and its operating revenues were approximately \$17.1 billion. The Proposal alleges that the Company could recover \$3,926,467.74.⁵ That amount is not economically significant because it is 0.005% of the Company's total assets, 0.04% of its operating loss, and 0.02% of its operating revenues. The Company does not expect these percentages to increase meaningfully for 2021.

2. The Proposal is not otherwise significantly related to the Company's business.

The Proposal is not otherwise significantly related to the Company's business because any noneconomic significance is not apparent on the Proposal's face, and the Proponent has not demonstrated that it is otherwise significantly related to the Company's business.

A proposal that is not economically significant "may be excludable unless the proponent demonstrates that it is 'otherwise significantly related to the company's business.' . . . The mere possibility of reputational or economic harm will not preclude no-action relief." Staff Legal Bulletin No. 14I (Nov. 1, 2017).

In *Dunkin' Brands Group, Inc.* (Feb. 22, 2018), the Staff permitted exclusion under Rule 14a-8(i)(5) of a proposal requesting that the company's board issue a report assessing the environmental impact of using K-Cup Pods brand packaging where "the Proposal's significance to the Company's business [was] not apparent on its face, and that the Proponent ha[d] not demonstrated that it [was] otherwise significantly related to the Company's business."

In this case, nothing on the face of the Proposal or supporting statement indicates that the Proposal is significant to the Company within the meaning of Rule 14a-8(i)(5). The Proposal does not address any significance other than the "projected underpayment of \$2,900,253.74," which is the "mere possibility of . . . economic harm."

The Proponent also has not demonstrated that the Proposal is otherwise significantly related to the Company's business. The Proposal's only specific link to the Company is the allegation that the Company "applied for and received \$19,335,024.92 in Retiree Drug Subsidy for 2015, 2016, 2017, 2018" [*sic*]. As in *Dunkin' Brands Group, Inc.*, the Proposal does not contain factual or other support to demonstrate that the Proposal's demand for reimbursement of certain retirees' drug coverage under Medicare is otherwise significantly related to the Company's provision of public utility services to northern and central California.

⁵ \$3,926,467.74 is the sum of \$2,900,253.74 and \$1,026,214. It is not clear whether the Proposal alleges that RDS Services, LLC would recover \$2,900,253.74 or this greater number. The difference does not impact the analysis.

III. CONCLUSION

For the foregoing reasons, the Company respectfully submits that the Proposal may be excluded from the Company's 2021 Proxy Materials under Rules 14a-8(i)(10), 14a-8(i)(7), and 14a-8(i)(5).

By this letter, we request confirmation that the Staff will not recommend enforcement action to the Commission if the Company excludes the Proposal from its 2021 Proxy Materials in reliance on the aforementioned rules.

We would appreciate a response from the Staff by March 3, 2021, to provide the Company with sufficient time to finalize and print its 2021 Proxy Materials.

Consistent with Staff Legal Bulletin No. 14F (Oct. 18, 2011), we would also appreciate if the Staff would send a copy of its response to this request to us by e-mail at CorporateSecretary@pge.com when it is available. The Representative provided the following e-mail address for communication regarding the Proposal: gfox@rdsservices.us.

If you have any questions regarding this request or desire additional information, please contact me at (415) 973-1963.

Very truly yours,

Henry Weintraub

Attachments: Exhibit A

Attorney

cc: Brian M. Wong, Pacific Gas and Electric Company
George Fox (via UPS) to RDS Services, LLC, 50 West Big Beaver, Suite 220, Troy, MI
48084
Bethann Richter (via UPS) to ***

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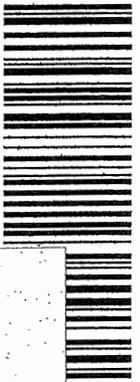
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Pacific Gas and Electric Company

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Office of the Corporate Secretary

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By: Letter Certified
Fax:

Linda Y. H. Cheng, Vice President Corporate Governance
Pacific Gas and Electric Company (Respondant)
77 Beale Street,
San Francisco, CA 94105

RE: Shareholder Proposal and Supporting Statement

Dear Ms. Y. H. Cheng,

Greetings and the best of wishes for your continued health and happiness.

My name is George Fox, National Director of Accounts for RDS Services, LLC. Today, 07-13-2020 15:00, I write to you after attempting to contact the head of Pacific Gas and Electric Company benefits and finance department on behalf of the Bethann Richter (Petitioner), and a shareholder of Pacific Gas and Electric Company and named in the Shareholder Proposal enclosed with this cover letter.

The Petitioner, as named in the accompanying Shareholder Proposal, (exhibit A) has delegated George Fox, (Representative) who serves as Director of National Accounts for RDS Services, LLC; a Michigan based company located at 50 West Big Beaver, Suite 220, Troy MI 48084, to submit the following "proposal by proxy" which is consistent with Staff Legal Bulletin 14I. The appointment of the Representative by the Petitioner is to act on behalf of the Petitioner's investment in Pacific Gas and Electric Company, as granted by Rule 14a-8. The Representative will enjoy the full authority granted by the designation of Authorized Representative and these powers are outlined in the Authorized Representative Affidavit (exhibit B).

The authority granted by the Petitioner's designation is from the date of this letter, 07-13-2020 15:00 and up to and for the Pacific Gas and Electric Company Shareholders Annual Meeting on or about 21-06-2021 10:00. If the annual shareholder meeting has occurred prior to receiving the letter or will occur within one hundred and twenty one (121) days of receipt of the letter and accompanying Shareholder Proposal, an automatic extension to the next Pacific Gas and Electric Company shareholder meeting is implied and the Representative's authority will continue to the next shareholder meeting that will occur within the next twelve months and one day.

To furtherance of the Representative's authority and purpose, the attached Shareholder Proposal is being submitted to the executive offices of Pacific Gas and Electric Company by the Representative on behalf of the Petitioner as listed in the company's previous years proxy. The shareholder proposal is being submitted more than one hundred and twenty (120) days in advance of the annual shareholder meeting via certified mail and / or fax within the context of Rule 14a-8(e). The terms and conditions of the Petitioner's proposal are outlined in the Shareholders Proposal attached (exhibit A).

The Shareholder has submitted with this proposal, an accounting of the holdings (exhibit C) that confirms the shareholder minimally required beneficial ownership of Pacific Gas and Electric Company voting stock with a "Market Value" of more than \$2000 in the 60 days prior to the submission of the Shareholder Proposal. The Pacific Gas and Electric Company stock is held in "Street Name" consistent with Rule 14a-8(b).

The shareholder has been a long-term stockholder of Pacific Gas and Electric Company for more than three hundred and ninety six (396) days and intends to continue to hold the securities through the date of the next shareholder meeting consistent with Rule 14a-8(b)

If Pacific Gas and Electric Company (Respondent) asserts that the Petitioners Shareholder Proposal has a defect that must be cured, all notices of the specific assertion should be mailed, certified to the Petitioners legal address at _____ with copies to the Representative at the office address listed in this letter signature.

The Representative intends to attend the annual shareholder meeting on behalf of the Petitioner on the date, as published in the annual statement and proxy, consistent with Rule 14a-8(h)(3). The Petitioner is submitting the enclosed Shareholder Proposal within the context of Rule 14a-8(a), 14a-8(b), 14a-8(d).

I thank you for your time and effort that you will expend on this matter. I look forward to the thoughts and comments on the proposed actions that will enhance shareholder value. Any discussion concerning modifications, amendments, withdrawls or settlements of the Shareholder Proposal, should be directed to the Representaive.

Please call me directly with any question and I look forward to speaking with you in the coming days that will proceed the annual meeting. I look forward to the time when all shareholders of the Pacific Gas and Electric Company will get to express their decision on this vital proposal that impacts shareholder value.

Respectfully,

X 

George Fox, LUTCF
Director of National Accounts
RDS Services, LLC
50 West Big Beaver, Suite 220
Troy, MI 48084
(516)361-9404
gfox@rdsservices.us

X 

Bethann Richter

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Mark Manquen

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Exhibit A

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SHAREHOLDER PROPOSAL and STATEMENT (RDS-40712017)

Bethann Richter, beneficially owns voting shares of Pacific Gas and Electric Company, submits the following:

RESOLVED: That shareholders of Pacific Gas and Electric Company, assembled at the annual meeting in person and by proxy, to demand that the Board of Directors immediately engage RDS Services, LLC to conduct a Retiree Drug Subsidy Reopening to evaluate and recover the estimated (\$2,900,253.74) and (\$ 1,026,214) speciality drug subsidies, in additional unclaimed Federal Drug Subsidies due Pacific Gas and Electric Company. Thereby enhancing shareholder value by increasing dividends or increasing share price. The shareholders further request that the Board annually engage RDS Services, LLC to maximize the Federal Retiree Drug Subsidy.

Statement: You are urged to vote "Yes" for this proposal for the following reasons.

- 1. Pacific Gas and Electric Company applies for and receives Federal Retiree Drug Subsidy payments called the Retiree Drug Subsidy, for retiree drug benefit costs paid out of company earnings yearly.
2. Pacific Gas and Electric Company has applied for and received \$19,335,024.92 in Retiree Drug Subsidy for 2015, 2016, 2017, 2018.
3. RDS Services, LLC has notified the Executive management of Pacific Gas and Electric Company of the potential Retiree Drug Subsidy payment enlargement by certified letter (#03) for the last twelve months or more from the date of this shareholder proposal.
4. RDS Services, LLC has a documented and proven track record of increasing and recovering additional Retiree Drug Subsidy for plan sponsors by an average increase of 115%.
5. RDS Services, LLC will recover the additionally projected \$\$2,900,253.74 in Retiree Drug Subsidy payment at no cost to Pacific Gas and Electric Company shareholders.

RDS Services, LLC has been successful in delivering Retiree Drug Subsidy recoveries that can directly increase dividends and share prices. RDS Services, LLC has recovered millions of additional dollars for large enterprise employers, exactly like Pacific Gas and Electric Company that participate in the Retiree Drug Subsidy. The recovery of the additional subsidy dollars should reduce operating cost and increase dividends.

As the owner of Pacific Gas and Electric Company Company stock, Bethann Richter believes the Company's has not received 100% of the drug subsidy that was due to Pacific Gas and Electric Company, based upon the projected underpayment of \$2,900,253.74 demonstrated by the RDS Services, LLC data analysis. The shareholder, Bethann Richter who advanced this proposal has seen numberous examples, of the high value provide by the Retiree Drug Subsidy Reopening process. These examples can be provided upon request.

As a committed investor in Pacific Gas and Electric Company, the proposer's focus is for the Company to enhance value for its investors. Based on the aforesaid examples, no other subsidy improvements can unleash the Company's shares' true value like the Retiree Drug Subsidy Reopening performed by RDS Services, LLC and there is NO COST to shareholders or Pacific Gas and Electric Company.

The Board must take advantage of this no cost opportunity to recover the additional Retiree Drug Subsidy and increase shareholder equity. Find More Information at www.rdsservices.us

X [Signature] Shareholder Date: 01-07-2020 15:00

Bethann Richter

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ELECTRONIC NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
REGISTRATION # 7679556
COMMISSION EXP JUNE 30, 2024

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Exhibit B

Authorized Representative Affidavit

Definitions

Stockholder: The term of Stockholder will be referred to as, “Stockholder”, “Shareholder”, “Investor”, “Proponent”, “Account Holder”, “TD Ameritrade Account Holder”, and “TD Bank Account Holder”. All these terms will have the same meaning as “Stockholder” for purposes of the shareholder proposal.

Investor: In relation to the term “Investor”, the use of “Investor” in any documents related to the shareholder proposal and all related correspondence shall have the same meaning as, “Shareholder”, and shall also refer to the stockholder “Bethann Richter”.

PCG-A: Shall mean Pacific Gas and Electric Company, et al, as shown in the Form K 10, (herein Exhibit D) that was filed with the United States Securities and Exchange Commission for the Fiscal Period ending December 31, 2019. The name Pacific Gas and Electric Company. and the common name Pacific Gas and Electric Company and shall also carry the designation assigned by the New York Stock Exchange as the trading symbol PCG-A of a publicly traded company or the New York Stock Exchange. (Staff, 2020)

Proposal by Proxy: For purposes of the shareholder proposal by the “Investor” and all related correspondence to the shareholder proposal, the term “Proposal by Proxy” shall mean the “Qualified Representative”, “Proxy” (as to mean Designee) and or the “RDS Services, LLC, Director” and shall have “delegated authority to vote client proxies”. (“Regulation of Investment Advisers by the U.S. Securities and Exchange Commission”, 2013)

RDS Services, LLC Director: The “RDS Services, LLC Director” shall be defined as the individual appointed by the “Investor” to act on behalf of the “Stockholder” and/or the “Investor” as a “Qualified Representative” to advance the “Shareholder Proposal” that was submitted to the “Company”

Qualified Representative: For purposes of the shareholder proposal by the “Investor”, the term “Qualified Representative” shall include the term “Family Offices” as defined in the Regulation of Investment Advisers by the U.S. Securities and Exchange Commission (“Regulation of Investment Advisers by the U.S. Securities and Exchange Commission”, 2013)

Designee: The term “Designee” shall have the same meaning as “Qualified Representative” and / or “RDS Services, LLC Director”

Company: The Term “Company” for the purposes of the “Shareholder Proposal” submitted by the “Investor” shall be “Pacific Gas and Electric Company”, which is designated at PCG-A on the New York Stock Exchange.

Shareholder Proposal: The “Shareholder Proposal” shall be defined by the “Division of Corporation Finance: Staff Legal Bulletin No. 14”. (Legal, 2001) and shall conform to the definition therein.

USPS: Shall mean “United States Postal Service” and all locations and facilities located within the United States, protectorates, territories, and common wealth’s, et al.

The designee, Lauren Finkbeiner, herein referred to in the Shareholder Proposal as Authorized Representative, Designee and or Proxy, is hereby given the authority by the Stockholder, to take charge of Bethann Richter shares in Pacific Gas and Electric Company herein designated by , as Authorized Representative.

The following information is provided for to support the shareholders Proposal by Proxy

Shareholder: Bethann W. Richter (Proponent)

Proxy: George L. Fox, Director (Designee)
RDS Services, LLC
50 West Big Beaver, Suite 220
Troy, MI 48084
(516) 361-9404

In compliance with stated Rule 14a-8, the “Designee” is authorized by the “Proponent” to act as the proponent’s “proxy” to advance the “shareholder proposal” submitted on or prior to 22-06-2020 and received by Pacific Gas and Electric Company on via certified letter (tracking USPS 03) to be presented during the annual shareholder annual meeting to be held on 21-06-2019 10:00, or on a date to be announced by Pacific Gas and Electric Company that is in compliance with “Rule 14a-8 which establishes specific deadlines for the shareholder proposal process. The following table briefly describes those deadlines.” (Legal, 2001)

120 days before the release date disclosed in the previous year's proxy statement	Proposals for a regularly scheduled annual meeting must be received at the company's principal executive offices not less than 120 calendar days before the release date of the previous year's annual meeting proxy statement. Both the release date and the deadline for receiving rule 14a-8 proposals for the next annual meeting should be identified in that proxy statement.
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I would note for the record, that the 14a-8 rule is silent of the need to specify a specific date for the stockholder meeting, only that the shareholder proposal arrive one hundred and twenty (120) days prior to the annual stockholder meeting and for the prior years annual report.

The 14a-8 rule, as explained in the Legal Bulletin goes on to state:

“If a company is planning to have a regularly scheduled annual meeting in May of 2003 and the company disclosed that the release date for its 2002 proxy statement was April 14, 2002, how should the company calculate the deadline for submitting rule 14a-8 proposals for the company's 2003 annual meeting?

- The release date disclosed in the company's 2002 proxy statement was April 14, 2002.
- Increasing the year by one, the day to begin the calculation is April 14, 2003.
- "Day one" for purposes of the calculation is April 13, 2003.
- "Day 120" is December 15, 2002.
- The 120-day deadline for the 2003 annual meeting is December 15, 2002.
- A rule 14a-8 proposal received after December 15, 2002 would be untimely.

If the 120th calendar day before the release date disclosed in the previous year's proxy statement is a Saturday, Sunday or federal holiday, does this change the deadline for receiving rule 14a-8 proposals?”
(Legal, 2001)

The “proponent” states and affirms that the designation of the “proxy” or “designee” is effective on or before May 19, 2020 as of the date officially affixed to this letter by the “USPS” and shall continue in perpetuity or until revoked in writing by the “proponent”.

In compliance with stated Rule 14a-8, the authority of the “designee” to act as “proxy” will apply to the “shareholder proposal” that proposes the engagement of “RDS Services, LLC Director” to conduct a Retiree Drug Subsidy Reopening to recover, on behalf of Pacific Gas and Electric Company, also known as PCG-A and for the benefit of the shareholders of PCG-A stock, the projected \$2,900,253.74 in additional Retiree Drug Subsidy that is forecasted to be due Pacific Gas and Electric Company.

In managing the shares, the agent has the authority to:

1. Buy and sell all shares that is used in connection with the shareholders accounts.
2. Sign any and all checks, notes, drafts, bills, commercial paper and documents related to the shares.
3. State accounts and prosecute, collect, or settle all claims due, that exist or may arise in connection with the shares.
4. Take control of the business, and to buy, sell, pledge or mortgage any notes, bonds, leases, contracts, security agreements and mortgages that are connected with the business; and
5. Do all other acts of management that are in connection with running the shares and or business.

Bethann Richter *Bethann Richter*

 Signature

Bethann Richter

CHIRAG PATEL
 ELECTRONIC NOTARY PUBLIC
 COMMONWEALTH OF VIRGINIA
 REGISTRATION # 7679556
 COMMISSION EXP JUNE 30, 2024

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efax

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This is the Exhibit Cover Page

Exhibit C

Statement from TD Bank

Shares held in "Street Name"

TD Ameritrade

200 South 108th Ave

Omaha, NE 68154

RE: Your TD Ameritrade Account ending in ***

Dear Bethann Richter,

Thank you for allowing me to assist you today. As you requested, each purchase, date and cost per share of the stocks you currently hold is listed below.

Ticker Symbol: PCG-A

Purchase Date: 23-07-2019

Shares Valuation: \$2,590.00

(See attached letter from TD Ameritrade)

www.tdameritrade.com

Affidavit of Service

State of New York, County of New York

The undersigned being duly sworn, deposes and says:

George Fox is not a party to the action. is over the age of eighteen (18) years of age and resides at _____.

That of the date of ~~07-03~~ 2020 15:00 deponent served within a "Shareholder Proposal" that is consistent with Rule 14a-8, upon Pacific Gas and Electric Company. The enclosed Shareholder Proposal is to be heard at the annual meeting located at 77 Beale Street San Francisco CA 94105.

Mode of service:

Service by mail, by depositing a true copy of the aforesaid document in a post paid properly addressed envelope, certified, in a postal office depository under the exclusive care and custody of the United States Postal Service.

[Signature] George Fox

Signature of person serving papers

George Fox
Printed Name

Sworn to before this 12 day of July, 2020

[Signature]
Notary Public

CHIRAG PATEL
ELECTRONIC NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
REGISTRATION # 7679556
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Word Count 126

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RDS Services, LLC

Appendix 2

RDS Services, LLC
50 West Big Beaver, Suite 220
Trot MI 48084

OVERVIEW OF RETIREE DRUG SUBSIDY OPTION

Introduction: The Medicare retiree drug subsidy represents a particularly important strengthening of health care coverage for Medicare-eligible retirees, given the continuing erosion in the availability and generosity of employment-based retiree drug coverage that has already been taking place. The positive benefits from the new Medicare retiree drug subsidy program derive from the subsidy payments it will make available to plan sponsors, the special tax-favored status of the subsidy payments, and the flexibility provided to plan sponsors in using the subsidy to support their own retiree drug plans.

The retiree drug subsidy is one of several options available under Medicare that enables employers and unions to continue assisting their Medicare eligible retirees in obtaining more generous drug coverage. The final regulation reflects CMS' four objectives:

- maximizing the number of retirees benefiting from the special retiree drug subsidy;
- assuring that plan sponsors contribute to retiree drug coverage at least what Medicare pays on retirees' behalf;
- minimizing administrative burden while maximizing flexibility for employers and unions; and
- remaining within budget estimates.

This summary provides an overview of provisions in the final regulation of interest to plan sponsors relating to the Medicare retiree drug subsidy program.

Overview of the Medicare Retiree Drug Subsidy: Subsidy payments equal 28 percent of each qualifying retiree's allowable prescription drug costs attributable to gross prescription drug costs between the applicable cost threshold and cost limit (that is, in 2006, drug spending between \$250 and \$5,000 for 2006). Gross costs are costs incurred for Part D, which are any drugs that can be covered under the Medicare Prescription Drug benefit. Gross costs include dispensing fees, but exclude administrative costs. Allowable costs are actual incurred costs (i.e., net of discounts rebates, and similar price concessions). Subsidy payments are tax exempt.

We estimate plan sponsors that choose to participate in the retiree drug subsidy program will receive \$668 on average in annual per capita retiree subsidy payments. For plan sponsors subject to taxation, we estimate that the \$668 tax-free retiree drug subsidy would be equivalent to about \$891 of taxable income for employers with a marginal tax rate of 25 percent and about \$1,028 of taxable income for employers with a marginal tax rate of 35 percent.

Plan sponsors that participate in the retiree drug subsidy program retain the option of making certain arrangements with Medicare Advantage (MA) organizations that offer MA plans without prescription drug coverage. For retirees who receive their Part A and Part B benefits through an MA plan, the plan sponsor can arrange with the MA organization to supplement those benefits. In addition, the sponsor may have a private contract with the MA organization, unrelated to the organization's contract with Medicare under Parts A and B, under which the MA organization underwrites the sponsor's retiree drug benefit.

Actuarial Equivalence: To qualify for the subsidy, a plan sponsor must show that its coverage is “actuarially equivalent” to (i.e., at least as generous as) defined standard coverage under the new Medicare prescription drug benefit. The final regulation includes a two-part test for plan sponsors to determine whether this standard, referred to as “actuarial equivalence,” has been met.

The first part of this test is the total or “gross” value test. To meet this requirement, the expected amount of paid claims for Medicare beneficiaries in the retiree drug coverage offered by the sponsor must be at least equal to the expected amount of paid claims for the same beneficiaries under the defined standard coverage. The second part of this test is the “net” value test, which takes into account the sponsor’s contribution toward the financing of the retiree drug coverage. The net value of the sponsor’s retiree plan, which is calculated by subtracting the expected retiree premium from the expected amount of paid claims under the sponsor’s drug program, must be at least equal to the net value of the Part D standard drug benefit.

The final rule provides that in calculating the net value of standard Part D drug coverage, one takes into account the impact of having an employer’s or union’s coverage supplement a retiree’s standard Part D coverage (in addition to subtracting the beneficiary premiums from the gross value of Part D). This would lower the amount of the expected paid claims under Part D because, under the true-out-of-pocket (TrOOP) requirements, having supplemental coverage will raise the spending threshold when Part D catastrophic coverage begins. Together, both parts of the test present a good balance of preventing windfalls being paid to sponsors and allowing as many sponsors to qualify for the subsidy as possible.

Other Highlights of the Final Rule: Although a detailed discussion is beyond the scope of this brief summary, the final rule contains numerous provisions that significantly improve the flexibility and workability of the retiree drug subsidy program, including (but not limited to) rules for: dealing with multiple coverage options, non-calendar year plans, integrated premiums, and alternative timing of data submission and payments.

Anticipated Future Guidance: CMS anticipates publishing additional guidance on actuarial equivalence, simplified actuarial methods, the subsidy application process, and other issues at a later date.

For More Information: Please visit the RDS website at <http://rds.cms.hhs.gov/>.

CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF Virginia }

COUNTY OF Arlington }

On 07/12/2020 before me Chirag Patel Notary Public,
Date (here insert name and title of the officer)

personally appeared George Fox and Bethann Richter

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of my notary public commission state that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

CHIRAG PATEL
ELECTRONIC NOTARY PUBLIC
COMMONWEALTH OF VIRGINIA
REGISTRATION # 7679556
COMMISSION EXP JUNE 30, 2024

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ogd/gw

Signature: 

(Seal)

_____ OPTIONAL _____

Description of Attached Document

Letter to Jones Day w Appendix v1.pdf

Title or Type of Document: _____ Number of Pages: 28

Document Date: 07/12/2020 Other: _____

